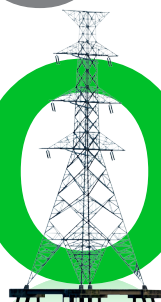




CHANGE TO GROW

2014 ANNUAL REPORT



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CHANGE TO GROW



“CHANGE TO GROW”

With evolving technologies,
fast-moving business environment
and ever-changing lifestyles,

SAMART GROUP has always been prepared
to ride on the new wave of change.

We are confident that our businesses and employees
are ready to take on the new challenges
to deliver the best products and services
that will bring about a positive change to Thai society.

B Business



Stronger Business,
Greater Future

We develop a business strategy
that puts us ahead of any new challenges
while continuing to strengthen our businesses
and exploring new opportunities to generate revolving revenues
and create a sustainable growth.

Message from the Board of Directors

The year 2014 was yet another challenging year, a consequence of the slowdown in economies worldwide. The Quantitative Easing by the US, economic crisis in Europe and China, and political uncertainty in Thailand, just to name a few, were significant events of the past year. Nevertheless, effective business operations, new business opportunities and adjustment of strategies in response to situations were collectively enabling the year 2014 to be another great year for Samart Group, having achieved a net revenue of 24,196 million baht and net profit of 1,484 million baht.

The Company's milestones in the previous year are as follows :

"i-Mobile" maintains as Thailand's number one local mobile phone brand

For over a decade now that maximum customer satisfaction has been ensured through ongoing quality improvement in mobile phone products alongside continuous applications of increasingly effective technologies, as well as sourcing parts from internationally accepted brands to assemble into high quality, affordable mobile phones for the Thai market.

The Group's Mobile Multimedia business line has, as a result, been able to maintain the leader position in Thailand. i-Mobile branded mobile phones were sold in a total of 4.7 million units during the past year. Moreover, expansion of distribution channels was carried out through increasing the number of outlets and sales agents in overseas markets.

Preparations for expansion in Utilities and Transportations business

Utilities and Transportations is the Company's new business line which makes a critical component to the development of a solid foundation for Samart Group's sustainable growth and the ability to tap on the growing opportunities in public utilities area. This line of business covers technologies related to development of utilities and transportations such as air traffic control system, vehicle management system for transportation, conventional energy, alternative energy as well as design, construction and installation of transmission lines and construction of power substations.



(Dr. Tongchat Hongladaromp)

Chairman

Samart Corporation Public Company Limited

Technology & Solutions



Unique and Innovative

With the advent of new technologies and changing customer needs,
we are committed to working closely
with our vendors and business partners
to offer creative and unique products and services
that can meet every need.

Commitment to sustainable and strong growth

Samart Group is committed to a defined goal of achieving a sustainable and strong growth. To realise that, the Company is determined to keep a balanced business portfolio that prepares for any situation it may face, with ability to cope while ensuring minimal risks to the business operations. Generating recurring revenues is also a continuous effort along with grooming of younger employees to become the next generation of executives who manage business growth the most effectively in the future.

Contribution to the sustainable future of Thai society

Our business operation has always progressed side-by-side with our contribution to the development of a strong and sustainable future for the society. “People of Quality, Society of Morality” being one of the Company’s missions signifies the Group’s efforts to give back to the society. Ongoing programmes have been conducted to fulfill the mission by means of providing education, opportunities and careers. Some initiatives include: technological innovation contest, scholarship for higher education, information and experience sharing seminars, financial support for outstanding students, educational and sport equipments as well as sporting events.

The Company has also conducted activities to promote “Society of Morality” in effort to nurture a sharing community. “Samart Mind Power” programme helps passes on Buddhist teaching through organisation of religious retreats, printing of prayer books and holding religious sermons. Employees are instilled with moral values through various activities and are encouraged to volunteer to help and better the society in many ways by being a part of “SAMART D Club”. Also, the Company constantly makes donations in terms of money and necessities to needy foundations.

On behalf of the Board of Directors of Samart Corporation PCL, we would like to express our sincere thanks to all shareholders, business partners, customers, financial institutions, related government offices, executives and staff, as well as other stakeholders who have always supported the Group. Samart Group is committed to moving ahead with a cautious progression ensuring a balanced foundation to succeed in the ever-changing environment, having in mind social responsibility that always goes hand in hand with competent management.



(Mr. Charoenrath Vilailuck)

Executive Chairman & CEO

Samart Corporation Public Company Limited



Professional Team
for Business Expansion

We already have a strong and professional team with clear vision, excellent capabilities and great teamwork and we will continue to expand the talent pool to facilitate new business expansions in the coming future.

Vision

Samart Group is committed to offering advanced ICT and Technology-related products and services to create sustainable growth and enrich the quality of life

.....

Mission

To realize our vision, we have defined a clear set of the following missions to create shared values for all of our stakeholders :

Customers

Develop and deliver quality ICT and Technology-related products and services that create optimal satisfaction for our customers and enhance their business competitiveness

Organization

Define and implement a clear organization structure and processes that ensure efficiency, transparency and fairness, and enabling us to gain confidence and sustainable growth

Partners

Cultivate and strengthen partnerships by jointly developing and offering quality products and services with business partners that create shared values and enable us to achieve mutual business goals together

Employees

Provide rewarding career and development opportunities to support our growing business and make Samart one of the most admired and attractive employers for talents

Stakeholders

Continuously seek new business opportunities that encourage stable revenue for long-term growth in order to consistently maintain strong return on investment to shareholders

Society and Communities

Implement a wide range of internal and external social contribution initiatives and projects to promote "People of Quality, Society of Morality" that add values to people's lives and create a positive impact in society



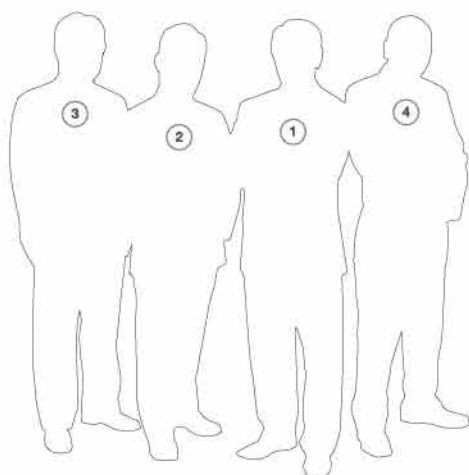
Board of Directors

1. Dr. Tongchat Hongladaromp

- Chairman
- Independent Director
- Audit Committee Member
- Chairman of the Nominating & Compensation Committee

2. Mr. Pradang Prichayangkun

- Vice Chairman
- Independent Director
- Chairman of the Audit Committee
- Corporate Governance Committee Member
- Nominating & Compensation Committee Member



3. Mr. Seri Suksathaporn

- Independent Director
- Audit Committee Member
- Nominating & Compensation Committee Member
- Chairman of the Corporate Governance Committee

4. Mr. Prinya Waiwatana

- Independent Director
- Corporate Governance Committee Member



5. Mrs. Siripen Vilailuck

- Director

6. Mr. Charoenrath Vilailuck

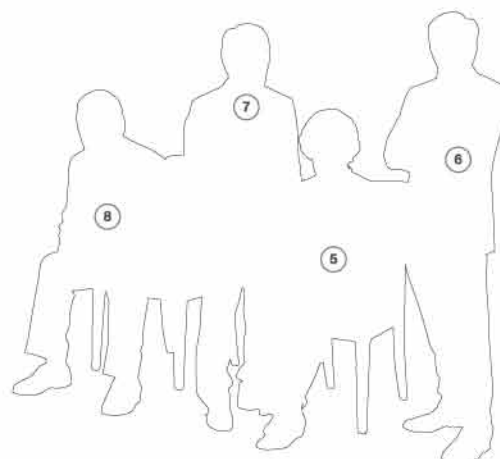
- Authorized Director
- Executive Chairman & CEO
- Chairman of the Risk Management Committee

7. Mr. Watchai Vilailuck

- Authorized Director
- President
- Chief Operating Member of the Risk Management Committee
- Chairman of the Sustainable Development Committee

8. Mr. Sirichai Rasameechan

- Authorized Director
- Executive Vice Chairman
- Risk Management Committee Member
- Corporate Governance Committee Member
- Vice Chairman of the Sustainable Development Committee



Corporate Social Responsibility Report / Sustainable Development Report

The Company always realizes about the importance of sustainable development, hence, the Board of Directors has appointed the Sustainable Development Committee to supervise the sustainable development together with the social and environmental responsibility. During 2014, the Sustainable Development Committee arranged 2 meetings to follow up operations and consider matters pursuant to the social responsibility policy and the Sustainable Development Committee Charter (Details are provided under Report of the Sustainable Development Committee in page 029). The Company shall develop the CSR activities pursuant to the guidelines specified by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand which can be led to sustainable business growth.

CSR Policy

1. To conduct business based on good governance principle as well as social and environmental responsibility by primarily taking into consideration benefits of all stakeholders;
2. To build up corporate culture that can encourage all employees to have conscious mind while performing duties and also to have volunteer spirit which is willing to devote efforts and personal time for benefits of communities as a whole;
3. To promote and educate the employees at all levels on social and environmental awareness to serve as guidelines on social and environmental conservation and development throughout the organization;
4. To encourage on creation of social and environmental projects or activities.

CSR policies comprise 9 operating principles of conduct as follows:

1. Corporate Governance

Promote and make good governance principle become corporate culture, adhere to responsibilities for all stakeholders with transparency and auditability.

The Board of Directors of the Company realized on the importance of the good Corporate Governance which will be the fundamental factor for improving standard of business operation to create more transparency, competitiveness and strengthen the confidence of all shareholders, investors and other related parties. Thus written Corporate Governance Policy and Business Ethics, which complied with the 2012 Corporate Governance Principles of the Stock Exchange of Thailand ("SET"), have been provided for practices of directors, managements and employees of the Company. The Company has the Corporate Secretary Division which is the compliance unit to supervise and oversee the operations of the Company, the directors and the managements to ensure that they have been correctly complied with the regulations of the SET, the Office of Securities and Exchange Commission ("SEC") and the Public Company Limited Act including other relevant laws. More details on Corporate Governance initiatives undertaken by the Company in 2014. Details are provided under **"Corporate Governance"**.

During the past year, the Company has strongly observed the Corporate Governance Principles, as a result, Samart Corporation Public Company Limited ("SAMART") and its 2 listed subsidiaries, Samart Telcoms Public Company Limited ("SAMTEL") and Samart I-mobile Public Company Limited ("SIM"), were awarded and gained favorably feedback on corporate governance in 2014 as follows:

1) SET AWARDS 2014 on Top Corporate Governance Report Awards

SAMART, SAMTEL and SIM received SET Awards 2014 on Top Corporate Governance Report Awards. This awards presentation has been arranged by The Stock Exchange of Thailand (SET) in collaboration with Money &

Banking Magazine by selecting from total 485 listed companies which passed preliminary screen processes. SAMART and SAMTEL have received such awards for two consecutive years.

2) **Assessment Result on Corporate Government of Thai Listed Companies for 2014**

SAMART, SAMTEL and SIM were assessed with **“Excellent”** Recognized Level (5 Stars) and they were ranked in Top Quartile of the group of companies with a market capitalization of more than 10,000 million Baht with scores of 93 percent, 94 percent and 90 percent, respectively. Only 27 companies or 5 percent of all companies within the same market capitalization which were assessed with 5 Star Level as surveyed from total 550 listed companies by the Thai Institute of Directors Association (IOD) in cooperation with the Office of Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

3) **Assessment Result on ASEAN CG Scorecard 2013/2014**

SAMART passed criteria pursuant to **ASEAN CG Scorecard 2013/2014** and was 1 of 17 companies which have more than 90 scores, while SAMTEL and SIM were 2 of 16 companies which received 80-89 scores from a total of 529 listed companies participated in the project. This project has been arranged by ASEAN Capital Market Forum (ACMF) jointly with Asian Development Bank (ADB) to assess corporate governance operations of the listed company in 6 member countries, i.e. Indonesia, Malaysia, the Philippines, Singapore, Vietnam and Thailand.

4) **Assessment Result on Quality on Arrangement of Annual General Meeting of Shareholders for 2014**

SAMTEL was assessed with 5 TIA (100 scores) while SAMTEL and SIM were assessed with 4 TIA with 99.30 and 99.00 scores, respectively from a total of 528 listed companies as surveyed by the Thai Investors Association.

2. Fair Operating Practices

Determine to operate business with fairness and with ethical behavior, observe the laws and respect all social rules.

The Company conducted business and managed work ethically. The Board of Directors has provided the business ethics manual for the Company's directors, managements and employees to adhere as their practical guidelines on integrity, honesty, standardization, quality, moral and fairness. It also covers the administration of all stakeholder groups, i.e. shareholder, employee, customer, competitor, business partner, creditor including society and the environment. The practical guidelines which include the rights and benefits entitled to all stakeholders have also been specified in the **business ethics** for the directors, managements and employees. Such business ethic has been posted on the Company's website (www.samartcorp.com). Moreover, the Board of Directors of the Company also assigns the Corporate Governance Committee to oversee the directors, the managements and the employees to ensure that they strictly adhere to this principle. For more details, please see in the Section **“Corporate Governance”**. under the topic of **“Business Ethics”**.

3. Anti-Corruption

Define the anti-corruption policies into the Company's Code of Business Ethics Manual. For more details, please refer to Section **“Internal Control, Risk Management and Anti-Corruption”**.

4. Respect of Fundamental Human Rights

Put emphasis on fundamental human rights, promote and respect rights, freedom and equality. Do not support discrimination based on gender and social status and strongly prohibit child labor/forced labor.

The Company adheres to human rights principle as a mutual operating principle. All employees shall not undertake any action or shall by no means support any action to violate any human rights. On the contrary, the Company shall create the knowledge-based-organization on human rights as well as cultivate consciousness to the Company's employees to make them adhere to and follow. The policy on non-human right violation has been stated in the business ethics manual as follows:

- **Personal right and freedom:**
 - The Company has policies that employee's personal information is the secret and shall not be sent or disseminated to unauthorized parties;
 - Disclosure or transfer of personal information only upon the owner's consent;
 - The human has right and freedom so long as not violate the right and freedom of others.
- **Equal treatment:**
 - All employees shall be treated equally and shall not be discrimination against race, nationality, language, religion, gender, age and education;
 - The employees shall value and respect each other and shall behave oneself appropriated with his/her duty pursuant to the regulations of the Company and the tradition and shall not damage the Company's image;
 - The Company allows the employees to express their potentials fully and shall fix appropriated remuneration pursuant to the Company's regulations and also provide opportunity to the employees to further their education both in university level as well as short term and long term training course;
 - Deliberation related to hiring and judgment of performance should be accurate and fair;
 - When performing the work, avoid expressing opinions that have to do with differences of physical and mind, race, nationality, language, religion, gender, age, education, or any other attribute likely to cause conflict;
 - Contribute to making the work environment free of oppression and injustice;
 - The employee shows respect and tolerance for each other's opinions.

5. Fair Labor Practices

Create safety and healthy workplace, implement the employment conditions which are appropriated with fundamental labor laws as well as enhance skills of personnel on continued basis so that they can have better quality of life.

The Company always realizes that all employees are the most valuable assets of the Company and they are the successful factors in making the Company achieve its objectives. The Company must respect and obey the laws and ethics in order to establish justice, stability and peace in the society. Therefore, the Company takes good care of and equally treat them with regards to the opportunity, compensation, appointment, transfer including fair and appropriated welfares in various aspects as follows:

1. Respect for the right to work pursuant to the fundamental human right principles. Details are provided under **"Corporate Governance"** in the topic of **"Business Ethics"** in the item of **"Non-violation of human rights policy"**.
2. Specify to have **"Compensation & Benefit Policy"** regarding to employee motivation, internal impartiality and compensation standards, and job value to company, Company essentially determines corporate compensation, benefit and welfare policy being compatible to position accountability, knowledge, and competence with business operation and up-to-date compare to leading companies in industrial competition. In the other hand, Company certainly ensures compensation, benefit and welfare policy aligned to new wage of legal regulation and preparing to AEC.
3. Specify to have **"Safety and Health Policy"**. Details are provided under **"Corporate Governance"** in the topic of **"Business Ethics"** in the item of **"Employee Policies"**

6. Consumer Responsibility

Place importance on manufacturing products and provision of service with good quality and safety.

The Company strongly believes in building confidence and bringing satisfaction to all of the customers. Since their trusts are critical to our business, the Company promotes the following policies:

1. Determine to provide and produce commodities and services that are trendy to satiate customers' needs;
2. Provide high-quality products and services at reasonable price;
3. Provide accurate information without any exaggeration that may cause misunderstandings on product's quality and quantity, or special conditions for each product and service;
4. Formulate procedures that permit customers to inform about drawbacks of the products or improper services, because those complaints are valuable for the Company to come up with immediate remedy and improvement for problematic products and services;
5. Provide effective after-sale services for customer's convenience;
6. Guard all customers' information as top secret and refuse to use them for personal benefits;
7. Support all activities that will strengthen, as well as maintain, lasting and healthy relationship between Company and customer.

Details are provided under **"Corporate Governance"** in the topic of **"Business Ethics"** in the item of **"Customers Policies"**.

7. Contribution to the Community and Society

Support and develop quality of life as well as prosperity of the community and society.

The Company is well aware that its existence and prosperity today is owing to the support from the communities and the society, hence, the Company places robust emphasis and support on the development of quality of life, prosperity of the communities and Thai society. For the past period, the activities undertaken by the Company under such scope and practical guideline are as follows:

1. Strengthen good relationship with the organizations, both from public and private sectors, as well as the community leaders in various levels so that the works for community development can be harmoniously coordinated on sustainable and concrete basis;
2. To provide the buildings, materials including funds to oversee the livelihood condition and safety of the communities, for instance the construction of bus shelter in front of the Company's office building, donation of rain coats and reflective coats to the traffic police in the areas of Pakkred Local Police Station and Pak Klong Rangsit Local Police Station, support the learning materials and sport equipment to the schools in nearby areas, restoration of the temples and donation of money to the poor in the communities;
3. To raise funds and supply the necessities to help the disaster victims, for instance provision of boats to the government agencies to be used for facilitating the people who were suffered from the flood;
4. To cultivate consciousness to the Company's employees on responsibility to the society, community and environment via media and internal activities continually.

For clarity on the arrangement of the Corporate Social Responsibility (CSR) Project, Samart Group has set up the policy and practical guidelines under the promotion framework of the **"Quality People and Moral Society"** which comprise of the following projects and activities:



Creation of quality people

- **SAMART INNOVATION:** This project covers a Technology Innovation Contest, Scholarships, and Technology Training to enhance telecommunication-technology knowledge and work skills namely:
 1. **Samart Innovation Awards 2014:** The annual contest was in its 12th year in 2014 **Samart Corporation Pcl.** Joined force with **National Science and Technology Development Agency (NSTDA)** in organizing “The Young Technopreneurs Project” The program covers :
 - Korea field trip to visit and see advanced technologies at “Seoul International Fair 2014” in South Korea for top 3 winners
 - The Business Startup Funds to 25 outstanding teams, each receiving Baht **20,000**. The winner of Samart Innovation Awards 2014 or the “Outstanding Inventor of Innovative Prototype” received Baht **200,000**, while the first and second runners-up got Baht **100,000** and Baht **50,000** respectively.
 - Commercial opportunity: During the past three years (2012 to 2014), we have supported 76 teams or over 200 person of young technopreneurs for technology business sector. In addition, the Company is committed to identifying and developing more such technopreneurs.
 2. **Samart Innovation FUND** has awarded scholarships and research grants to telecommunications students in their last year of study at six universities so as to further their knowledge, to develop their final study projects, or to continue their education. These universities are King Mongkut’s University of Technology Thonburi, Thammasat University, King Mongkut’s Institute of Technology Ladkrabang, Kasetsart University, Mahidol University and King Mongkut’s University of Technology North Bangkok. In all, Samart Innovation FUND handed out Baht **360,000** as research grants in 2014. Each scholarships was worth Baht **20,000** and each of the universities got three grants for their students.
 3. **Samart Innovation CAMP** has offered training on necessary telecommunication-technology knowledge and work skills. Conducted under the theme of “Get Ready to be a Professional”, the training took place at the Bangkok University, the King Mongkut’s University of Technology Thonburi, the Ramkhamhaeng University, the Rajamangala University of Technology Krungthep, and more, in 2014.
- **SAMART SCHOLARSHIPS :**
 - > **Scholarships for Thammasat University’s undergraduate students:** *Samart Corporation Pcl.* granted three scholarships worth Baht **245,400**.

- > **Scholarships for Mahidol University's graduate students:** *The Samart Foundation* provided five scholarships worth Baht **95,000** altogether for its master program via the Graduate Studies of Mahidol University Alumni Association, and five grants of Baht **100,000** to the Mahidol University's Engineering Foundation for use in educational support and R&D.
- > **Scholarships for primary and secondary students:** *The Samart Foundation* granted 60 scholarships and supplies worth Baht **145,000** altogether to cash-strapped students at Ban Kantrong School, Ban Wan School and Ban Muang School. These three schools are located in Surin province.
- **Sponsorship for SPORTS CAPABILITIES**
 - > **Sponsorship for football clubs:** *Samart Telcoms Pcl.* has been a sponsor of various football clubs such as Buriram United Football Club, the Songkhla (Wuachon) Football Club, the Chonburi Football Club, the Phrae United Football Club, the Royal Thai Navy Football Club and the TOT SC Football Club. *Samart Multimedia Company Limited*, meanwhile, has sponsored the Muangthong United Football Club.
 - > **Sponsorship for football:** *Samart Corporation Pcl.* gave Baht **15,000,000** in sponsorship to the 2014 FIFA World Cup, and Baht **200,000** for the construction of a beach flag football ground.
 - > **Sponsorship for badminton:** *Samart Corporation Pcl.* gave Baht **20,000** in sponsorship to the Broker Badminton Championship 2014. Organized by the Stock Exchange of Thailand and the Association of Thai Securities Companies, this tournament offers HRH Princess Maha Chakri Sirindhorn's trophy to the winner.
 - > **Sponsorship for golf:** *Samart Comtech Co., Ltd.* granted Baht **64,980** in sponsorship to a golf tournament held by the High-Level Judicial Executives 15 Golf Club. *Samart Corporation Pcl.*, meanwhile, offered Baht **50,000** in sponsorship to Thammasat University Hospital's charity golf tournament and Baht **30,000** in sponsorship to Thammasat University's golf tournament.
 - > **Sponsorship of Best Athletes Day 2013:** Held by the Sports Reporters Association via Modernine TV, this event received Baht **100,000** in sponsorship from Samart Corporation Pcl.
- **Other Forms of Support for EDUCATIONAL OPPORTUNITIES**
 - > **Support for the improvement of library, kindergarten classrooms and playground:** Volunteers from the "**Samart D Club**" went to the Ban Thung Ta Kaeo School in Tambon Huai Hin, Chaibadan district, Lop Buri province to carry out the improvement under the budget of Baht **315,000** granted by *Samart Corporation Pcl.*, *Samart Comtech Co.,Ltd.* and *Samart Communications Services Co.,Ltd.*
 - > **Sponsorship for Computer Club "C-Square":** The Company gave Baht **20,000** to this camp by the Faculty of Engineering, King Mongkut's Institute of Technology Ladkrabang, so as to allow senior-secondary-education students to gain additional knowledge.
 - > **Donation of Computers & Printers:** *Samart Comtech Co.,Ltd.* in collaboration with Airport of Thailand Pcl. (AOT) donated the devices to a remote border patrol police school in Ban Saen Kamleu, Pang Mapha district, Mae Hong Son province.



- **Support for COMMUNITY AND SOCIAL DEVELOPMENT**

- > **Support for “hazardous waste bins”:** *Samart Corporation Pcl.* provided 20 hazardous waste bins worth Baht **450,000** to the Pakkret City Municipality for use in the Pakkret Community. With these bins, the quality of life in the community is bound to increase while pollution is set to ease.
- > **Support for the Thai Journalists Association of Thailand:** *Samart Corporation Pcl.* gave Baht **200,000** to the association for organizing the dinner talk marking the association’s 59th anniversary.

Promotion of the Moral Society

The promotion focused on extending help and relief to the underprivileged or social works, which was conducted via the “**Samart...D Club**” activities. The “**Samart Foundation**”, meanwhile, was in charge of promoting Buddhism and charity causes.

- **Samart Mind Power** for the promotion of morality, Dhamma, and conscience
 - **A Dhamma course** titled *Format Your Mind Delete Your Emotions (2 Days 3 Nights)* was held at the Rama IX Meditation Center, the Rama IX Kanchanaphisek Temple for 40 participants. This course has been held for four consecutive years already.
 - **Organizing Dhamma talks** : In 2014, Phra Ajarn Surasak Surayano - a preacher from Wat Chonlaprathan Rangsarit - delivered a sermon on “*How to Stay Happy in the Changing Society*” while Phra Maha Sompong Talaputto gave a dhamma talk on “*Keeping Pace with Dhamma and the World with 3G Dhamma*”. Such dhamma talks have been held every year for interested employees.



- **Fund for “Doing Good” Project** : Volunteers from the “**Samart D Club**” received eight grants from *Samart Corporation Pcl.* for the implementation of their various initiatives to improve the society. Each grant was worth Baht **50,000**.
- **Raincoats and reflective vests for traffic police** in the areas of Pakkret and Pak Klong Rangsit on an annual basis to facilitate their operation: *Samart Corporation Pcl.* has donated the raincoats and vests worth Baht **80,000**.
- **Sightseeing Trip for Children**: Employees joining the “**Samart D Club**” took 50 children from the Ban Nokkamin Foundation to the National Science Museum in Klong 6, Pathum Thani province so as to expand their world of learning.
- **Support for Royally-Initiated Moral Tales**: *Samart Corporation Pcl.* provided support for the moral tales worth Baht **33,413** and Hello Kitty Love Mom shirts worth Baht **179,500** for use in children / youth activities.
- **Blood Donation**: In collaboration with the Thai Red Cross Society, the Company arranged blood-donation activities twice a year so as to provide employees and local people with social-contribution opportunities.
- **Support for BBA Charity Concert**: The Company gave Baht **20,000** to this charity concert. Held by Thammasat University and Standard Chartered Bank, it raised funds for the Eye Surgery Unit of the Thai Red Cross Society.
- **Support for Children’s Day Activities**: The Company has donated supplies such as notebooks, pencils and learning materials to various organizations for the activities at Wat Poramaiyikawas School, Maitree Utis Community School, Numprasong Wittaya School, Chotikaram School, Baan Chivitmai Jaisamarn Foundation (Khleng Toei Community), the Thonburi Rotary Youth Center, and the Lop Buri-based ‘My School’.

8. Environmental Conservation

Conduct business by always taking into account the environmental conservation and use resources in the most meaningful way.

The Company recognizes the duties and responsibilities to environment, the Company has policies to:

1. Operate the business by taking into consideration of conservation and security standard, and also be civility to follow the law and related regulations;
2. Be responsible to utilize natural resources in form of raw materials, investments, human resources, and energies in prudent manners;
3. Support care taking environment activities and conservation campaign continually.



The Company has a policy to strengthen and provide knowledge and training on environment to the employees in the organization, in order to be aware of environmental responsibility as follows:

1. The Company has arranged campaign to cultivate conscious mind on environment and natural resources through employee participation activities;
2. The Company supports environment conservation to social and other organizations as well as disseminating news and information on environment in order to build up image and good understanding on environmental management of the Company;
3. The Company has policies to foster the guideline of responsibility to environment for understanding the importance of environment by training the employee continuously for efficient environment system.

In 2014, the activities arranged by the Company included:

- **Development of products and services valuable to the environment**

We have developed products and services in line with environmental conservation and environmental safety standards. For example, we have helped with the Provincial Electricity Authority's AMR Project.

- **Inculcation of Green Mind**

The Company has promoted environmental care and efficient use of resources among its employees via both internal communications and the "Reduce and Reuse" project every year.

On 2014, the Company organized the project under the "*Roger That and Change*" concept with aim to perpetuate behavioral changes and also to pursue maximum efficiency from resources. As a result, a 3D house model went up as a part of the exhibition that showed how to save energy in daily life. In addition, in its bid to turn unused items into something useful for the society, the project carried out various other activities. Among them was a call for the donation of unused notebooks that were passed onto students in need.

9. Innovation and Publication of Innovation from Social Responsibility

Determine to develop and present innovation on technology application to uplift the standard of living, conserve environment and use resources in the most meaningful way.

Samart Innovation Award Project is an important activity that Samart Group of Companies conducted continually for more than 10 years with aims to encourage the youth and the new generation entrepreneurs to develop their creativity and capability which can lead to technology innovation. After the end of the contest in each year, the Company has disseminated qualified and winning projects to the public via activities and public relations media constantly. This project cannot only be used as commercial promotion to the contestants but it can also motivate the Thai new innovative developers. For the past year, there were 60 news coverage, publicized via newspaper, radio, television and on-line media.

Our Pride for 2014

Four Awards from SET AWARDS 2014

“**SAMART Group**” wins four awards from the SET Awards 2014, which is held by the Stock Exchange of Thailand:

- **Best Investor Relations Award** goes to Samart Corporation Pcl.
- **Top Corporate Governance Report Awards** go to *Samart Corporation Pcl.*, *Samart Telecoms Pcl.* and *Samart i-Mobile Pcl.*

Outsourced Contact Center Vendor of the Year

One To One Contacts Pcl. won the **Outsourced Contact Center Vendor of the Year 2014**, making it the award winner for three years in a row. The latest recognition from Frost & Sullivan’s Thailand Excellence Awards event reaffirms its status as Thailand’s leading contact-center vendor that has pursued constant development and enjoyed continued growth.



Report of the Audit Committee

Dear Shareholders of Samart Corporation Public Company Limited

The Audit Committee of Samart Corporation Public Company Limited has been appointed by the Board of the Directors and consists of 3 independent directors who are experienced on finance, accounting, law and management.

During 2014, the Audit Committee has independently performed the works under scope of duties and responsibilities in accordance with the Audit Committee Charter, for instance review financial statement, disclosure of connected transactions to ensure accuracy and completeness, review on compliance with the related laws, review internal control system and internal audit to ascertain that they are suitable including proposal on appointment of the auditor for 2014. During 2014, the Audit Committee arranged 5 meetings and the essence can be summarized as follows:

1. The Audit Committee reviewed the quarterly and annual financial statement and consolidated financial statement of the Company and its subsidiaries for 2014 which had already been reviewed and audited by the external auditor and submitted before send to the Board of Directors for further consideration approve. Prior to approval of the financial statement, meetings with the management and the external auditor had been held to review its accuracy and completeness to ensure that its essence has been correctly prepared pursuant to the generally accepted accounting principles with adequacy of the financial disclosures and beneficial to the operators.
2. The Audit Committee has reviewed connected transactions or transactions which might have conflict of interests with the Company to make sure that the Company has conducted business under normal course of business conditions and has complied with the laws on securities and stock exchange.
3. The Audit Committee has reviewed on strictly compliance with governance policy pursuant to principle of laws and operating practices of The Securities and Exchange Commission as well as other related laws to order to make the operations of the Company transparently and can create confidence to the shareholders and the investors. The Company's operations on corporate governance have constantly been assessed with favorably results.
4. The Audit Committee has reviewed internal control system on quarterly basis to ensure that the Company has adequate and appropriate internal control system by considering from report on internal audit result. The Committee also urged the Internal Audit Department to follow up the matters assigned to ensure that the management has rectified or improved as per suggestion made by the Internal Audit Department within the specified period of time.
5. The Audit Committee has considered and approved internal audit plan for 2015 to make sure that the internal audit activities shall be conducted with efficiently and effectively by reviewing scope of operation, duties & responsibilities of the Internal Audit Department in order to make quality of audit operation on par with international standards.
6. The Audit Committee considered the nomination, appointment and annual remuneration of the external auditor for 2014 who has suitable qualifications. The processes taken into consideration were the independence, performance in the past year, knowledge, competency in telecommunications industry and also competitiveness of the audit fee as one of the key considerations. The resolution has been presented to the Board of Directors to further request for approval on appointment of the external auditor for 2014 from the shareholders' meeting.

7. Audit Committee conducted its self-assessment performance, which consisted of reviewing its composition, authority, independence, auditing performance and the expression of opinions and/or recommendations, all of which should benefit the Company on internal control system and risk management, financial reporting, external audit process of the external auditor, the internal audit system, compliance with applicable regulatory requirements and the report of the Audit Committee. This self-assessment was benchmarked against the best practice guidelines from the Stock Exchange of Thailand and the Audit Committee Charter.

In summary, the Audit Committee has performed duties and responsibilities as per specified in the Audit Committee Charter by applying insightfulness, carefulness with adequate independency. Areas where the Audit Committee placed especially attention to are operations under appropriated and transparent internal control system with efficient and reliable corporate governance as well as continual risk management. Additionally, operation systems have been developed and improved to make them have better quality to fulfill the Company's objectives.



(Mr. Pradang Prichayangkun)

Chairman of the Audit Committee
Samart Corporation Public Company Limited

Report of the Executive Board

Dear Shareholders of Samart Corporation Public Company Limited

Even though Thailand faced the problems of political disturbances and changes during the first half of 2014 which resulted in a decline in household spending, investment in private and industrial sectors as well as a decrease of government disbursement, nonetheless, after the government has issued work plans and implemented various policies to restore and stimulate the economy, so it made what had been impacted began to recover and also made both domestic and foreign investors have more confidence. The Executive Board prudently managed the works amidst such economic and environmental changes by providing guidance and recommendation on business management as well as auditing, monitoring and evaluating performance constantly. Consequently, performance of the Company was on the increase continually.

In 2014, the Executive Board held 12 meetings to consider various material matters and reported meeting results as well as solution guidelines including suggestions for the Board of Directors' acknowledgement constantly, which can be summarized as follows:

1. To consider and specify strategy and operation plan of the subsidiaries including the affiliated companies in each business line every quarterly then conveyed such plans to the management and the employees at all levels in the organization for their acknowledgement and compliance to make them achieve the specified target.
2. To consider, inspect and follow up performance of all business line every month pursuant to the work plans and the works assigned by the Board of Directors.
3. To consider and approve annual budget and investments of the Company before propose to the Nominating and Compensation Committee then to the Board of Directors for their consideration and approval.
4. To consider remuneration rate policy and salary structure of the employees for the Nominating and Compensation Committee's consideration before presenting to the Board of Directors' meeting for further consideration and approval.

Accomplishment for the past year signified the compliance with the Company's vision, policy and strategy. The Executive Board determined to develop and improve the operation as well as develop products and services to make them better quality by emphasizing on CHANGE AHEAD under corporate governance in order to make the Company ready to move to the ASEAN Economic Community and can grow steadily and on sustainable basis.



(Mr. Charoenrath Vilailuck)

Executive Chairman & CEO

Samart Corporation Public Company Limited

Report of the Risk Management Committee

Dear Shareholders of Samart Corporation Public Company Limited

The Board of Directors has appointed the Risk Management Committee which consisted of the Executive Chairman of the Company and the high level executives to perform duty and to take responsibility on regulating risk as well as management policies to make them conform to the Company's strategy and objectives. Other duties included provision of recommendation guidelines on risk management to the management of the Group of Companies as well as support and encouragement for improvement of risk management to ensure that it shall be efficiently and completely cover all main activities which can make business operations carry on continually and sustainability.

During 2014, the Company has complied with such risk management policies and reported to the Risk Management Committee's meeting 3 times. Material matters considered can be summarized as follows:

1. Review and improve the risk management policies to make them consistent with the specified business operation plans.
2. To give advises on risk management operations to the management in the Group of Companies.
3. To encourage the management and the employees to be well aware of the importance of risk management as it is the means to lead the Company to meet the targets specified.
4. To follow up progress of risk management operations of the relevant organizations.

Based on the above operations, the Risk Management Committee has considered and deemed that risk management of the Company is adequately and can cover business operations of the Company and assured that the Company can achieve strategic targets for maximum benefits of all shareholders and stakeholders.



(Mr. Charoenrath Vilailuck)

Chairman of the Risk Management Committee
Samart Corporation Public Company Limited

Report of the Corporate Governance Committee

Dear Shareholders of Samart Corporation Public Company Limited

After the Corporate Governance Committee has been appointed by the Board of Directors to support on supervision and administration of the Directors and the management pursuant to the corporate governance principles along with the social and environment responsibility, the Corporate Governance Committee has managed the works transparently and with accountability by emphasizing on treating all stakeholders equally to enhance confidence and sustainable development.

In 2014, the Corporate Governance Committee arranged 2 meetings to consider and follow up governance operations as well as improve corporate governance policy, code of business ethics as well as operating guidelines of the Company and the meeting results have been constantly reported to the Board of Directors' meeting of which their main points can be concluded as follows:

1. To review and revise the corporate governance policy, code of business ethics and Committee Charter of the Company to make them conform to the criteria of the Office of The Securities and Exchange Commission (SEC), the Stock Exchange of Thailand and Organization for Economic Co-operation and Development (OECD) including ASEAN CG Scorecard criteria.
2. To monitor and supervise on compliance with the Company's corporate governance policy and code of business ethics as well as other relevant criteria throughout the organization and such monitoring has been regularly inspected regularly. In addition, performance of the Board of Directors, the Committees, the President & Chief Executive Officer as well as the Corporate Secretary shall be assessed every year. Assessment results shall be used to improve and develop for better efficiency and summary on operating results shall be reported and presented to the Board of Directors and the shareholders for their acknowledgement.
3. To promote corporate governance culture and practical results by conveying information and knowledge via various channels to the directors, the executives and the employees, for instance disbursement as weekly tips via e-mail, bulletin board and the Company's intranet system to cultivate values and consciousness to all parties in the organization.

Due to the strong intention in emphasizing the importance of corporate governance-based operations on continual basis, as a result, Samart Corporation Public Company Limited ("SAMART") and its 2 listed subsidiaries, Samart Telcoms Public Company Limited ("SAMTEL") and Samart I-mobile Public Company Limited ("SIM"), were awarded and gained favorably feedback on corporate governance in 2014 as follows:

1) SET AWARDS 2014 on Top Corporate Governance Report Awards

SAMART, SAMTEL and SIM received SET Awards 2014 on Top Corporate Governance Report Awards. This awards presentation has been arranged by The Stock Exchange of Thailand (SET) in collaboration with Money & Banking Magazine by selecting from total 485 listed companies which passed preliminary screen processes. SAMART and SAMTEL have received such awards for two consecutive years.

2) Assessment Result on Corporate Government of Thai Listed Companies for 2014

SAMART, SAMTEL and SIM were assessed with “**Excellent**” Recognized Level (5 Stars) and they were ranked in Top Quartile of the group of companies with a market capitalization of more than 10,000 million Baht with scores of 93 percent, 94 percent and 90 percent, respectively. Only 27 companies or 5 percent of all companies within the same market capitalization which were assessed with 5 Star Level as surveyed from total 550 listed companies by the Thai Institute of Directors Association (IOD) in cooperation with the Office of Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

3) Assessment Result on ASEAN CG Scorecard 2013/2014

SAMART passed criteria pursuant to **ASEAN CG Scorecard 2013/2014** and was 1 of 17 companies which have more than 90 scores, while SAMTEL and SIM were 2 of 16 companies which received 80-89 scores from a total of 529 listed companies participated in the project. This project has been arranged by ASEAN Capital Market Forum (ACMF) jointly with Asian Development Bank (ADB) to assess corporate governance operations of the listed company in 6 member countries, i.e. Indonesia, Malaysia, the Philippines, Singapore, Vietnam and Thailand.

4) Assessment Result on Quality on Arrangement of Annual General Meeting of Shareholders for 2014

SAMART was assessed with **5 TIA (100 scores)** while SAMTEL and SIM were assessed with 4 TIA with 99.30 and 99.00 scores, respectively from a total of 528 listed companies as surveyed by the Thai Investors Association.

The above corporate governance performance which was accepted from the renowned institutes within the country and abroad was the results from the emphasis the Company always put on this matter coupled with collaboration from all of the directors, the executives and the employees throughout the organization. The Corporate Governance Committee still determines to develop and raise standard of corporate governance work to make it becomes better for the best interest of all stakeholders as it shall further contribute to the society and the country.


(Mr. Seri Suksathaporn)

Chairman of the Corporate Governance Committee
Samart Corporation Public Company Limited

Report of the Nominating and Compensation Committee

Dear Shareholders of Samart Corporation Public Company Limited

The Nominating and Compensation (NC) Committee has performed duties as per assigned by the Company's Board of Directors under duties and responsibilities specified in the Nominating and Compensation Committee Charter with regards to recruitment, screening and nomination of the candidates in the position of director and high executive level as well as proposal for remuneration policies and other benefits for the Company's board of directors, the committees as well as the employees at all levels. The NC Committee consists of 3 members and all of them are the Independent Directors.

In 2014, the NC Committee held 3 meetings to consider important matters and constantly reported the meeting results including comments and recommendations to the Board of Directors for consideration of which they could be summarized as follows:

1. Consider the nomination and selection of candidate to hold the position of the Independent Director and the Company's director as well as the committee members to replace the member who was retired upon completion of the term. The NC Committee shall select personnel who have completed and appropriated qualifications as per specified by the Office of the Securities and Exchange Committee and the Stock Exchange of Thailand who do not have any prohibited characteristics as per specified by the laws by taking into account the qualifications, experiences and capabilities which shall be beneficial to the company to further propose to the Board of Directors' meeting and the shareholders' meeting. The NC committee who has an interest in any matter considered shall not participate in the meeting and shall not vote in such matter.
2. To thoroughly consider on remuneration of the directors and the committee members. Remuneration of the directors who are assigned to take additional responsibilities shall be increased in proportion with their workload and responsibilities as appropriated.
3. In order to motivate and retain the capable and good performance employees, the NC Committee shall consider the criteria on salary increase for 2015 and bonus for 2014 jointly with the Human Resources Department and the Executive Board. The salary increase rate and the bonus shall be in appropriate rate and in line with the Company's performance.

In addition, the NC Committee has performed the assigned duties with transparency, carefulness, integrity and independently pursuant to corporate governance principles by always taking into consideration the maximum benefits of the Company and all stakeholders.



(Dr. Tongchat Hongladaromp)

Chairman of the Nominating and Compensation Committee
Samart Corporation Public Company Limited

Report of the Sustainable Development Committee

Dear Shareholders of Samart Corporation Public Company Limited

The Company always realizes about the importance of sustainable development, hence, the Board of Directors has appointed the Sustainable Development Committee to supervise the sustainable development together with the social and environmental responsibility, by adhering to 9 practices as follows: Corporate Governance, Fair Operating Practices, Anti-Corruption, Respect of Fundamental Human Right, Fair Labor Practices, Consumer Responsibility, Contribution to the Community and Society, Environmental Conservation including Innovation and Publication of Innovation from Social Responsibility.

During 2014, the Sustainable Development Committee arranged 2 meetings to follow up operations and consider matters pursuant to the social responsibility policy and the Sustainable Development Committee Charter. The meeting results have been constantly reported to the Board of Directors of which their main points can be summarized as follows:

1. To consider the assessment result on sustainability development level of the Company from the SEC;
2. To conduct study on the sustainability development roadmap of the SEC and the participation in Thailand's Private Sector Collective Action Coalition Anti-Corruption Scheme to prepare readiness on social responsibility operations and the information disclosure pursuant to regulations of the SEC;
3. To review the Company's social responsibility policy and the Committee considered that such policy was in line with the sustainability development guidelines which covering 3 components, i.e. environment, society and corporate governance and it can make the Company's performance growth in the long term on sustainable basis along with the social responsibility;
4. To enhance the Company's arrangement of the activities to cultivate the employees' consciousness on having volunteer spirit, sacrificing their strength, spirit and personal times to make benefits for the whole community as well to promote and provide knowledge on social and environmental aspects to the Company's employees, so they can use them as guideline to develop and oversee social development and environmental responsibility throughout the organization;
5. To monitor operational results on social responsibility activities of the Company in 2014;
6. To conduct the Sustainable Development Committee self-evaluation for 2014 and the assessment results including the recommendations shall be used for improving with aims to have sustainable development and increase efficiency of the operations;
7. To prepare reports on operations of the Sustainable Development Committee during the past year to present to the shareholders in the annual report and for the Board of Directors' acknowledgement constantly.

The Sustainable Development Committee shall determine to fully perform duties to develop and support social and environmental activities in conjunction with business operations by observing corporate governance principles and 9 practices on social and environmental responsibilities as per mentioned above for ultimate sustainability of the Company.



(Mr. Watchai Vilailuck)

Chairman of the Sustainable Development Committee
Samart Corporation Public Company Limited

Financial Highlights

Samart Corporation Public Company Limited and Subsidiaries

(Unit : Million Baht)

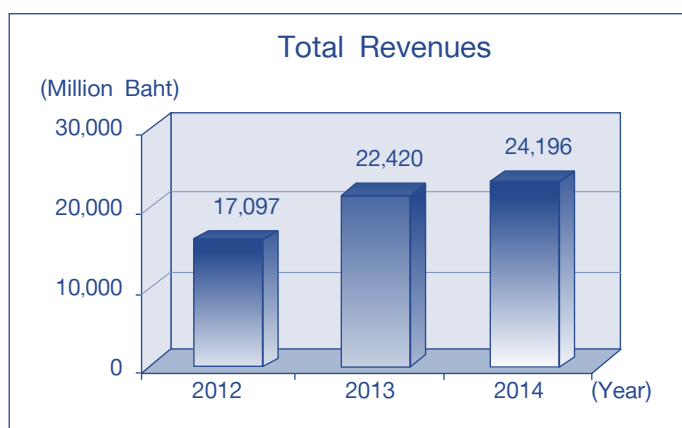
Information from Financial Statement	2014	2013 Restate ^(*)	2012 Restate ^(*)
Total Asset	26,136	24,081	21,516
Total Liabilities	17,874	15,550	14,383
Total Shareholders' Equity	8,262	8,531	7,132
Sales and Services Income	23,880	22,293	16,711
Total Revenue	24,196	22,420	17,082
Gross Profit	5,227	5,384	3,699
Net Profit (Loss) (Equity holder of the subsidiaries)	1,484	1,474	1,093

Financial Ratio	2014	2013 Restate ^(*)	2012 Restate ^(*)
Earning Per Share (Baht)	1.48	1.48	1.11
Book Value Per Share (Baht)	5.83	6.57	5.72
Dividend Per Share (Baht)	0.85 ^(**)	0.80	0.60
Net Profit (Loss) Margin	6.13	6.57	6.40
Return on Equity	23.91	24.19	21.19
Return on Total Assets	5.91	6.46	5.47

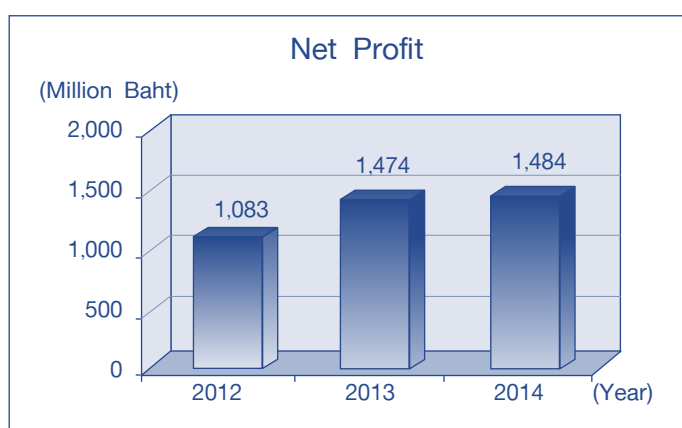
Remarks : ^(*) The Company and its subsidiaries have restated the consolidated financial statements in 2013 and 2012 :

- The Company and its subsidiaries due to change in accounting policy for building and building improvement from cancellation of a revaluation basis to a cost basis;
- The subsidiary Companies' adoption of Thai Financial Reporting Standard Interpretation 4: Determining whether an Arrangement contains a Lease and Thai Financial Reporting Standard Interpretation 12: Service Concession Arrangements.

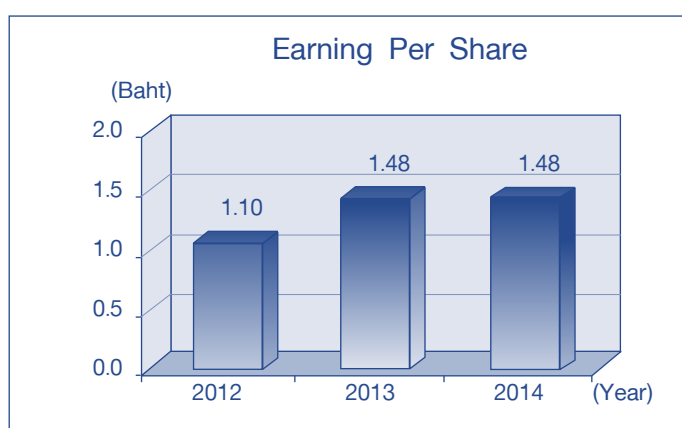
^(**) Dividend per share comprised of interim dividend for January - June 2014 of Baht 0.42 and Baht 0.43 which will be proposed for consideration of shareholders in the 2015 Annual General Meeting.



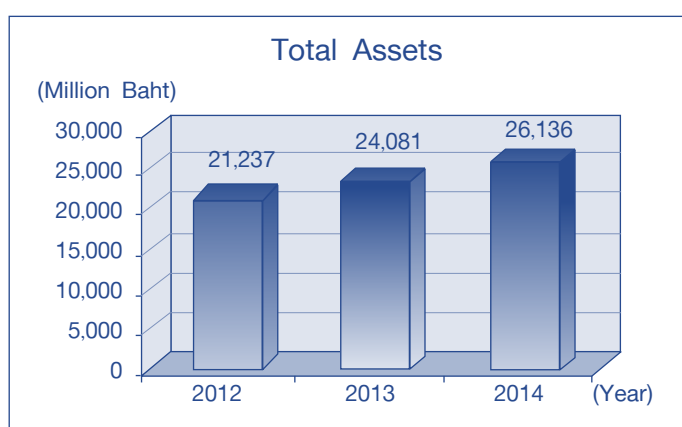
In 2014, total revenues rose to 24,196 Million Baht, increased by 1,776 Million Baht as a result of the growth in Mobile Multimedia Business and Non-Listed Businesses.



Net Profit for 2014 was 1,484 Million Baht, increased slightly as compared with the previous year. The main factor came from an improvement in net profit from Non-Listed Businesses.



Earnings per Share in 2014 remained stable from the previous year.



Total Assets rose to 26,136 Million Baht from 24,081 Million Baht, increased by 2,054 Million Baht.

Results of Customer Satisfaction Survey

The Company has given precedence to ultimately meet the needs of customers, both government and private sectors, with the international standards of quality to achieve customer satisfaction from project installation and delivery to after-sales services.

Samart Telcoms Pcl., a listed subsidiary, has designed and conducted customer satisfaction surveys to bring the results into analysis and to improve or rectify known defects as well as to maintain and enhance positive aspects that customers perceive about the Company. In addition, customer satisfaction surveys and fault correction process are requirements in standard of ISO 9001 : 2008, which the Company's subsidiaries have been certified. The Company has set a target of number of satisfied customers not less than 80 percent of total customers surveyed.

For the year 2014, the satisfaction survey results indicated that overall customer satisfaction over various services from the Company was at high level with number of customers having positive attitude (somewhat satisfied and very satisfied) at 94 percent of total customers surveyed and the average satisfaction score of 4.27 out of 5 points.

Categorized into two areas, installation and delivery, and after-sales services, the survey shown that:

- **Satisfaction on the installation and delivery.** Overall customer satisfaction was at high level with number of customers having positive attitude (somewhat satisfied and very satisfied) at 91 percent of total customers surveyed and average satisfaction score of 4.17, which is higher than that surveyed for the year of 2013 (at 88 percent). The results indicated that the Company was outstanding in implementation planning (4.36), manners and relation in coordination (4.35), punctuality (4.21) and ability of the project manager (4.18).
- **Satisfaction on after-sales services.** Overall customer satisfaction was at high level with number of customers having positive attitude (somewhat satisfied and very satisfied) at 96 percent and average satisfaction score of 4.29, which is higher than that surveyed for the year of 2013 (at 92 percent). The results indicated that the Company was outstanding in the manner and interpersonal skill of the staff (4.64), knowledge and expertise of service technicians (4.44), manner of service call agents (4.5), equipment after repair in well operation (4.31), and the ability in initial troubleshooting of on-call technicians (4.24).

The Company acknowledged flaws and suggestions for each project, and created Corrective Action Request (CAR) brought into the process of improvement to prevent those flaws from recurrence resulting in elevation of quality of services to customers.

Remarks: In the survey, satisfaction was measured using Likert Scale by indicating satisfaction level of the respondents into five scales from Very satisfied (5), Somewhat satisfied (4), Neutral (3), Somewhat dissatisfied (2), and Very dissatisfied (1). The survey, for data analysis, utilized the following indicators:

- *The negative attitude (Bottom 2 boxes/scales) by considering only "Somewhat dissatisfied" and "Very dissatisfied" indicated in the answer.*
- *The positive attitude (Top 2 boxes/scales) by considering only "Somewhat satisfied" and "Very satisfied" indicated in the answer.*

In addition, One To One Contacts Pcl., a listed subsidiary, is doing survey at all loops - 360 degree: clients, business partners, and staff. This leads to the sustainable development as we believe that service comes from happy staff while business partners are continuously supportive.

- **Client:** The company is doing the survey with client who is our employer at least 1 time a year. We always survey end at the touch point, starting from selling process, installation, service delivery, and then after sales service. This includes suggestion and comment from client so that we will improve and develop the service constantly.
- **Business Partner:** The company is doing a survey on service satisfaction at least once a year. This is to ask them questions regarding the convenient at the point of contact, billing service and business cooperation.
- **Staff:** The company does the survey on service satisfaction at least once yearly to ask their happiness levels in various perceptions both financially and non-financially. Financially aspect is a question such as compensation, welfare, and etc while the non-financially aspect such as knowledge and skill development, promotion, working atmosphere, communication and management.

Satisfaction level is the 5 scales scoring which calculate client's satisfaction of the top two boxes score - very satisfy, and highest satisfy.

Policy and Overview on Business Operation

Overview on Business Operation of the Company

Samart Corporation Public Company Limited was incorporated on March 7, 1989 under the name “Samart Comtech Company Limited” by Vilailuck Group with an initial registered capital of Baht 5 million to engage in business of design and installation of telecommunication system. Later in 1992, the Company’s name has been changed to **“Samart Corporation Company Limited”** and it has been privatized in 1993. Presently, the Company undertakes business as a holding company by investing in its subsidiaries and affiliated companies. Its current business structure has been divided into 5 LOBs as follows: ICT Solutions and Services, Mobile Multimedia, Call Center, Utilities and Transportations and Technology Related Services.

Overview on Business Operation of Subsidiaries and Affiliated Companies

Samart Corporation Public Company Limited is a holding company which undertakes business concerning telecommunication system and it is a joint venture in its subsidiaries and affiliated companies which are newly established to operate the winning concession projects from the bid, engage in IT system service provision through various telecommunication networks as well as provide services on consultation, contract, design & installation, management and maintenance of IT and communication system as Total Solutions & Services to the public and private sectors. Other businesses includes integrated mobile phone distribution and interactive media business including infotainment service and content provider via advanced media, provision of media and multimedia equipment for locally and internationally, manufacture and distribution of television and radio antennas and satellite dishes, total customer management solutions with regards to installation and management of customer relations center, procurement and management of call center service officers for the public and private sectors, distribution and contract for installation of security system and audio-video communication, wire and wireless system, total waste management solutions in Suvarnabhumi Airport, contract for construction of fully integrated high voltage substation and transmission lines beginning from design, procurement, construction, commissioning test and maintenance as well as the related business where the Company shall participate in management of such business closely. In 2001, the Company has expanded its scope of business investment in Cambodia by obtaining concession on planning and development of communication system and air traffic control system, including obtaining exclusive right to provide air traffic control services above the Cambodian sky for 32 years (concession period is between 2001 - 2033). This business is operated via Cambodia Air Traffic Services Company Limited (“CATS”). In addition, the Company also engages in business of generation and distribution of electricity to Kampot Cement plant in Cambodia as well.

Corporate Vision, Mission, Goals and Strategies

- **Vision**

Samart Group is committed to offering advanced ICT and Technology-related products and services to create sustainable growth and enrich the quality of life.

- **Mission**

To realize our vision, we have defined a clear set of the following missions to create shared values for all of our stakeholders:

“Customers”

Develop and deliver quality ICT and Technology-related products and services that create optimal satisfaction for our customers and enhance their business competitiveness;

“Organization”

Define and implement a clear organization structure and processes that ensure efficiency, transparency and fairness, and enabling us to gain confidence and sustainable growth;

“Partners”

Cultivate and strengthen partnerships by jointly developing and offering quality products and services with business partners that create shared values and enable us to achieve mutual business goals together;

“Employees”

Provide rewarding career and development opportunities to support our growing business and make Samart one of the most admired and attractive employers for talents;

“Stakeholders”

Continuously seek new business opportunities that encourage stable revenue for long-term growth in order to consistently maintain strong return on investment to shareholders;

“Society and Communities”

Implement a wide range of internal and external social contribution initiatives and projects to promote **“People of Quality, Society of Morality”** that add values to people’s lives and create a positive impact in society.

Samart Group aims to be the leader in technological innovation who offers quality products and services in Thailand. The Group strives to expand its businesses into the neighbouring CLMV zone. Recurring revenue is expected to grow to 50% of the total income within the next 3-5 years for the company to grow strongly and sustainably into the future. In order to achieve the targets, the following core strategies are currently carried out by Samart Group:

- **ICT Solutions & Services business:** with the aim to generate recurring revenue, integrated services have to be provided such as design-installation-operation-maintenance package. Expansion of customer base in the private sector is also a focus.
- **Mobile Multimedia business:** committed to developing and offering high-quality mobile phones at affordable prices and expanding distribution channels domestically and internationally. New content is continuously developed and offered to the market.
- **Call Center business:** dedicated to building a strong base of customer in Thailand as well as expanding market presence into CLMV.
- **Utilities and transportations Businesses and Related Technology Services Businesses:** gear up for new opportunities that will arise with the formation of AEC, with air traffic control and energy businesses being of primary importance.

Significant developments and changes of the Company during the past 3 years:

2014

- The Board of Directors of the Company in its meeting No.9/2014, held on 19 December 2014, approved the issuance and allocation of the Company’s Warrants to purchase ordinary shares of Samart Corporation Public Company Limited, No.1 (the “SAMART-W Warrants”) in the number of up to 201,300,782 units to be allocated to the existing shareholders of the Company pro rata to their respective shareholding (Rights Offering), at no cost, at the allocation ratio of 5 existing ordinary shares to 1 unit of SAMART-W Warrants. In calculation of SAMART-W Warrants allocation for each shareholder, if a fraction is resulted, such fraction shall be rounded down. SAMART-W Warrants will have the maturity of 3 years from the issuance date and the exercise price will be at Baht 45.00 per share.
- The Board of Directors of the Company in its meeting No. 8/2014 on November 13, 2014 has approved Samart U-Trans Co., Ltd. (“SUT”), a wholly owned subsidiary, to establish 3 new subsidiaries as follow:-

1) New Company's Name : Samart Waste2Power Co., Ltd.

Type of Business : To provide Municipal Solid Waste and Landfill Waste management by collecting, separating, Refused Derived Fuel (RDF) producing and convert waste to be electricity.

Location : Thailand

Registered Capital : Baht 50 million

Stakeholding : 99.99% held by SUT.

2) New Company's Name : Samart U-Trans (Lao) Co., Ltd.

Type of Business : To provide collection programming service, web design service, hardware and Information Technology software maintenance service and; To repair, install, and develop any programs and websites relating to Information Technology system ("IT system").

Location : Laos

Registered Capital : Lao Kip 1,000,000,000 (or about Baht 4 million)

Stakeholding : 99.99% held by SUT.

3) New Company's Name : Samart U-Trans (Myanmar) Co., Ltd.

Type of Business : To provide services and consultations regarding trades in Myanmar including all related general proceedings.

Location : Myanmar

Registered Capital : USD 50,000 (or about Baht 1.6 million)

Stakeholding : 99.99% held by SUT.

- The Company has signed the Shares Purchase Agreement with Axiata Group Berhad ("AXIATA"), a major shareholder of Samart I-Mobile Pcl. ("SIM"), for the 1,053,000,000 shares of SIM shares of which represented 23.93% of total of SIM shares at Baht 2.73 per share on July 2, 2014. After the transaction, the Company has held 70.02% shareholding in SIM and AXIATA is not the Company's shareholder anymore. The change in major shareholder structure has no effect on the management structure and business policy of SIM.
- I-Sport Co., Ltd. a subsidiary with 50% indirect holding by Samart Multimedia Co., Ltd., has proportionally increased its registered capital of Baht 80 million from Baht 40 million to new registered capital of Baht 120 million. Purpose of capital increase is to support business expansion to sports-related and sport content businesses. I-Sport Co., Ltd. has acquired 6 million ordinary shares with a par value of Baht 10, representing 100% of the issued and paid-up shares of Siam Sport Television Co., Ltd. from Siam Sport Syndicate Public Company Limited, another shareholder of I-Sport Co., Ltd., at the total amount of Baht 60 million. This investment will ensure that the Company is able to gain more competitiveness and revenues in TV media, sport license and sports-related businesses. In addition, the Company has more complete range of services in order to strengthen its revenue and profit in the future.

2013

- The Extraordinary General Meeting of Shareholders No. 1/2013, held on May 22, 2013, of One To One Contacts Public Co., Ltd. ("OTO"), a subsidiary of the Company with 99.13% direct and indirect stake holding (as of December 31, 2013), the Meeting has approved OTO to issue 70,000,000 ordinary shares with par value of Baht 1 each for the purpose of its initial public offering ("IPO"), as well as acknowledged that the Company will also offer a portion of 10,000,000 existing ordinary shares in OTO it currently holds for sale to the public in the same initial public offering of OTO, thus total IPO shares will be 80,000,000 shares. In addition, it also approved OTO to increase its registered capital from the existing registered capital of Baht 100,000,000 to Baht 280,000,000, by means of issuing 180,000,000 new ordinary shares with par value of Baht 1 each. The 110,000,000 capital-increase ordinary shares will be allocated to support the distribution of its share dividends while the rest of 70,000,000 shares

will be allocated for IPO. Lastly, it approved to grant not more than 20,000,000 newly-issued ordinary shares for pre-emptive right to shareholders of SAMART to subscribe OTO's capital-increase shares due to the impact on SAMART as a result of dilution effect from the IPO of OTO. Any share fractions from the calculation shall be disregarded. The price of the capital-increase ordinary shares offered for sale to shareholders of SAMART shall be equal to the price of shares offered for sale to the public. However, OTO is now under process for registration in the Market for Alternative Investment (MAI) and the Office of the Securities and Exchange Commission has approved the Registration and Statement of Securities (filing form) since November 2013.

- The Meeting of the Board of Directors of Samart Telcoms Public Company Limited ("SAMTEL") on December 17, 2013 approved Samart Communication Services Company Limited ("SCS"), a subsidiary of which SAMTEL holds 99.99% of its paid-up capital (as of December 31, 2013), to establish a new affiliated company, namely "SLA Asia Company Limited ("SLA"), with registered capital of Baht 30 million (300,000 shares at par value of Baht 100 each). This newly establish company shall engage in business of contracting for installation of telecommunication system including purchase and sale of related equipment in foreign countries with shareholding ratio as follows: SCS holds 30%, Loxley and AIT Holding Company Limited holds 60% and general public holds 10%.
- The Meeting of the Board of Directors of SAMTEL on December 17, 2013 approved Samart Comtech Company Limited ("SCT"), a subsidiary of which SAMTEL holds 99.99% of its paid-up shares (as of December, 2013), to invest in Net Service (Thailand) Company Limited, to undertake business on IT development for public and private sectors, by purchasing 1,200,000 ordinary shares (at par value of Baht 10 each and paid for 50% of share prices) which accounting for 60% of total issued shares from the existing shareholders which are not the connected persons, at total value of Baht 6.12 million.
- The Meeting of the Board of Directors of Samart I-Mobile Public Company Limited ("SIM") on August 13, 2013 approved to dispose investment in subsidiaries which do not operate business, such as I-Mobile International Company Limited ("IMI"), of which SIM holds 99.99% of its shares (as of December, 2013), and PT. Samart I-Mobile Indonesia, of which IMI holds 99.80% of its shares (as of December, 2013), for more efficient business restructuring purpose.
- The Meeting of the Board of Directors of SIM on November 12, 2013, approved I-Mobile Inter Trade Company Limited, a subsidiary of which SIM indirectly holds total shares, to purchase 99.99% of shares of The Sky Place Company Limited, amounting to Baht 500,000 to increase sale distribution channel of SIM.

2012

- During the Meeting of the Board of Directors No. 6/2012 on November 12, 2012, the Meeting has approved Samart U-Trans Company Limited ("SUT"), a subsidiary of which the Company holds 99.99% of its shares (as of December, 2012), to purchase investments in TEDA Company Limited ("TEDA") totally Baht 319.89 million. Such company engages in business of design & construction of high voltage substation, transmission and distribution lines, as well as electrical and mechanical installation service. As of March 1, 2013, TEDA has registered capital of Baht 405.50 million at par value of Baht 10 each and SUT holds 80% of shares in such company.
- SAMTEL, a subsidiary of which the Company holds 70.89% of its shares (as of December, 2012), has sold all of 70,000 ordinary shares that it holds in Oasis Consulting Company Limited, or accounting for 70% of paid-up capital to the third party who is not the connected person.
- SAMTEL has sold all of 624,373 ordinary shares that it holds in IT Gen Company Limited, or accounting for 99.99% of paid-up capital to the third party who is not the connect person.
- SAMTEL has purchased 33,699,990 ordinary shares of Portalnet Company Limited, a company engages in design and installation of Enterprise Resource Planning system, accounting for 99.99% of the issued shares from the existing shareholders, who are not the connected persons.

- Samart Broadband Services Company Limited, a subsidiary of which the Company indirectly holds 70.89% of paid-up capital (as of December 31, 2012), has purchased 22,485,490 ordinary shares, or accounting for 99.94% of issued shares of IT Absolute Company Limited, which engages in procurement and distribution of electronics and technology equipment from the existing shareholders who are not the connected persons.
- On June 1, 2012, the Meeting of the Board of Directors of Samart Multimedia Company Limited, a subsidiary of which the Company indirectly holds 59.89% (as of December, 2012), has resolved to approved for an establishment of a new company namely “Entertainment Tree Company Limited” to produce, distribute and provide entertainment information and content, printed media through television, telephone, internet system, satellite and other communication systems, both local and overseas, to install equipment and network, as well as integrated facilities and other related services with shareholding ratio of 45% and with registered capital of Baht 5 million. Such newly company has been registered with the Ministry of Commerce on June 14, 2012.
- The Meeting of the Board of Directors of the Company No. 5/2008 on October 16, 2008 has resolution to purchase the Company’s shares back for financial management not exceeding Baht 250 million and amount shares purchased back not exceeding 48,825,195 shares (at par value of Baht 1 each), or accounting for 5% of issued shares of the Company. As of March 23, 2009, total number of shares that the Company purchased back was 38,115,800 shares, but the Company has gradually and completely sold all of such shares on March 12, 2012.
- CATS which engages in business of system installation and provision of air traffic control services in Cambodia pursuant to the concession contract obtained from the Cambodian government for 22 years has invested on installation of additional equipment to increase the efficiency of air traffic control system, as well as installed equipment in Sihanoukville International Airport, an important port city, with total investment of US\$ 7 million. In addition, the concession of this company has been extended for another 10 years, beginning from 2024-2033, hence total concession period obtained is 32 years, from 2001-2033.

Shareholding Structure

As of December 31, 2014, the Company has Baht 1,006,503,910 registered capital, with paid-up capital of Baht 1,006,503,910. Shareholding structure in subsidiaries and affiliated companies is classified by “Business Structure (by shareholding)” and “Business Structure (by to management)”. More details are in topic of **“Business Structure”**, in page 39-40.

Moreover, since nature of business of the Company is the ‘Holding Company’ which mainly invests in its subsidiaries and affiliated companies and such investment in all subsidiaries and affiliated companies is regarded as core business and size of business that undertakes core business must be pursuant to criteria of the Notification of the Office of the Securities and Exchange Commission No. SorChor 20/2555 Re: Consideration on Size of Company Related to Approval for Company that Undertakes Business By Holding Shares in Other Companies (Holding Company) to offer for Sale of Newly Issued Shares, which can be summarized as follows:

1. Size of subsidiaries which undertake core business must be 98.45% of size of the listed company. The Company complies with such notification which specified that it must not less than 25% of size of the listed company.
2. Ratio of total size of all companies which undertakes core business when compared with size of the listed company must be 98.47% of the size of the listed company. Such notification specified that it must not less than 75% of size of the listed company.

However, such main company has different sizes. When considering from significance of business, there are only 1 subsidiary which its revenue represent over 10% of Group revenue is Samart I-Mobile Public Company Limited. However, Samart Telcoms Pcl., a Listed subsidiary, is a core business of the Company. The Company has disclosed the additional information of such Company. More details on nature of business, shareholding proportion and income structure of such companies are in topic of **“Shareholding of Samart Corporation Pcl. in Subsidiaries and Affiliated Companies”**, **“Business Structure”** and **“Revenue Structure”**, respectively.

Nature of Business

Samart Corporation Public Company Limited has been established since March 7, 1989, formerly known as Samart Comtech Co., Ltd., with registered capital of Baht 5 million by Vilailuck Group for design, implement and install of telecommunication system business. The Company has converted into a Public Company and listed in the Stock Exchange of Thailand since 1993.

The business of Samart Group is divided into 5 groups as follows :

No.	Group of Business	Nature of Business ^(*)	Percentage of income ^(**) 2014
1	ICT Solutions and Services	Provide telecommunication system service through a range of telecommunication networks and also serves the market with total ICT solution system design for both government agencies and private sector.	27.3%
2	Mobile Multimedia	Integrated mobile and interactive media business including infotainment service provider via advanced media and also provide media and multimedia equipment for local and international including MVNO virtual network operator.	51.7%
3	Call Center	Total Customer Management Solutions both turnkey implementation as well as outsourced contact center management for government agencies and private sector.	2.8%
4	Utilities and Transportations	Provide air traffic control services in Cambodia, electric generating supply to Kampot Cement factory in Cambodia and also provide the design and installation of electrical engineering works.	10.2%
5	Technology Related Services	Manufacture and distribution of television and radio antennas and satellite dishes, Distribution, installation and maintenance of Communication and Security Systems including Total Waste Management Solution in Suvarnabhumi Airport.	8%

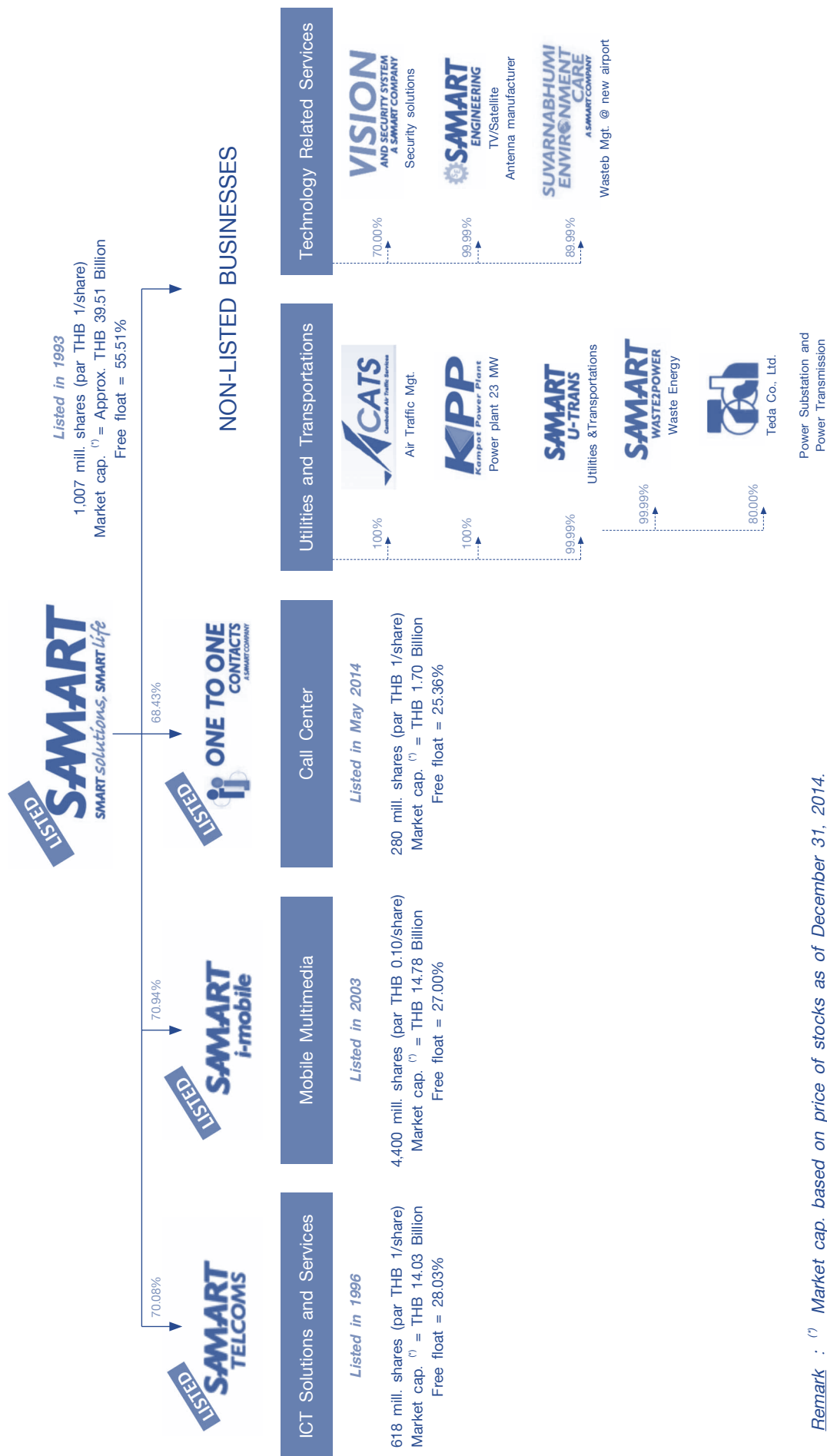
Remarks : ^(*) More information have been disclosed on Company's website (www.samartcorp.com) via Annual Information Disclosure of the Company (56-1 Form) and SEC's website (www.sec.or.th)

^(**) Percentage of 2014 consolidated revenue from Sales and Services.

Sales and Service income in 2014 was Baht 23,880 million with gross profit of Baht 5,227 million equivalent to 21.89% of total sales. Selling & Admin Expenses was Baht 2,762 million or 11.42% of total revenue while finance cost was Baht 452 million and tax of Baht 305 million of which resulted to the net profit of Baht 1,484 million.

In terms of revenue contribution by lines of business (LOB), ICT Solutions and Services generated 27.3% of the Group revenue in 2014, while Mobile Multimedia was 51.7%, Call Center was 2.8%, Utilities and Transportations was 10.2% and Technology Related Services was 8%.

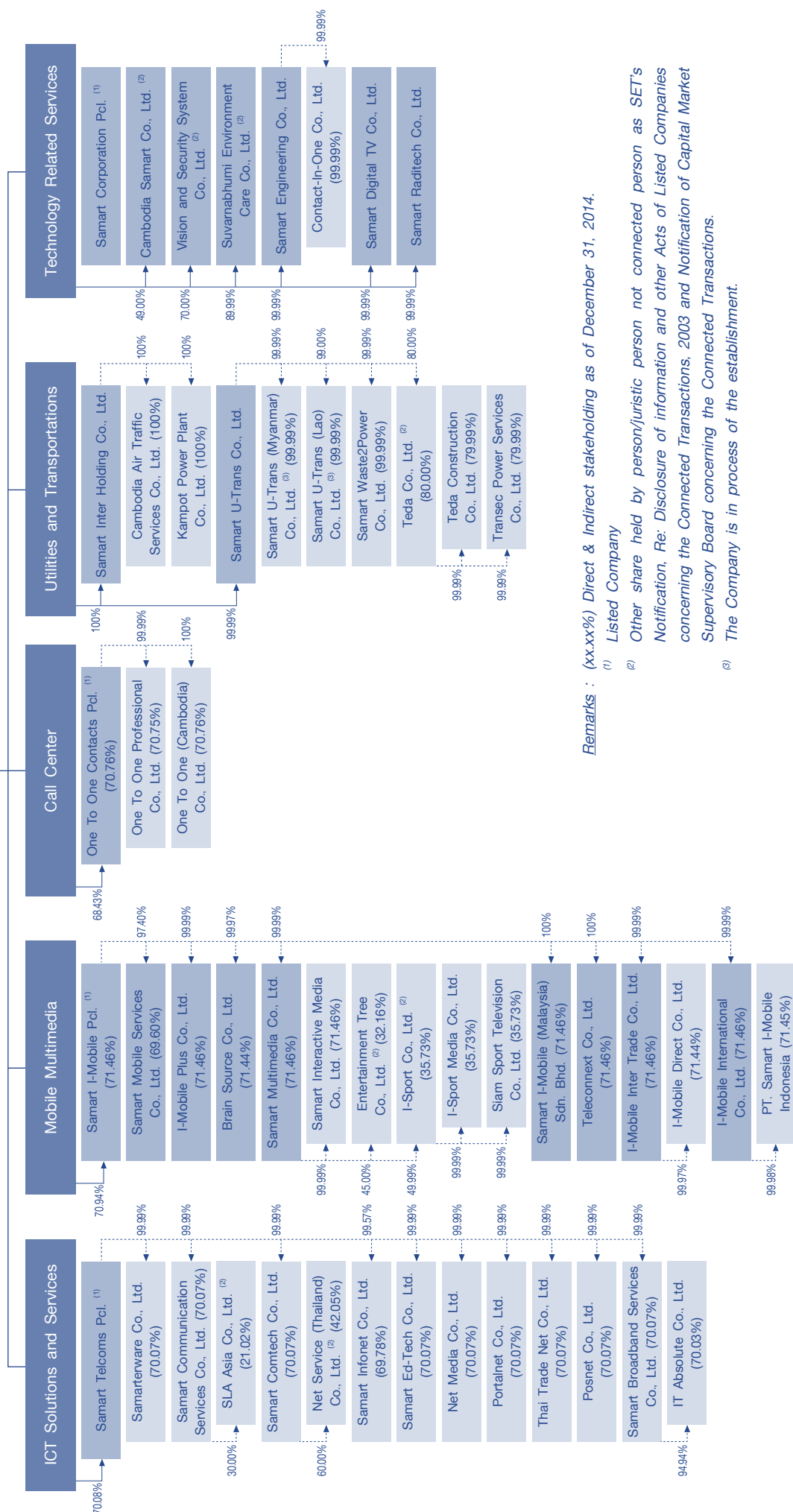
Business Structure (by Management)



Remark : ^(*) Market cap. based on price of stocks as of December 31, 2014.

Business Structure (by Shareholding)

Samart Corporation Public Company Limited



Remarks : (xx.xx%) Direct & Indirect stakeholding as of December 31, 2014.

⁽¹⁾ Listed Company

⁽²⁾ Other share held by person/juristic person not connected person as SET's Notification, Re: Disclosure of information and other Acts of Listed Companies concerning the Connected Transactions, 2003 and Notification of Capital Market Supervisory Board concerning the Connected Transactions.

⁽³⁾ The Company is in process of the establishment.

Revenue Structure

(Unit : Million Baht)

Business Group	Operation by Company	% of Holding 2014 ⁽¹⁾	2012		2013		2014	
			Revenue ⁽²⁾	%	Revenue ⁽²⁾	%	Revenue ⁽²⁾	%
1) ICT Solutions and Services	Samart Communication Services Co., Ltd.	70.07	3,565.6	21.3	3,811.1	17.1	1,792.7	7.5
	Samart Comtech Co., Ltd.	70.07	1,328.0	7.9	2,095.8	9.4	1,781.8	7.5
	Samart Telcoms Pcl.	70.08	1,981.2	12.0	2,085.8	9.4	1,723.3	7.2
	Other subsidiaries	-	638.6	3.8	1,233.9	5.5	1,225.7	5.1
Sub Total			7,513.4	45.0	9,226.6	41.4	6,523.5	27.3
2) Mobile Multimedia	Samart I-Mobile Pcl.	71.46	5,568.4	33.3	8,932.5	40.1	9,566.1	40.1
	Other subsidiaries	-	1,304.7	7.8	1,284.9	5.8	2,787.7	11.6
Sub Total			6,873.1	41.1	10,217.4	45.9	12,353.8	51.7
3) Call Center	One To One Contacts Pcl.	70.76	832.4	5.0	630.3	2.8	668.5	2.8
	Other subsidiaries	-	-	-	-	-	-	-
Sub Total			832.4	5.0	630.3	2.8	668.5	2.8
4) Utilities and Transportations	Cambodia Air Traffic Services Co., Ltd.	100	913.8	5.5	1,078.7	4.8	1,207.5	5.1
	Other subsidiaries	-	196.0	1.1	744.1	3.4	1,206.2	5.1
Sub Total			1,109.8	6.6	1,822.8	8.2	2,413.7	10.2
5) Technology Related Services	Samart Engineering Co., Ltd.	99.99	191.3	1.2	142.8	0.6	495.6	2.1
	Other subsidiaries	-	190.5	1.1	253.0	1.1	1,424.6	5.9
Sub Total			381.8	2.3	395.8	1.7	1,920.2	8.0
Total Sales and Services income			16,710.5	100	22,292.9	100	23,879.7	100

Remark : ⁽¹⁾ Direct & Indirect stake holding on December 31, 2014.

⁽²⁾ Sales and Services income after connected transactions.

Changes during the year

2014 was yet another year filled with challenges for the Company. Especially, the major changes in the country, such as political instability which erupted since late 2013 and carried on until mid-2014, have resulted in a slowdown in private-sector investments, a decrease in private consumption and also a delay in government disbursement which affected to the nation's economy. Nevertheless, Samart Corporation PCL. strived through the country's difficult times and concluded the year with total revenues of 24,196 million Baht, generating a net profit of 1,484 million Baht, thanks to the five key business areas as follow:

- ICT Solutions and Services Businesses
- Mobile Multimedia Businesses
- Call Center Businesses
- Utilities and Transportations Businesses
- Technology Related Services Businesses

ICT Solutions and Services Businesses

ICT Solutions and Services under the management of Samart Telcoms PCL. is one of the country's leading ICT solutions providers. The year 2014 presented the Company with a set of obstacles triggered by political unrest such as the announcements of martial law and military coup which consequently delayed government disbursement as well as project bidding process.

Samart Telcoms PCL. engaged in several signings during the year 2014 totaling up to 60 new projects, worth 5,943 million Baht. Some of which include: Common User Terminal Equipment (CUTE) System at Suvarnabhumi Airport (2,279 million Baht in value), and development of military communication network system for Royal Thai Armed Forces Headquarters (535 million Baht). As of the end of 2014, the Company has a backlog worth 6,907 million Baht.

Mobile Multimedia Businesses

Mobile Multimedia business, under the management of Samart i-Mobile PCL., comprises of three lines of businesses namely: 1) Handset Business; 2) Content Business and; 3) MVNO Business. In year 2014, Mobile Multimedia business achieved total revenues of 12,494 million Baht and a net profit worth 710 million Baht.

Handset Business

Over a decade, Samart i-Mobile PCL. has been selling handsets under the brand i-Mobile in Thailand. According to year 2014 data, the total handset of 17.9 million units were sold in Thailand, of which 4.7 million units belong to i-Mobile brand, accounted for 26.2% of the total market or ranked number second in term of market share. Moreover, focused only on smart phone market, in year 2014, the Smartphone has been sold to the market by 12.8 million units, of which 3.5 million units came from i-Mobile brand, which accounted for 28% of the total market or ranked number second in term of market share. Not only has the Company maintained the excellence standard of quality but also further improved and developed products and services to ensure customer satisfaction is always maximised. Significant changes in the past year concern the following three areas:

1. Products

Although the Company's smartphones have been launched in the market over two years, product development continues to be an important area of focus and one which contributes to the Company's ability to maintain its market leader status. The year 2014 has seen various new products introduced to the market alongside new technologies. For example; the Octa-core (8 core processors), whose role is to enhance efficiency and speed of mobile phones, was among new products introduced to the market last year. The new mobile phone model, i-Mobile IQ X Ken, was a joint development between Samart I-Mobile PCL. and Japanese partner Kyocera, offering water resistance feature effective in 1.5 m. depth for up to 30 minutes. Moreover, The Company also launched a breakthrough technology called DTV, in the second half of 2014, enabling users to enjoy Digital TV on the go through the attached antenna without incurring any data usage expense. In addition to the exclusive-to-i-Mobile-users DTV technology, the Company also released mobile phones that support LTE or 4G network to gear up user's readiness for changes in the telecommunications scene.

The example of handsets launched in year 2014



2. Distribution channels

Distribution channel is one of key factors to the success of Samart I-Mobile PCL. Despite Dealers being the major distribution channel as of now, the Company continues to look for alternative channels in efforts to expand the market. The Company has, in the past year, increased its focus towards mobile operator and overseas markets. More than 500,000 handsets were distributed to mobile operator and the number is set to grow to 1,000,000 in the year 2015. Moreover, overseas market has been another highly valued distribution channel for the Company. The Gitek Technology Week held at United Arabs Emirates provided an excellent opportunity for the Company to promote its products and meet with sales distributors in order to expand customer base into the Middle Eastern region. Neighbouring countries such as Myanmar, Laos and Cambodia have already joined the Company's network of distributors.

3. Communications and Brand Image

Communications and branding activities were engaged by the Company through 2014 to introduce new technologies, instill confidence and raise product understanding. Various forms of communications were used including: prime time advertisement airing; billboard advertisements in community areas; event organisation; and hiring presenters to help promote i-Mobile products.

All of the above changes have led to the total sales of handset reaching 4.7 million units, out of which 3.5 million are smartphones and 1.2 million are feature phones. The proportion of smartphone to feature phone has significantly increased from 45.8% in the year 2013 to 75.1% in 2014.

Content Business

Content development is continuously refined by the internal team with the focus on increasing flexibility such that it can be applied to various channels such as website, newspaper and television. The Company has been committed to progressively expanding its businesses and customer base. It is evident that Corporate Client segment gained increased attention in the past year with implementation of programmes such as Privilege Guidebook creation for Mitr Phol, Tesco Lotus and SCB and publishing of EDT Free Copy for Chevrolet.

Furthermore, updating information and keeping the content interesting on the website and TV programmes were being done constantly leading to an ongoing increase in the number of website visitors and TV show viewers through the year. For the year 2015, plans have been made regarding partnerships to bring about further growth in the Content business.

MVNO Business

Maintaining existing customers and attracting new customers were achieved with the use of i-Mobile handset bundling strategy, sales promoter and roadshows targeting specific groups of consumers. To motivate usage, i-Mobile 3GX Application was created to send users messages when their credit balance is getting low or date of expiry is approaching. Also, partnering up with various mobile applications such as OLX, Kapook and BeeTalk displayed the Company's effort to stimulate greater data usage.

Call Center Businesses

The transformation of One To One Contacts Co., Ltd. into a publicly listed company was a milestone for Samart Group. On the 15th of May 2014, it was officially listed on MAI for trading. The main objective of this move was to garner more financial support in order to fund business expansions, domestically and internationally. Overseas markets that the Company particularly targets comprise of the CLMV (Cambodia, Laos, Myanmar and Vietnam). One To One (Cambodia) Co., Ltd. has already been set up to serve the Cambodian market. During the year 2014, One To One Contacts PCL. engaged in contract signing for several new projects, realising 1,032 million Baht.

Utilities and Transportations Businesses

Samart U-Trans Co., Ltd. ("SUT")

Samart U-Trans Co., Ltd. is another subsidiary company that faced with significant changes in the year 2014. The Board of Directors of the Company meeting No. 8/2014 has been approved to establish three new companies under the umbrella.

- 1) **Samart Waste2Power Co., Ltd.** set up to expand into the field of waste management and waste power plants (Established).
- 2) **Samart U-Trans (Lao) Co., Ltd.** set up to support the growing Utilities and Transportations businesses in Laos (in the process of establishment).
- 3) **Samart U-Trans (Myanmar) Co., Ltd.** set up to support the growing Utilities and Transportations businesses in Myanmar (in the process of establishment).

On top of setting up three new companies in the year 2014, Samart U-Trans Co., Ltd. also signed three contracts concerning enhanced efficiency of air traffic controlling for Myanmar, making an accumulated value of nearly 4 million US dollars. Apart from the excellent start for the Company's penetration into a neighbouring market, another deal was settled with Suvarnabhumi and Donmuang Airports involving upgrading the Air Traffic Management System, generating 465 million Baht in revenue.

Cambodia Air Traffic Services Co., Ltd. ("CATS")

Cambodia Air Traffic Services Co., Ltd. or "CATS" provides air traffic control in Cambodia. It is the Company's main recurring income generator having served up to 76,950 flights during the year 2014, an increase of 6% from the previous year. The number of flights is expected to grow year on year.

TEDA Co., Ltd. ("TEDA")

TEDA Co., Ltd. is a new company under Samart U-Trans Co., Ltd. joining the family since the takeover that took place in 2013. TEDA can fairly be regarded as the leader in design and construction of power substations and transmission lines. Major customers for the year 2014 include: Metropolitan Electricity Authority (MEA), Provincial Electricity Authority (PEA) and Electricity Generating Authority of Thailand (EGAT). Building contracts for a number of power substations were signed in many areas contributing a value of over a billion Baht.

Technologies Related Services Businesses

Samart Engineering Co., Ltd. ("SE")

Samart Engineering Co., Ltd. is a dominant manufacturer of TV antennas. The policy imposed by Office of The National Broadcasting and Telecommunications Commission in 2014 to motivate converting from analogue to digital TV involved issuing of government subsidize coupons to consumers. Samart Engineering Co., Ltd. is one Company that gained an attention to redeem the subsidize coupon with more than 600,000 units of Set-Top-Box and 400,000 digital TV antennas sold through the coupon scheme. Despite the delay with government distribution of coupons leading to sales falling behind the projected figures, the Company is expecting purchases of the digital TV set to continue decently into the year 2015.

Industry and Competitive Analysis

Economic Overview

The overview scenario of the global economy in the first half of 2014, the growth rate of the world economy is not so good due to the US economic slowdown because of too cold weather, people's spending became more critical from tax raising in Japan. Exports and consumption had been slowed down more than whatever firstly expected in China. European economic cluster's economy is still weak and recoverable slower than expected. But in the second half of the year, **the US economy** continued to expand because the financial state of the private sector and employment improvement. **Asian economies (excluding China and Japan)** has trend to slow down a bit but their base still in good criteria due to better employment and exports. **The Chinese economy** has been somehow slowed down but measures issued by the governmental sector could reinvigorate the economy to expand at a considerable level coupled with the reformation of economic structure to be more balanced in the long term. For **European economic cluster**, the recovery trend is much better due to the more relaxed improvement of monetary and fiscal policy. While the depreciation of Japan's yen would yield a positive impact on the export sector of **the Japanese economy**. The overall global economy is expected to recover slowly because it takes time to fix the structural problems. This caused the entire 2014, when the slow growth rate in the first half has been adjusted, the estimated Global GDP was revised down from 3.5% to 3.3% (Source: IMF World Economic Outlook, October 2014), whereby the mainly economic expansion would come from countries of Developed Markets, while the economic expansion of countries in Emerging Markets group is staying still but the situation will be better according to the expansion of the export sector of the recovery of the major economic countries group.

In overall scenario, the monetary policy of the world remains in a state of relaxation. Most central banks, whether in US, Japan and European group still continue low interest rate policy to stimulate the economy further. The central bank of PRC cut down interest rate to support economic growth whereas the overall inflation pressure has tendency to decrease according to the oil prices and commodities.

For Thailand, the first half of 2014, the Bank of Thailand had estimated the economic growth rate of the country in 2014 at 0.8% that was lower than the anticipation at the end of 2013 at 4.0% as a result of the political unrest that continued from 2013 to 2014, which created a negative impact on the investment of the private sector. The production and sales quantity of automobiles fell down from the Government's speeding first car purchases incentive policy in 2012 and the recovery of exports arose slowly according to the global economy.

In the second half of the year 2014 the caretaker government of NCPO (National Council for Peace and Order) could create a positive effect to the economic recovery of Thailand. Relaxation of political situation and acceleration and implementation of pending projects, such as the accelerated payment of pending rice mortgage, accelerated disbursement of 2014 fiscal year budgets and preparation of 2015 budget plans, the BOI formation to approve pending projects and pushing infrastructure investment plan (dual rails railway, mass transit subway in Bangkok and its neighboring provinces). The progression of these projects enhances increment of confidence of the public and recall the business sector to return. As a result, the internal spending seemed to recover but the expansion of private investment and exports are still slow down due to the rate of productivity capacity is still in low utilization and the slow recovery of the global economy.

The Bank of Thailand has cut down its economic forecast in 2015 from 4.8% to 4.0% in consequent of the slow global economic recovery. However, the expansion of the economy will be driven primarily by the government's increasing expenses, especially from investment in transportation infrastructure, the digital economy policy is substantially pushed, including the investment of the state enterprises. Moreover, consumption and investment of the private are expected to be improved and recovered according to the overall economy and government's more concise policy. The general inflation rate is expected to remain low at 1.2%.

Information and Communications Technology Industry

The development of infrastructure and broadcasting systems

Since April 2014, NBTC (National Broadcasting and Telecommunications Commission) has seriously handled on implementation of digital TV to generate 27 additional TV channels in Thailand that increased more options for Thai people to view various programs whereby NBTC has publicly distributed digital TV coupons of 690 Baht worth to support the transition toward digital

terrestrial television. NBTC planned to distribute digital TV coupons completely to 14.1 million households in 2015, and to accelerate and follow up the network expansion of TVs using digital terrestrial frequencies all over the country to expand the public viewer's area to equally receive signals from the terrestrial systems. This is opening opportunity of digital terrestrial TV system services which can bring about more business opportunities.

For the direction of telecommunication in 2015, the most importance is the policy announcement of Digital Economy as one of the main policies to drive the economy of Thailand. The 1800 MHz and 900 MHz frequencies auction to support the development toward LTE 4G system of Thailand to support the people's internet usage which is growing rapidly. This will result in good opportunity to ICT construction companies in Thailand.

Communications Industry: View on Mobile Phone Usage

Mobile phones are currently necessary for daily life in our society. From a survey on the availability and usage of information and communications technology within households managed by the Office of National Statistics in 2014 from a survey conducted with the population aged 6 years and over, approximately 62.3 million people, it was found that there are more people using mobile phones from 38.2 million (61.8%) in the previous year to 48.1 million people (77.2%). Currently there are people registered subscription of 103 million mobile phone numbers which can be divided into mobile services on the 2.1 GHz frequency range to amount of 73.5 million numbers and mobile services in the other frequencies decreased to amount of 29.5 million numbers.

And now, with the advancement of 3G services and the evolution of mobile smart phones, they are used much more for various functions such as the usage of social networks, online purchases, internet banking, stock market and other utilizations. As a result, sales of mobile phones, smart phones increased and they have become an important factor to the daily life of man in the modern age. The smart-phone market is growing rapidly as a big leap. Thailand has people who own smart-phones more than half of its population. This makes the smart-phone market mostly growing in Asia. Although in some areas, they are still unable to access to the Internet system while the users in urbanized areas are well ready with the advanced technology and there is also a fast internet connection. A survey, made by Telenor, has revealed that the mostly desirable instrument is a smart phone because it is an important device to access the digital world more easily. Besides, its various price make it easier to be owned. A report from GFK found that the sales ratio of smart phones to mobile phones in Thailand has been growing throughout the years. It increased from 53.9% in November 2013 to 72.9% in November 2014, enabling the total present smart-phones increased to 36% with tendency to be increase more and more.

Total Mobile phone Combined Market in Thailand	Nov. 2013	Dec. 2013	Jan. 2014	Feb. 2014	Mar. 2014	Apr. 2014	May 2014	Jun. 2014	Jul. 2014	Aug. 2014	Sep. 2014	Oct. 2014	Nov. 2014
Sales Ratio of Mobile Phone													
Smart Phone	53.9%	54.4%	55.5%	58.8%	60.4%	64.5%	62.3%	65.6%	65.3%	68.1%	70.4%	70.9%	72.9%
Feature Phone	46.1%	45.6%	44.5%	41.2%	39.6%	35.5%	37.7%	34.4%	34.7%	31.9%	29.6%	29.1%	27.1%
Sales													
Smart Phone (million units)	0.79	0.87	0.87	0.82	0.88	0.91	0.96	0.92	1.02	1.04	1.08	1.13	1.03

Source: GFK Telco Panel Report, Nov. 2014

Communications Industry: View on Communication Services

After 2100 MHz (3G) frequency usage has been allowed to public in 2011 for mobile phone enterprises. All 3 mobile network service providers in Thailand attempted to move their previous customers base from the existing one to 2100 MHz frequency, while TOT which is a new player had installed the base station to support the mobile phone service on 2100 MHz frequency completely around Thailand. The increment of accessible rate to a smart phone usage can accelerate faster movement of previous customers base of all 3 mobile phone service providers. There was more intensive competition among service providers in 2014 due to each service provider tried to increase the proportion of their mobile phone user numbers. Simultaneously, they are trying to transfer or transition their customers to use services on the 2100 MHz frequency network more and more and increase the usage quantity on newly created 3G network. In order to reduce the fee and their revenue share, each service provider has increased expenses for sales and marketing to push toward such goal. Thus the competition in the market is increasing and competitiveness still seems to be continuously exist because the factor that providers have to push forward the passage of the concessions to the licensing system. Therefore it is possible that the income from services giving, excluding interconnection would likely be at a lower level than that of the previous year.

Risk Factors

Currently, Samart Corporation Public Company Limited operates in 5 major businesses: 1) ICT Solutions and Services, 2) Mobile Multimedia, 3) Call Center, 4) Utilities and Transportations, and 5) Technology Related Services. Operation in all 5 major businesses has risk factors in different management comprising both internal and external factors which can cause impact on the financial position and performance of the Company. For this reason, the Company, therefore, has to have a risk management system. Moreover, it has appointed the risk management committee whose mission is to set the policy, prioritize risks, review and evaluate risks regularly. Risk factors can be classified as follows.

1. Operational Risks

Operational Risk in ICT Solutions and Services

Since ICT Solutions and Services have become a serious business. There are complete ICT systems business in form of installation and services provision. In the past, main customers were governmental agencies and state enterprises, hence, if the government has slowed spending on information technology and communications budgets, it will significantly affect the performance of the Company. For example, in 2014 there was political situations that result delay in handling projects with the state delays and could not plan its 2015 schedules. However, the Company has tried to reduce the risk by expanding its customer base to cover more ministries and agencies and enterprises to reduce the risk of policy changes, the delay in bid tendering or the budget cutting of each agency. The Company has also expanded its customer base to more non-governmental organizations to reduce the risk due to too much dependence on government agencies. Besides, the Company plans to create more regular incomes because the fixed revenues can reduce the risk of uncertain income to the Company. Moreover, another risk that the Company must support services with diversified technologies, the employees may not be actually knowledgeable in those technologies and cannot give the right solution. In this regard, the Company has divided the working teams into specific expertise groups and provides training courses regularly. The Company also seeks partners who are the leaders in technology to enhance its staff to be expertise in all aspects.

Operational Risk in Mobile Multimedia

- **Mobile business**

Over the past year, the three main mobile phone service providers had officially launched 3G services. As a result, consumer behavior changes. They increasingly need application with more data that resulted in lower featured phone sales steadily, but the smart phone sales increased instead. Besides, there was also a risk arisen from the way three main mobile phone service providers are trying to make their own brands of mobile phones and they become competing companies. The Company has prepared to take risk in this matter by adjustment its strategy (reducing featured phone and increasing smart phone products) to meet customers need and to avoid the risk from a price war of smart phones by arrangement of its product groups concisely. There is the mostly cost-effective fighting model for each model. Apart from the risk of consumer behavior which dynamically changed, after-sales service is considered as an important risk factor for the Company because the competition in providing services to clients is a crucial part to consumer behavior and it may affect the Company's mobile phone sales. The Company therefore increased its service points and employees in its call centers in key areas, provides training to technicians in order to enhance the service efficiency including to reduce the steps of working to serve customers faster. The Company also uses marketing media and advertising to create confidence and trust in the service after the sale standard. Finally, the risk factor of mobile phones is inventory management from increasing smart phone sales dramatically and reducing feature phone sales continuously. The Company, therefore, has to handle the very strict inventory management measure to be more accurate and precise. The Company, therefore, determined the risk diversification policy by ordering a wide range of models and controlling an inventory turnover rate closely.

- **Mobile Virtual Network Operator (MVNO)**

The Company is an entrepreneur who gives services on Mobile Virtual Network (MVNO) who does not have its own network but continues its business in a manner of buying a ready-made services from TOT Public Company Limited who owns the original mobile phone network, then provides services on to its targeted customers. The TOT's network in Phase 1 does not have the base station covering all areas of Thailand. As a result, it cannot supply nationwide services and marketing is difficult to execute. It is likely possible that the users will cancel usage after the services has been tried.

- **Content (Information and Entertainment Service Business)**

For the content business, the main risk factor affecting business running is the reduction of the users number due to the transition and the evolution of data access from landline, internet system for computers, portable computers, and mobile phone from 2G to 3G and 4G in the future. Such changes make obstacles and restrictions on access to the data dropped steadily and there are development in term of the speed of the connectivity and ease of portable communication devices (mobility). As a result, the competition, once separated according to the form of accessibility is fused together in a single large market as a whole which is filled with various competitors. The end users are free to share data and information to other users through social networks. Consequently, the role and importance of entrepreneurs is reduced. This can be seen from the consumers' behavior using the content both voice and non-voice with fewer and shorter average usage. The Company, therefore, has proposed to provide the content service in various forms to respond to the changing behavior of users, such as providing information, entertainment news via website and applications on up to date portable devices, TV programs as well as printing media are still the media that can access to information of all ages and gender. Simultaneously, the Company still give the importance to the original form business to maintain a base of a great number of existing customers.

Furthermore, the openness of the technology also affects continuously to the role and importance of the Company acts as the content provider or intermediacy in dissemination of information when the content producer can transform themselves to be the distributor of information to the end users directly by investment in the network infrastructure, information management and connection with the providers of landline and mobile phones under the affordable investment costs. The Company is aware of the risk and has the strategy to negotiate for the privilege from mobile phone providers. For example, there are public relation texts sent to the target group continuously to stimulate usage. The small entrepreneurs do not have the power to negotiate for this as well as a fair share of the revenue structure including a closely technical support when there is problem. This enables the Company to maintain good relationship with all content producers and can continue a smooth operation throughout years.

Another important risk factor is the content reliance on other producers which is considered too high proportion. This results the profitability gained by the Company less than the content owned by the Company regarding the proportion to the content owner and telephone service providers for landline and mobile phones. In addition, too much reliance on the outsourced content parties will increase bargaining power to the content owner. This may lead to the loss of content rights to those competitors who are ready to dump money for market share. However, the Company foresees this risk and has the strategy to develop, invent and improve data formats which are the Company's copyright for presentation to the Company's customers base at present. The Company also presents new business forms possibly bringing about other revenues beyond the revenue from subscribers only, such as income from advertising and public relation through many media of the Company and the negotiation of privilege with alliances in various industries to attract users.

Risk in Call Center Business Operation

- **Call Center (Customers coordination service business)**

For the Call Center or customers coordination service business, personnel is a key factor in the operation. Therefore, the main risk of this business operation depends upon the personnel. Because the resignation rate of high rank personnel in such business may affect the operations of the Company, the Company has tried to find some guidelines to reduce its employees' resignation rate by providing the appropriate remuneration, welfares provision with training courses to enable them to understand their path of progress in this career. Besides, the Company has also prepared to cope with emergency situations such as fire, flood, etc. The Company has set up a data center and backup operation center for emergency situations. When these emergencies occur, the impact on the Company's operations can be reduced.

Risk in Utilities and Transportations Business Operation

- **Air traffic Business**

The risk in air traffic business are mostly associated with various security operating systems, interactive communication system with pilots or computer systems must be all time maintained and cannot be crashed. The Company has installed equipment of dual backup systems to prevent such risk. Furthermore, we also have technicians who can operate around the clock and have to examine the readiness and completeness of equipment periodically every 3 months.

- **Power Substation and Transmission Line Construction Business**

For Power Substation and Transmission Line Construction Business, our potential customers would likely be some projects of the government. The risk might occur from delays in the bidding process when political change comes to involve, hence, the Company has tried to explore some private projects already approved to reduce this risk. Other risk is a highly competitive market from both domestic and international competitors. Some competitors are the goods producers themselves. This caused us in disadvantage of price. In this regard, the Company can reduce the risk by seeking to be alliance with potential producers in order to have a lower cost goods and competitiveness.

Risk in Technology Related Services Business Operation

- **Business on Production and Distribution of Digital Television Receiving Equipment**

The risk of business on production and distribution of television receiving equipment in digital TV is the market competition because the products are very little different when compared with those of competitors, hence, the Company has focused on improving the quality of the antenna to increase the competitive opportunity. Technology is a risk and goods prices in market rapidly change that the Company is closely monitoring them to plan marketing programs to be in accord with such changes.

2. Financial Risk

Foreign Exchange Rate Risk

Some affairs operation of the Company can make money in foreign currency, such as air traffic and small-scale power plant in Cambodia that contributes to the Company as the U.S. dollars or some business operations may generate the capital in foreign currency, such as mobile phones, production and distribution of television receiving equipment in digital TV or ICT Solutions and Services which are paid for the equipment in foreign currency. The Company,

therefore, realizes of the risk of exchange rate fluctuations in the past years and tried to execute the policy carefully to minimize the risk from such fluctuations. The Company has entered into the foreign exchange trading agreement and closely keeps abreast of the situation for exchange rate movements.

Interest Rate Risk

The Company and its subsidiaries have borrowed loans from many financial institutions, both short term and long term loans. The fluctuations of interest rates may affect the financial capital of the Company, however, 89% of loans are short term loans where the interest rate will change according to the market conditions. So, the interest rate risk is relatively low. For long-term loans interest, the Company has received the interest rate for long-term loans with an interest rate for good clients (MLR-Minimum Loan Rate) whereby the advance agreeable margin would be deducted. While the loan in US dollars, the Company would receive interest rate at LIBOR plus the agreed margin. All agreed interest rates are floating. The Company, therefore, has closely followed up the interest rates situation. If there are signs of fluctuation, the Company will use financial hedging instruments to limit such risk.

Doubtful Debt Risk

The Company is subject to risk due to the ability to repay the debts of various trading debtors. From the combined financial statements on 31 December 2014, the Company had trading debtors' accounts to amount of 8,646 million Baht whereby the debtors of the 518 million Baht amount have outstanding balance for more than 12 months. Those debtors have the outstanding balance to pay to the subsidiaries group. However, the Company has set the allowance for bad debts to amount of 107 million Baht. The Company has carefully set the policy to assess the customers' credits strictly and monitors to have the credit storage to reduce the risk of such bad debts.

Holding Company Risk

As one of the holding companies, the Company holds shares in other companies whereas the performance of the Company will also depend on the results of subsidiary companies' performance. The dividends of the Company also depends on the performance results and cash flows of those subsidiaries. If the performance of subsidiaries does not meet the target, it will affect to the dividend payment of the Company. The Company administers such risk by having the investment policy emphasizing on investment in businesses with high potential, high growth tendency, certain income, low risk and yield high rate of return to the Company. In addition, a group of subsidiary companies are determined by the Company to prepare business plans and propose the operation plans and annual budget which must be approved by the Board of Directors including the performance following of each business closely to prepare plan to handle risk timely.

Whereof, the dividends payment of subsidiaries and associated companies shall comply with the applicable laws and/or other restrictions including financial agreements in all respects.

Risk in Short-Term Investments in Securities

From the financial statements on 31 December 2014, the Company had short-term investments in securities to amount of 123 million Baht. Such securities are listed on the Stock Exchange of Thailand. The market volatility, political change, and economic effects will affect to the prices of securities held by the Company. The Company has monitored movements that will lead to such risks closely and the Company often holds the meeting to discuss about risks regularly to follow investment information to take action timely when necessary.

Shareholders

1. The Shareholders of the Company

The top ten major shareholders of the Company are :

Name of shareholders	No. of shares held (Shares)	% of Total Shares
1. Vilailuck Group ⁽¹⁾	449,651,195	44.67
- Vilailuck International Holding Co., Ltd. ⁽²⁾	172,355,200	17.12
- Mr. Watchai Vilailuck ⁽³⁾	131,905,535	13.11
- Mr. Charoenrath Vilailuck ⁽³⁾	121,734,960	12.09
- Mr. Thananan Vilailuck ⁽³⁾	13,212,100	1.31
- Ms. Srintip Vilailuck	2,440,000	0.24
- Mrs. Siripen Vilailuck	5,960,250	0.59
- Mrs. Sukanya Vanichjakvong	2,043,150	0.20
2. THAI NVDR Co., Ltd.	61,232,528	6.08
3. Bualuang Long - Term Equity Fund	19,349,600	1.92
4. K Flexible Equity RMF	14,601,200	1.45
5. STATE STREET BANK EUROPE LIMITED	14,053,700	1.40
6. NORTRUST NOMINEE LTD-CL AC	12,842,900	1.28
7. Mr. Apisak Theppadungporn	12,565,800	1.25
8. CHASE NOMINEE LIMITED 4	11,037,864	1.10
9. HSBC (SINGAPORE) NOMINEE PTE LTD.	10,184,856	1.01
10. Thai Value Focus Equity - Dividend Fund	10,153,100	1.01
Total of top ten Major Shareholders	615,672,743	61.17
Total of the minority shareholder	390,831,167	38.83
Total paid up shares	1,006,503,910	100.00

Remark : Major Shareholders' report as of December 30, 2014 prepared by Thailand Securities Depository Co., Ltd.

⁽¹⁾ Vilailuck International Holding Co., Ltd., Mr. Chareonrath Vilailuck, Mr. Watchai Vilailuck, Mrs. Siripen Vilailuck, Ms. Srintip Vilailuck, Mr. Thananan Vilailuck and Mrs. Sukanya Vanichjakvong as acting in concert regarding the determination of the relationship or Behavior as an act with another person and comply with Section 246 and 247;

⁽²⁾ A holding company with 7 shareholders and stakeholding as follows :

- Mr. Chareonrath Vilailuck and Mr. Watchai Vilailuck have 20.53% each;
- Mrs. Siripen Vilailuck, Ms. Srintip Vilailuck, Mr. Thananan Vilailuck and Mrs. Sukanya Vanichjakvong have 13.50% each;
- Mr. Cherdchai Vilailuck has 4.93%;

⁽³⁾ Includes holding by spouse and minor children.

2. The Shareholders of major subsidiaries which its revenue represent over 10% of Group revenue.

2.1 The top ten major shareholders of Samart I-Mobile Pcl. are :

Name of shareholders	No. of shares held (Shares)	% of Total Shares
1. Vilailuck Group ⁽¹⁾	3,202,385,500	72.78
- Samart Corporation Pcl. ⁽²⁾	3,121,579,000	70.94
- Samart Telcoms Pcl.	28,620,400	0.65
- Vilailuck International Holding Co., Ltd.	22,035,100	0.50
- Mrs. Sukanya Vanichjakvong	17,050,000	0.39
- Mr. Watchai Vilailuck ⁽³⁾	7,781,000	0.18
- Samart U-Trans Co., Ltd.	2,620,000	0.06
- Mr. Tankaseam Vanichjakvong	1,500,000	0.03
- One To One Contacts Pcl.	1,000,000	0.02
- Miss Srintip Vilailuck	200,000	0.01
2. Bualuang Long-Term Equity Fund (B-LTF)	52,198,700	1.19
3. Bualuang Infrastructure Retirement Mutual Fund	43,165,900	0.98
4. Bualuang Siriphol Corporate Governance (BSIRICG)	42,871,300	0.97
5. Bualuang Siriphol Corporate Governance RMF (BSIRIRMF)	39,249,700	0.89
6. Bualuang Infrastructure	26,944,200	0.61
7. Provident Fund of Electricity Generating Authority of Thailand	25,218,800	0.57
8. Bualuang thanakom Open-end Fund	23,057,100	0.53
9. Bualuang Long-Term Equity Fund 75/25 (B-LTF75)	21,173,400	0.48
10. Mrs. Niphanan Chupotchaoen	19,550,000	0.44
Total of top ten Major Shareholders	3,495,814,600	79.44
Total of the minority shareholder	904,435,400	20.56
Total paid up shares	4,400,250,000	100.00

Remark : Thailand Securities Depository Co., Ltd. as of December 30, 2014.

⁽¹⁾ Samart Corporation Pcl., Samart Telcoms Pcl., Vilailuck International Holding Co., Ltd., Mrs. Sukanya Vanichjakvong, Mr. Watchai Vilailuck, Samart U-Trans Co., Ltd., Mr. Tankaseam Vanichjakvong, One To One Contacts Pcl. and Miss Srintip Vilailuck as acting in concert regarding the determination of the relationship or Behavior as an act with another person and comply with Section 246 and 247;

⁽²⁾ A holding company of which Vilailuck International Holding Co., Ltd. and Vilailuck family hold 17.12% and 27.55% of the total shares respectively;

⁽³⁾ Includes holding by spouse and minor children.

2.2 The top ten major shareholders of Samart Telcoms Pcl. are :

Name of shareholders	No. of shares held (Shares)	% of Total Shares
1. Vilailuck Group ⁽¹⁾	442,455,600	71.59
- Samart Corporation PCL. ⁽²⁾	433,064,590	70.075
- Vilailuck International Holding Co., Ltd.	6,111,000	0.989
- Mrs. Sukanya Vanichjakvong ⁽³⁾	1,150,000	0.186
- Mr. Watchai Vilailuck ⁽³⁾	1,200,010	0.194
- Mr. Charoenrath Vilailuck ⁽³⁾	800,000	0.129
- Mr. Thananan Vilailuck ⁽³⁾	50,000	0.008
- Miss Srintip Vilailuck ⁽³⁾	30,000	0.005
- Lobburi Industrial Estate Co., Ltd.	50,000	0.008
2. Bangkok Bank (Public) Co., Ltd.	29,966,560	4.85
3. THAI NVDR Co., Ltd.	16,768,767	2.71
4. Bualuang Long - Term Equity Fund (LTF)	10,783,100	1.75
5. Bualuang Flexible Retirement Mutual Funds	4,968,900	0.80
6. Mr. Sakchai Sakchaicharoenkul	4,600,000	0.75
7. Bualuang Thanakom Open-end Fund	4,084,800	0.66
8. State Street Bank Europe Limited	3,101,000	0.50
9. Mrs. Natteera Boonsri	3,000,000	0.49
10. Bualuang Infrastructrue Retirement Mutual funds	2,802,000	0.45
Total of top ten Major Shareholders	522,530,727	84.55
Total of the minority shareholder	95,469,273	15.45
Total paid up shares	618,000,000	100.00

Remark : Information based on Thailand Securities Depository Co., Ltd. on the latest date of closing registration book December 30, 2014.

⁽¹⁾ Samart Corporation PCL., Vilailuck International Holding Co., Ltd., Mrs. Sukanya Vanichjakvong, Mr. Watchai Vilailuck, Mr. Chareonrath Vilailuck, Mr. Thananan Vilailuck, Ms. Srintip Vilailuck, and Lobburi Industrial Estate Co., Ltd. as acting in concert regarding the determination of the relationship or Behavior as an act with another person and comply with Section 246 and 247;

⁽²⁾ A holding company of which Vilailuck International Holding Co., Ltd. and Vilailuck family hold 17.12% and 27.55% of the total shares respectively;

⁽³⁾ Includes holding by spouse and minor children.

Dividend Policy

On dividend payment, the Company has policy to pay dividend to the shareholders of no less than 50% of its consolidated net profit after deduction of all reserves as stated in the Company's Articles of Association and related laws, subject to need for future investment and business plan, future necessity and appropriation. The Company's subsidiaries and associated companies have policy to pay dividend of no less than 50% of their net profit after deduction of all reserves as stated in the Company's Articles of Association and related laws, and consideration of Company's financial position.

Details of dividend payment

Financial Ratio	2012 ⁽²⁾	2013 ⁽²⁾	2014 ⁽¹⁾
Earning Per share (Baht)	1.11	1.48	1.48
Dividend Per Share (Baht)	0.60	0.80	0.85
Dividend payout ratio (%)	54.53	54.50	57.64

Remarks : ⁽¹⁾ The Company has returned profit to its shareholders by way of dividend payment. Dividend for 2014 has been proposed for consideration of the shareholders at 0.85 Baht per share. Interim dividend for first six-month performance was paid on September 2014 at Baht 0.42 per share. The balance of Baht 0.45 will be paid on May 2015 of which subject to the approval of the shareholders. Total dividend payment will be 57.64% of the consolidated net profit and conformed to the Company's dividend policy that dividend payment will be no less than 50% of its consolidated net profit.

⁽²⁾ The Company and its subsidiaries have restated the consolidated financial statements in 2013 and 2012 :

- The Company and its subsidiaries due to change in accounting policy for building and building improvement from cancellation of a revaluation basis to a cost basis;
- The subsidiary Companies' adoption of Thai Financial Reporting Standard Interpretation 4: Determining whether an Arrangement contains a Lease and Thai Financial Reporting Standard Interpretation 12: Service Concession Arrangements.

Shareholdings of Samart Corporation Pcl. in Subsidiaries and Affiliated Companies

No.	Company	Type of Business	Registered Capital (Million Baht)	Outstanding Ordinary Share	Samart's Holdings	
					Amount	%
1.	Samart I-Mobile Pcl. 99/3 Moo 4, Software Park, 33 rd Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-6900	Retailer for Communications Equipment.	444	4,400,250,000	3,121,579,000	70.94
2.	Samart Mobile Services Co., Ltd. 37/1 Moo 2, Phaholyothin Rd., Klong Nueng, Klongluang, Pathumthanee 12120 Tel. 0-2502-6000 Fax. 0-2502-6496	Procure and sell communication and information technology equipment through wholesale.	490	49,000,000	47,724,999 ⁽¹⁾	97.40
3.	Samart Multimedia Co., Ltd. 99/12 Moo 4, Software Park, 24 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-8136	1. Provide content services via fully integrated wire and wireless technologies both voice service via Audiotext and Call Center, and non voice services. 2. Content producer and developer.	200	2,000,000	1,999,997 ⁽¹⁾	99.99
4.	Samart Interactive Media Co., Ltd. 99/12 Moo 4, Software Park, 24 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-8136	Face-to-face foretell at HoroWorld shop and via website, provide training and selling products related to horoscope and fortunetelling.	160	16,000,000	15,999,997 ⁽²⁾	99.99
5.	I-Sport Co., Ltd. 99/12 Moo 4, Software Park, 24 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-8136	Provide sports information through comprehensive interactive multimedia both in Thailand and overseas market.	120	12,000,000	5,999,996 ⁽²⁾	49.99
6.	I-Mobile International Co., Ltd. 99/3 Moo 4, Software Park, 33 rd Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6200 Fax. 0-2502-8532	Invest in the businesses related to the distribution of mobile phones bundled with content in overseas markets.	200	20,000,000	19,999,997 ⁽¹⁾	99.99
7.	Samart I-Mobile (Malaysia) Sdn. Bhd. 18B, Jalan Mutiara Raya, Taman Mutiara, 56000 Kuala Lumpur, Malaysia Tel. 603-9131-6403 Fax. 603-9133-4941	Distribution of mobile phones bundled with content services and provider of interactive multimedia services in Malaysia.	5,000,000 (Malaysian Ringgit)	2,000,000	2,000,000 ⁽¹⁾	100.00
8.	PT. Samart I-Mobile Indonesia Wisma 46-Kota BNI, Lt. 24 Suite 24.01, Jl. Jend. Sudirman Kav.1, Jakarta 10220, Indonesia Tel. 621-5744-555 Fax. 621-5744-777	Distribution of mobile phones bundled with content services and provider of interactive multimedia services in Indonesia.	6,420,000 (USD)	6,420,000	6,419,000 ⁽³⁾	99.98

No.	Company	Type of Business	Registered Capital (Million Baht)	Outstanding Ordinary Share	Samar's Holdings	
					Amount	%
9.	Teleconnex Co., Ltd. 23/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong Tel. 852-2980-1888 Fax. 852-2956-2192	Distribution of mobile phones bundled with content services and provider of interactive multimedia services in Hong Kong.	5,000,000 (HK\$)	5,000,000	5,000,000 ⁽¹⁾	100.00
10.	I-Mobile Plus Co., Ltd. 99/13 Moo 4, Software Park, 23 rd Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6200 Fax. 0-2502-8532	Carry on the service of telecommunication business, and be agent for all types of telecommunication services.	100	10,000,000	9,999,997 ⁽¹⁾	99.99
11.	Brain Source Co., Ltd. 99/12 Moo 4, Software Park, 24 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-8136	Research and develop application on mobile phone.	1	10,000	9,997 ⁽¹⁾	99.97
12.	I-Mobile Inter Trade Co., Ltd. 99/3 Moo 4, Software Park, 33 rd Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6200 Fax. 0-2502-8532	Export of mobile phones bundled with content services and other products of the Company.	5	500,000	499,997 ⁽¹⁾	99.99
13.	Entertainment Tree Co., Ltd. 99/12 Moo 4, Software Park, 24 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6103 Fax. 0-2502-6361	Manufacturer, distribute and provide entertainment media, through television, telephone, internet system, satellite system and others both local and overseas, installation of several equipments and network including facilities and other related services.	5	500,000	225,000 ⁽²⁾	45.00
14.	I-Sport Media Co., Ltd. 99/12 Moo 4, Software Park, 24 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-8136	Operate business relating to sport advantages such as competition provider, live broadcasting, other activities and benefit management to sport player.	1	100,000	99,997 ⁽⁴⁾	99.99
15.	I-Mobile Direct Co., Ltd. 99/3 Moo 4, Software Park, 33 rd Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-6900	Provide and distribute communication and information technology equipment and accessories through direct selling.	0.6	6,000	59,998 ⁽⁵⁾	99.97
16.	Siam Sport Television Co., Ltd. 66/26 Ram Inthra Rd., Nuanchan, Bueng Kum, Bangkok 10230 Tel. 0-2502-6000 Fax. 0-2502-8136	Own TV Programs on digital TV Channels, 3 Sport Channels on True Vision Production outsource and Live Broadcast production for all sport competition programs.	60	6,000,000	5,999,994 ⁽⁴⁾	99.99
17.	Samar Telcoms Pcl. 99/7 Moo 4, Software Park, 29 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6610 Fax. 0-2502-6648	1. Multimedia communication service via satellite. 2. High Speed Multimedia Network rental service. 3. IT and Communication system distribution and installation service.	738	618,000,000	433,064,590	70.08

No.	Company	Type of Business	Registered Capital (Million Baht)	Outstanding Ordinary Share	Samar's Holdings	
					Amount	%
18.	Samar Communication Services Co., Ltd. 99/7 Moo 4, Software Park, 29 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6610 Fax. 0-2502-6648	Services regarding Telecommunication networks comprising procurement, operations, maintenance and repair of telecommunication equipment.	500	5,000,000	4,999,994 ⁽⁶⁾	99.99
19.	Samar Comtech Co., Ltd. 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6610 Fax. 0-2502-6648	Providing system design and implementation of IT and communication system including system maintenance.	225	2,250,000	2,249,995 ⁽⁶⁾	99.99
20.	Samar Broadband Services Co., Ltd. 99/7 Moo 4, Software Park, 29 th Fl., Chaengwattana Rd., Klong Gluar Pak-kred, Nonthaburi 11120 Tel. 0-2502-6610 Fax. 0-2502-6648	Data communication services over local broadband networks.	55.25	5,525,000	5,524,997 ⁽⁶⁾	99.99
21.	Thai Trade Net Co., Ltd. 99/27 Moo 4, Software Park, 8 th Fl., Chaengwattana Rd., Klong Gluar Pak-kred, Nonthaburi 11120 Tel. 0-2502-6610 Fax. 0-2502-6648	Electronic Data Interchange (EDI) and total value added services.	53	5,300,000	5,299,993 ⁽⁶⁾	99.99
22.	Posnet Co., Ltd. 99/4 Moo 4, Software Park, 32 nd Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6610 Fax. 0-2502-6648	Total solutions and services for electronic payment system and the provider for smart card solutions and smart card application developer.	72	7,200,000	7,199,993 ⁽⁶⁾	99.99
23.	Samar Ed-Tech Co., Ltd. 99/29 Moo 4, Software Park, 6 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6610 Fax. 0-2502-6648	Services and development of Learning Management System, education institute management system, end-to-end education technology, including courseware, digital content, and mobile application development.	20	200,000	199,997 ⁽⁶⁾	99.99
24.	Samar Infonet Co., Ltd. 99/12 Moo 4, Software Park, 24 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6610 Fax. 0-2502-6648	Internet services.	62	6,200,000	6,173,594 ⁽⁶⁾	99.57
25.	Smarterware Co., Ltd. 99/25 Moo 4, Software Park, 10 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6610 Fax. 0-2502-6648	Consulting services and complete software development and special services in software engineering.	10	100,000	99,993 ⁽⁶⁾	99.99
26.	Net Media Co., Ltd. 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6610 Fax. 0-2502-6648	Providing video compression services and communication link for satellite uplink.	10.32	103,200	103,198 ⁽⁶⁾	99.99

No.	Company	Type of Business	Registered Capital (Million Baht)	Outstanding Ordinary Share	Samart's Holdings	
					Amount	%
27.	IT Absolute Co., Ltd. 119 Mahesak Rd., Suriyawong, Bang Rak, Bangkok 10500 Tel. 0-2502-6610 Fax. 0-2502-6648	Distributor of electronic and technology equipments.	225	22,500,001	22,485,593 ⁽⁸⁾	99.94
28.	Portalnet Co., Ltd. 73 Soi Sukhumvit 62, M-Link Building, 5 th Fl., Sukhumvit Rd., Bang Jak, Phrakhanong, Bangkok 10260 Tel. 0-2502-6610 Fax. 0-2502-6648	Providing design and outsourcing services in Enterprise Resource Planning.	3,370	33,700,000	33,699,990 ⁽⁶⁾	99.99
29.	Net Service (Thailand) Co., Ltd. 62 Thaniya Building, 10 th Fl., Silom Road, Suriyawong, Bangrak, Bangkok 10500 Tel. 0-2632-9396-9 Fax. 0-2632-9395	Services on development of IT system including software design and development for government and private sectors.	20	2,000,000	1,199,999 ⁽⁷⁾	60.00
30.	SLA Asia Co., Ltd. 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6610 Fax. 0-2502-6648	Providing services abroad regarding design and implementation of telecommunication and IT system including trading and maintenance of IT equipment in CLMV countries (Cambodia, Lao, Myanma and Vietnam) in Southeast Asia.	30	300,000	90,000 ⁽⁹⁾	30.00
31.	One To One Contacts Pcl. 99/19 Moo 4, Software Park, 17 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2685-0000 Fax. 0-2685-0050	Total customer management solutions both turnkey implementation as well as outsourced contact center management.	280	280,000,000	191,600,000 4,200,000 ⁽⁷⁾ 2,100,000 ⁽⁶⁾ 2,100,000 ⁽¹¹⁾	68.43 1.50 0.75 0.75
32.	One To One (Cambodia) Co., Ltd. 18-E4, 4 th floor, The Icon Professional Building 216, Norodom Blvd., Tonle Bassac, Chamkarmorn, Phnom Penh, Kingdom of Cambodia Tel. 023-932-222 Fax. 023-932-223	Total customer management solutions both turnkey implementation as well as outsourced contact center management in Cambodia.	5,000 (USD)	1,000	1,000 ⁽¹⁰⁾	100
33.	One To One Professional Co., Ltd. 126/92-95 C.M. Tower, 24 th Fl., Krungthonburi Rd., Banglumphulang, Klong San, Bangkok 10600 Tel. 0-2685-0059 Fax. 0-2685-0050	Provide consult recruitment and staffing management for customer service business.	1	100,000	99,997 ⁽¹⁰⁾	99.99
34.	Cambodia Air Traffic Services Co., Ltd. CATS Building, Opposite Phnom Penh International Airport, Russian Federation Blvd, Sangkat Kakab, Khan Posen Chey, Phnom Penh, Kingdom of Cambodia Tel. 855-23-866294 Fax. 855-23-890214	Provide air traffic control services in Cambodia.	2,500,000 (USD)	250,000	250,000 ⁽¹²⁾	100.00

No.	Company	Type of Business	Registered Capital (Million Baht)	Outstanding Ordinary Share	Samar's Holdings	
					Amount	%
35.	Kampot Power Plant Co., Ltd. CATS Building, Opposite Phnom Penh International Airport, Russian Federation Blvd, Sangkat Kakab, Khan Posen Chey, Phnom Penh, Kingdom of Cambodia Tel. 855-23-866294 Fax. 855-23-890214	Electric Generating supply to Kampot Cement factory in Cambodia, an affiliate of Siam cement.	5,000,000 (USD)	500,000	500,000 ⁽¹²⁾	100.00
36.	Cambodia Samart Co., Ltd. CATS Building, Opposite Phnom Penh International Airport, Russian Federation Blvd., Sangkat Kakab, Khan Posen Chey, Phnom Penh, Kingdom of Cambodia Tel. 855-23-866294 Fax. 855-23-890214	Land Lease.	50,000,000 (Riel)	100	49	49.00
37.	Samart U-Trans Co., Ltd. 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-6176	System Integrator for Transportation, Energy and Utilities System.	500	100,000,000	99,999,994	99.99
38.	Suvarnabhumi Environment Care Co., Ltd.* 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2134-3556 Fax. 0-2134-3558	Total Waste Management Solution in Suvarnabhumi Airport including construction of building, providing of equipment and implementation of Waste Management System.	50	5,000,000	4,499,994	89.99
39.	Vision and Security System Co., Ltd. 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6999 Fax. 0-2502-6393	Distribution, installation and maintenance of Security Systems and Communication System.	20	2,000,000	1,400,000	70.00
40.	Samart Engineering Co., Ltd. 59 Moo 2, Phaholyothin Rd., Klong Nuang Klongluang, Pathumthanee 12120 Tel. 0-2516-8711 Fax. 0-2516-4581	Manufacture and distribution of television and radio antennas and satellite dishes as well as Broadcast Network Solution.	250	2,500,000	2,499,994	99.99
41.	Contact-In-One Co., Ltd. 99/3 Moo 4, Software Park, 33 rd Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2516-8711 Fax. 0-2516-4581	Institution for satellite dishes installation training.	1	100,000	99,993 ⁽¹¹⁾	99.99
42.	Samart Inter Holding Co., Ltd. Level 54 Hopewell Centre, 183 Queen's Road East, Hong Kong Tel. 852-2980-1600 Fax. 852-2956-2192	A regional holding company for overseas infrastructure investment in Indo China.	20,000,000 (USD)	20,000,000	20,000,000	100
43.	Samart Raditech Co., Ltd. 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6278 Fax. 0-2502-6584	Radiation technology business: Trading of radiation measurement equipments, radiation measurement service, and radiation project management.	80	8,000,000	7,999,993	99.99

No.	Company	Type of Business	Registered Capital (Million Baht)	Outstanding Ordinary Share	Samar's Holdings	
					Amount	%
44.	Samart Digital TV Co., Ltd. 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6100 Fax. 0-2502-6174	Broadcast Network Service Provider.	1	100,000	99,997	99.99
45.	Teda Co., Ltd. 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-6904	Be Engineering, Procurement and Construction (EPC) Contractor and maintenance services for Power Substations and Power Transmission.	407.5	40,750,000	32,600,000 ⁽¹³⁾	80.00
46.	Teda Construction Co., Ltd. 60, 62, 64, 66 Soi Charan Sanitwong 83/1, Charansanitwong Rd., Bang O, Bangphlat, Bangkok 10700 Tel. 0-2502-6000 Fax. 0-2502-6904	Contractor : Civil Construction & Civil Engineering services for Power Substation and Power Transmission projects.	4	40,000	39,994 ⁽¹⁴⁾	99.99
47.	Transec Power Services Co., Ltd. 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-6904	Contractor : Installation & Commissioning and Maintenance services for Power Substation & any High Voltage system.	15	150,000	149,998 ⁽¹⁴⁾	99.99
48.	Samart Waste2Power Co., Ltd. 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-6176	To provide Municipal Solid Waste and Landfill Waste management by collecting, separating, Refused Derived Fuel (RDF) producing and convert waste to be electricity.	50	5,000,000	4,999,800 ⁽¹³⁾	99.99
49.	Samart U-Trans (Myanmar) Co., Ltd.** Room 117, Inya Lake Hotel, 37 Kaba Aye Pagoda Road, Mayangone Township, Yanggon, Myanmar Tel. (951) 657-792, 650-740 Fax. (951) 650-466	To provide services and consultations regarding trades in Myanmar including all related general proceedings.	50,000 (USD)	50,000	49,995 ⁽¹³⁾	99.99
50.	Samart U-Trans (Lao) Co., Ltd.** 33 Lane Xang Ave., Ban Hatsady, Chanthabuly District, Lao PDR Tel. 856 (21) 222 732 Fax. 8569 (21) 222 732	To provide collection programming service, web design service, hardware and Information Technology software maintenance service and; To repair, install, and develop any programs and websites relating to Information Technology system ("IT system").	1,000,000,000 (Lao Kip)	100,000	99,000 ⁽¹³⁾	99.00

Remarks : ⁽¹⁾ Held by Samart I-Mobile Pcl.

⁽²⁾ Held by Samart Multimedia Co., Ltd.

⁽³⁾ Held by I-Mobile International Co., Ltd.

⁽⁴⁾ Held by I-Sport Co., Ltd.

⁽⁵⁾ Held by I-Mobile Inter Trade Co., Ltd.

⁽⁶⁾ Held by Samart Telcoms Pcl.

⁽⁷⁾ Held by Samart Comtech Co., Ltd.

⁽⁸⁾ Held by Samart Broadband Services Co., Ltd.

⁽⁹⁾ Held by Samart Communication Services Co., Ltd.

⁽¹⁰⁾ Held by One To One Contacts Pcl.

⁽¹¹⁾ Held by Samart Engineering Co., Ltd.

⁽¹²⁾ Held by Samart Inter Holding Co., Ltd.

⁽¹³⁾ Held by Samart U-Trans Co., Ltd.

⁽¹⁴⁾ Held by Teda Co., Ltd.

* Suvarnabhumi Environment Care Co., Ltd. ("SEC") is in process of transferring its operation to Suvarnabhumi Environment Services Co., Ltd., a new company with same conditions as SEC, due to technical problem.

** The Company is in process of the establishment.

Management Structure

Board of Directors as of December 31, 2014

Mr. Cherdchai Vilailuck	Honorable Chairman
1. Dr. Tongchat Hongladaromp	Chairman / Independent Director / Audit Committee Member / Chairman of the Nominating & Compensation Committee
2. Mr. Pradang Prichayangkun	Independent Director / Chairman of the Audit Committee / Vice Chairman / Corporate Governance Committee Member / Nominating & Compensation Committee Member
3. Mr. Seri Suksathaporn	Independent Director / Audit Committee Member / Chairman of the Corporate Governance Committee / Nominating & Compensation Committee Member
4. Mrs. Siripen Vilailuck ^(*)	Director
5. Mr. Charoenrath Vilailuck	Director / Executive Chairman / CEO / Chairman of the Risk Management Committee
6. Mr. Watchai Vilailuck	Director / President / Chairman of the Sustainable Development Committee
7. Mr. Sirichai Rasameechan	Director / Executive Vice Chairman / Corporate Governance Committee Member / Sustainable Development Committee Member
8. Mr. Prinya Waiwatana	Independent Director / Corporate Governance Committee Member

Remark : ^() Representative director from Vilailuck International Holding Co., Ltd., a major shareholder with 17.12% stake holding from total number of voting rights of the Company (as of December 31, 2014).*

The number of directors is in line with the Company's Articles of Associations that the Board of Directors should have at least 7 members, but not exceeding 15 members in total. No less than one half of such members shall have residence within the Kingdom and the directors of the Company shall have qualification as specified by law. Audit Committee members comprise of no less than 3 members, all of them have sufficient experience to review the Company's financial statement. Details of the Curriculum Vitae, Roles and Responsibilities of Audit Committee are provided under **"Directors, Managements and Company Secretary"** and **"Corporate Governance"**.

Restriction of Power of the Directors

"Mr. Charoenrath Vilailuck, Mr. Watchai Vilailuck, Mr. Sirichai Rasameechan, two of these three Directors, authorized to jointly sign and affix the Company's seal."

Qualifications of Director

- Has qualifications which comply to Public Company Act B.E. 2535, regulations of the Stock Exchange of Thailand ("SET"), Securities and Exchange Commission ("SEC"), and Company's Articles of Association and any other related laws;
- Does not run any business, which is competed with the Company, and not being a shareholder of any legal entities whose business is the Company's competitors except obtained approval from the shareholders;
- Should have leadership, vision, and independent consideration for best benefit of the Company and the shareholders;
- Has various knowledge, experience, and specific skill that suitable for the Company business;
- Integrity;
- Having sufficient time for fully participated as a Director of the Company.

Qualifications of Independent Director

- Holding not **more than 0.5 percent** of the total number of voting rights of the Company, parent company, subsidiaries, affiliates or juristic person which may have conflicts of interest, including the shares held by related persons of the independent director;

2. Neither being nor having been Executive director, employee, staff or an adviser who receives a regular salary; or a controlling person of the Company, subsidiaries, affiliates, same-level subsidiaries, major shareholder or controlling person of the Company or juristic person who may have conflicts of interest unless the foregoing status has ended no less than two years prior to the date of application filing with the office;
3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executives, major shareholders, controlling persons, or persons to be nominated as executives or controlling persons of the Company or its subsidiaries;
4. Neither being nor having a business relationship with the Company, its parent company, subsidiary, associate, major shareholder or controlling person, in a manner that may interfere with his/her independent judgment, and neither is nor has ever been a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary, associate, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment;
5. Neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment;
6. Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million Baht per year from the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of appointment;
7. Not being a director who has been appointed as a representative of the Company's director, major shareholder or shareholder who is related to the Company's major shareholder;
8. Not undertaking any business in the same nature and in significant competition to the business of the Company or subsidiaries or not being a partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding 1 percent of the total number of shares with voting rights of other company which undertakes business in the same nature and in significant competition to the business of the Company or subsidiaries;
9. Not having any characteristic which make him incapable of expressing independent opinions with regard to the Company's business affairs.

Terms of positions

Pursuant to the Public Company Act B.E. 2535, at the first Annual General Meeting of Shareholders after the registration of the Company and at the first Annual General Meeting of Shareholders in every subsequent year one-third of the directors, who have been longest in office, shall retire. The retired directors are eligible to be re-elected for another term by obtaining majority vote from the Nominating & Compensation Committee. However the independent directors shall be in post no longer than 3 terms except getting a unanimous approval from the Nominating & Compensation Committee due to his/her contribution to the Company and the Committee ensures that the extra term will not cause or impact to the independent of such director as well as obtain an approval from Board of Directors and the Company's shareholders.

Roles and Responsibilities of Directors

1. Conduct business with responsibility, due care, and integrity uphold the duties according to the law, and Company's objectives, Articles of Association, resolutions of the Board of Directors and shareholders' meeting as well as disclosure sufficient information to the Shareholders;
2. Formulate policies and directions for the Company's operations. The Board must also supervise managerial and administrative departments to deliver all policies with effectiveness and efficiency;
3. Review and approve the company's vision and mission annually;
4. Consider and approve the Company's investment and annual budget;

5. Appoint directors and Committee members to replace of those who will retire by rotation as well as consider the remuneration package for such directors and committee members, which are proposed by Nominating & Compensation Committee, prior to propose for further consideration of the shareholders;
6. Appoint committees to oversee administrative process and internal system to coincide with Company's policies, i.e. Executive Board, Risk Management Committee, Corporate Governance Committee, Nominating & Compensation Committee and Sustainable Development Committee etc. For the appointment of Audit Committee members, the Nominating & Compensation Committee will nominate appropriated candidates propose to the Board of Directors prior to propose for further consideration of the shareholders;
7. Appoint and consider remuneration package, proposed from the Nominating & Compensation Committee, for top executives of the Company, and Company Secretary;
8. Summarize Profit & Loss Statement and Statement of Financial Position of the Company for every fiscal year's ended period. Authorize the statements and present them during the Annual General Meeting of Shareholders for further consideration;
9. Nominate appropriated persons with remuneration for further consideration and approval of shareholders for the appointment of the Company's auditors;
10. Ensure the Company's to have written Corporate Governance Policy and Business Ethic as well as to ensure that there will be no conflicts of interest at the same time to establish systematic plans for internal control and risk management;
11. Ensure that good corporate governance is implemented to demonstrate Company's commitment to operate the business with ethics and to bring fair treatment to all stakeholders;
12. In case of entering into any direct or indirect transaction with the Company and subsidiaries, such director has to immediately inform his/her or related parties' personal interest to the Company.

The Company determines to make its directors and executives express their intentions on performing the Company's business operations with transparently and morality as well as perform their duties pursuant to the ethical standards on integrity, with carefulness and cautiously for benefits of all shareholders and the stakeholders. Hence, the ethics which shall be used as practical guidelines for the directors and the executives have been specified. The Company discloses the **ethics of the directors and the executives** in the Company's website (www.samartcorp.com).

Delegation of Authorities between the Board of Directors and the Management

The Company has specified the delegation of authorities clearly which have been firstly applied since 1995 by specifying approval authority on credit line of the Board of Directors and the Management pursuant to the transaction types, such as finance/accounting/budget, human resources, procurement, general management/administration, marketing and public relations. However, the Company is now improving such policies and operating guidelines to make them more appropriated with the current situation then they shall be further presented to the Board of Directors for approval.

Delegation of Authorities of the Board of Directors

1. Approve the annual budget and business plan of the Company;
2. Approve the undertaking of financial obligations of the Company, i.e. execution of loan agreement, loan guarantee;
3. Approve the investment project in large business;
4. Approve the establishment of new company;
5. Approve the purchase and disposal of the Company's assets pursuant to the Capital Market Supervisory Board;
6. Approve the undertaking the related transaction of the Company pursuant to the Capital Market Supervisory Board;
7. Approve the policy on increase of annual remuneration and bonus;
8. Approve financial statement of the Company;
9. Approve the opening or closing accounts with the banks;
10. Approve the appointment of the Committee;
11. Approve the appointment of new director to replace the director who is retired by rotation.

The Board of Director also has duties to approve other transactions pursuant to the notification of the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand and other related laws.

In addition, since nature of the Company is a Holding Company, therefore, it has to disclose information of the directors of its subsidiaries of which its revenue represent over 10% of Group revenue as of December 31, 2014 as follows:

1) Board of Directors of Samart I-Mobile Pcl. (“SIM”)

- | | |
|---|--|
| 1. Prof. Suphachai Phisitvanich | Chairman / Independent Director / Audit Committee Member |
| 2. Dr. Chotivid Chayavadhanangkur | Independent Director / Chairman of the Audit Committee / Chairman of the Corporate Governance Committee / Nominating and Compensation Committee Member |
| 3. Mr. Kunthit Arunyananda | Independent Director / Audit Committee Member / Chairman of the Nominating and Compensation Committee / Corporate Governance Committee Member |
| 4. Mr. Charoenrath Vilailuck ⁽¹⁾ | Director |
| 5. Mr. Watchai Vilailuck ⁽¹⁾ | Director / Executive Chairman / CEO / Chairman of the Risk Management Committee |
| 6. Mr. Thananan Vilailuck ⁽¹⁾ | Director / Executive Chairman / Chairman of the Sustainable Development Committee / Risk Management Committee Member |
| 7. Mr. Jong Diloksombat ⁽¹⁾ | Director / Executive Director / Corporate Governance Committee Member / Risk Management Committee Member |
| 8. Mr. Sirichai Rasameechan ⁽²⁾ | Director / Nominating and Compensation Committee Member / Risk Management Committee Member |

Remark : ⁽¹⁾ Representative director from Samart Corporation Pcl., a major shareholder with 70.94%;

⁽²⁾ Has been appointed as a SIM's Director and a member of Nominating and Compensation Committee on August 7, 2014.

2) Board of Directors of Samart Telcoms Pcl. (“SAMTEL”)

- | | |
|---|--|
| 1. Mr. Sombut Uthaisang | Chairman / Independent Director |
| 2. General Sumpun Boonyanun | Independent Director / Chairman of the Audit Committee / Chairman of the Nominating and Compensation Committee / Corporate Governance Committee Member |
| 3. Mr. Vichai Pokasamrit | Independent Director / Audit Committee Member / Nominating and Compensation Committee Member / Chairman of the Corporate Governance Committee |
| 4. Ms. Rapeepan Luangaramrut | Independent Director / Audit Committee Member / Nominating and Compensation Committee Member |
| 5. Mr. Kajornvut Tayanukorn ⁽¹⁾ | Director / Corporate Governance Committee Member |
| 6. Mr. Charoenrath Vilailuck ⁽²⁾ | Executive Director |
| 7. Mr. Watchai Vilailuck ⁽²⁾ | Executive Director / Executive Chairman |
| 8. Mr. Sirichai Rasameechan ⁽²⁾ | Executive Director |
| 9. Mr. Jong Diloksombat ⁽²⁾ | Executive Director / President / Chairman of the Risk Management Committee / Corporate Governance Committee Member / Chairman of the Sustainable Development Committee |

Remark : ⁽¹⁾ Representative director from Bangkok Bank Pcl., a major shareholder with 4.85%;

⁽²⁾ Representative director from Samart Corporation Pcl., a major shareholder with 70.08%.

Report of Directors attendance of the Company and Major Subsidiaries in 2014⁽¹⁾

Directors	Number of Attendance / Total Number of Meeting		
	Samart Corporation Pcl. (SAMART)	Samart I-mobile Pcl. (SIM)	Samart Telcoms Pcl. (SAMTEL)
1. Dr. Tongchat Hongladaromp	9/9	-	-
2. Mr. Pradang Prichayangkun	9/9	-	-
3. Mr. Seri Suksathaporn	9/9	-	-
4. Mr. Prinya Waiwatana	9/9	-	-
5. Mrs. Siripen Vilailuck	8/9 ⁽²⁾	-	-
6. Mr. Sirichai Rasameechan	9/9	2/7 ⁽⁴⁾	7/7
7. Mr. Charoenrath Vilailuck	9/9	7/7	7/7
8. Mr. Watchai Vilailuck	9/9	7/7	7/7
9. Prof. Suphachai Phisitvanich	-	4/7 ⁽⁵⁾	-
10. Dr. Chotivid Chayavadhanangkur	-	6/7 ⁽⁵⁾	-
11. Mr. Kunthit Arunyananda	-	7/7	-
12. Mr. Thananan Vilailuck	-	6/7 ⁽⁵⁾	-
13. Mr. Jong Diloksombat	-	6/7 ⁽⁵⁾	7/7
14. Mr. Azwan Khan Bin Osman Khan	-	0/7 ⁽⁶⁾	-
15. Mr. Annis bin Sheikh Mohamed	-	0/7 ⁽⁶⁾	-
16. Mr. Simon John Perkins	-	2/7 ⁽⁶⁾	-
17. Mr. Sombut Uthaisang	-	-	7/7
18. General Sumpun Boonyanun	-	-	7/7
19. Mr. Vichai Pokasamrit	-	-	7/7
20. Ms. Rapeepan Luangaramrut	-	-	6/7 ⁽³⁾
21. Mr. Kajornvut Tayanukorn	-	-	6/7 ⁽³⁾

Remark : ⁽¹⁾ Major subsidiaries which its revenue represent over 10% of Group revenue;

⁽²⁾ Due to has important business in Thailand;

⁽³⁾ The meeting date has been changed while such director has been aboard;

⁽⁴⁾ Has been appointed as a SIM's Director on August 7, 2014;

⁽⁵⁾ Absence due to sick, and/or has important business in/out Thailand;

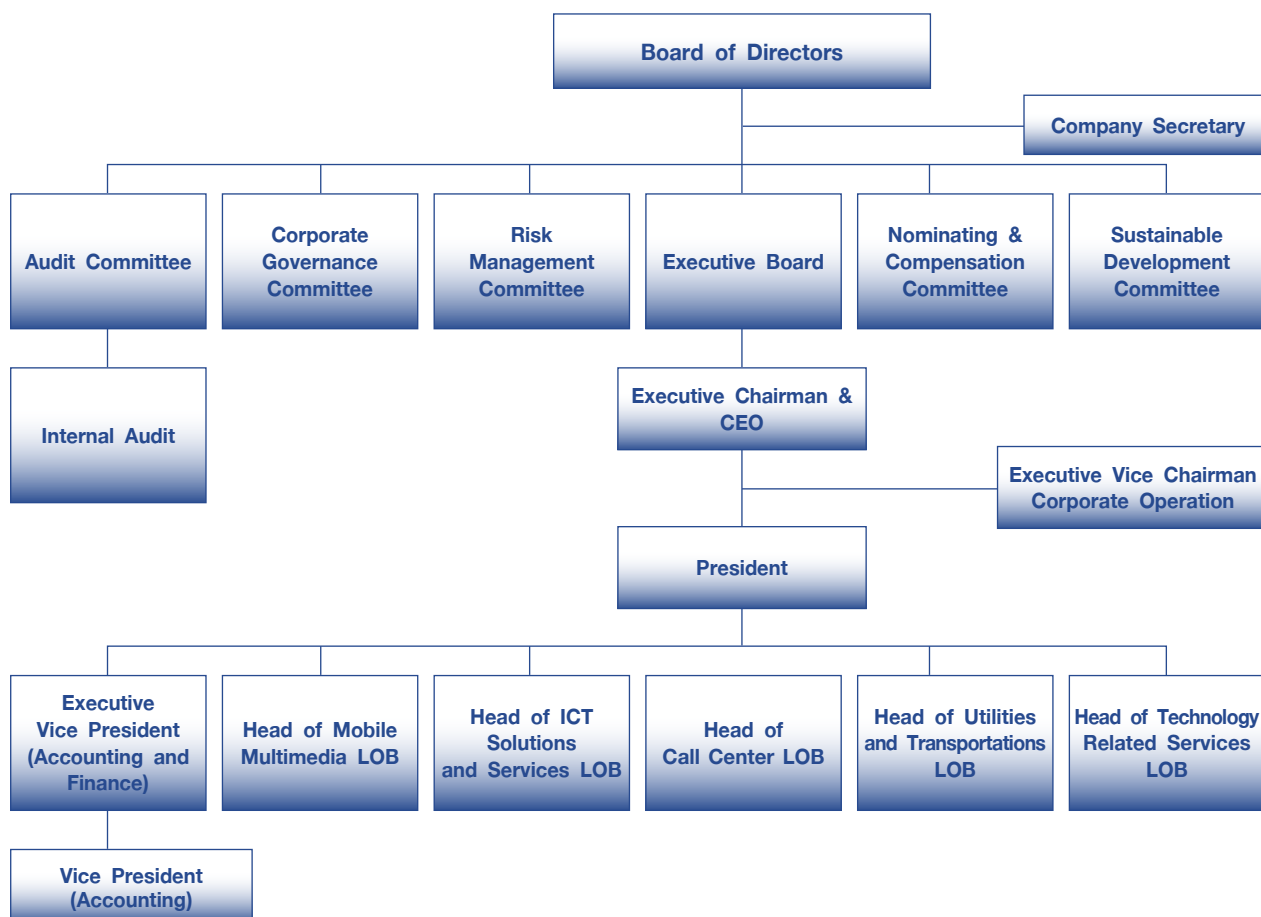
⁽⁶⁾ Representative director from Axiata Group Berhad, a major shareholder with 23.93%.

Curriculum Vitae of Directors are provided on pages 230

Management Structure

The Company's management structure comprised of 7 Committees; Board of Directors, Audit Committee, Executive Board, Corporate Governance Committee, Nominating & Compensation Committee, Risk Management Committee and Sustainable Development Committee. Corporate Structure and the Management of the Company and major subsidiaries which its revenue represent over 10% of Group revenue as of December 31, 2014 were as follows:

The Company's Corporate Structure



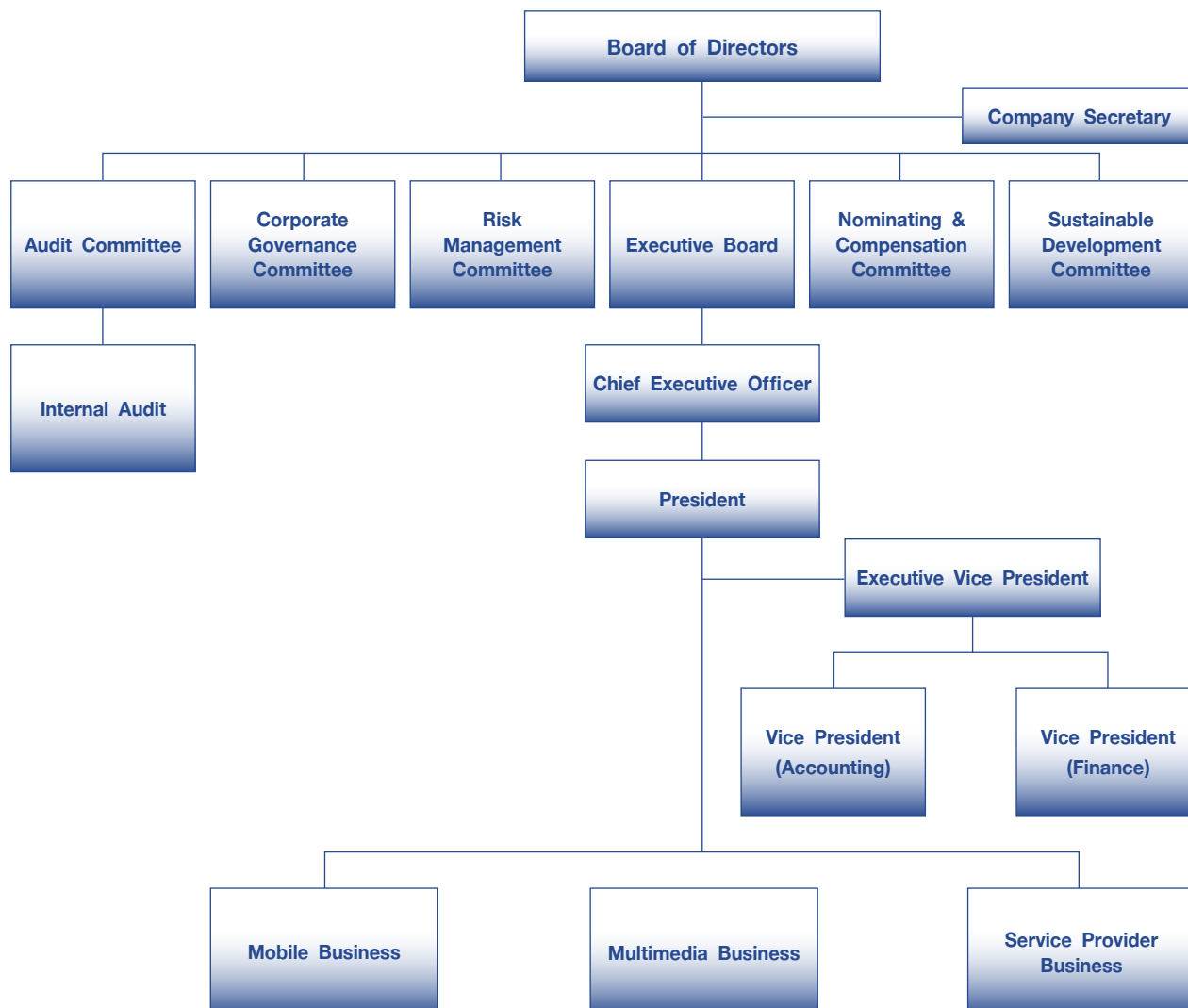
Management of the Company

- | | |
|------------------------------|---|
| 1. Mr. Charoenrath Vilailuck | Executive Chairman & CEO |
| 2. Mr. Watchai Vilailuck | President / Acting Chief Operating Officer of Call Center LOB / Acting Chief Operating Officer of Utilities and Transportations LOB / Acting Chief Operating Officer of Technology Related Services LOB |
| 3. Mr. Sirichai Rasameechan | Executive Vice Chairman |
| 4. Mr. Jong Diloksombat | Executive Director / President of ICT Solutions and Services LOB |
| 5. Mr. Thananan Vilailuck | President of Mobile Multimedia LOB |
| 6. Mr. Pracha Phathayakorn | Executive Vice President (Accounting & Finance) |

Corporate Structure and the Management of the Company and major subsidiaries which its revenue represent over 10% of Group revenue were as follows:

1) Samart I-mobile Pcl.

Corporate Structure of Samart I-mobile Pcl.

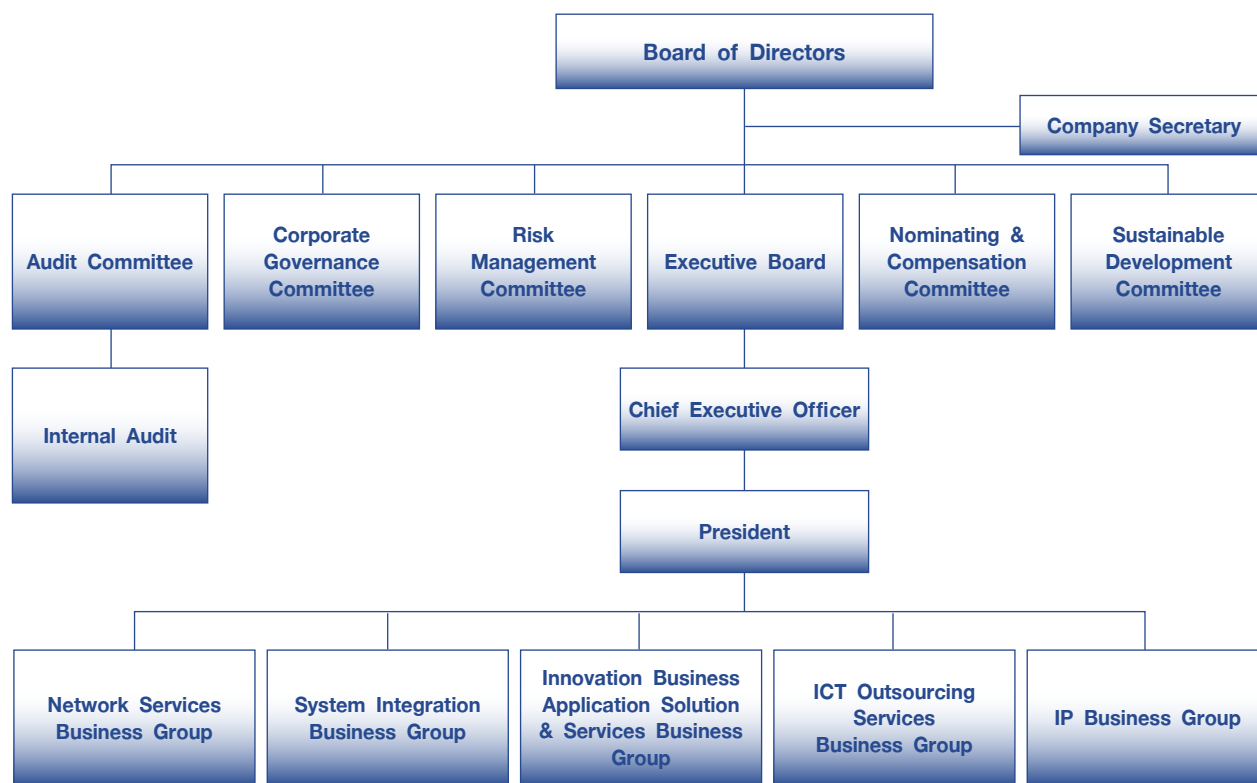


Management of Samart I-mobile Pcl.

- | | |
|--------------------------------|--|
| 1. Mr. Watchai Vilailuck | Chief Executive Officer / Acting Managing Director – Service Provider Business |
| 2. Mr. Thananan Vilailuck | President / Acting Managing Director – Mobile Business |
| 3. Mr. Pracha Phathayakorn | Executive Vice President |
| 4. Mr. Subhasiddhi Rakkasikorn | Managing Director - Multimedia Business, Seconded to be Managing Director, Samart Multimedia Co., Ltd. |
| 5. Mrs. Sumolthip Srimek | Vice President - Accounting |
| 6. Ms. Kusuma Kerdpol | Vice President - Finance |

2) Samart Telcoms Pcl.

Corporate Structure of Samart Telcoms Pcl.



Remark :

1. Corporate Accounting and Corporate Treasury are under President;
2. The Board of Directors of the Company in its Meeting No.7/2014, on December 17, 2014, has approved to change business structure from five business groups to three business groups as follow;
 - 1) Network Solutions
 - 2) Enhanced Technology Solutions
 - 3) Business Application

Business Groups are categorized into clear and easy-to-understand groups of Solutions to supports the vision to be the leader in total solution provider in information and communication technology, and to support business goals and growth in the future. The change has effective since January 1, 2015.

Management of Samart Telcoms Pcl.

- | | | |
|----|--|---|
| 1. | Mr. Watchai Vilailuck | Chief Executive Officer |
| 2. | Mr. Jong Diloksombat | President / Acting Executive Vice President ICT Outsourcing Services Business Group and IP Business Group |
| 3. | Mr. Pornchai Krivichian | Executive Vice President - Network Services Business Group and System Integration Business Group |
| 4. | Mr. Apichat Sirisalipochna | Vice President - Network Services Business Group and Business Application Solution & Service Business Group |
| 5. | Mrs. Aroonluck Dilokwanich | Vice President - Corporate Accounting |
| 6. | Mr. Dhilokpat Nisamaneevong ⁽¹⁾ | Vice President - Finance & Investor Relations |

Remark : ⁽¹⁾ Has been appointed Mr. Dhilokpat Nisamaneevong as Vice President - Finance & Investor Relations in replacement of Mr. Wongkrit Jiamsripong on February 1, 2014.

See details of the Company's management in the topic of the “Directors Managements and Company Secretary”.

Company secretary

The Nominating & Compensation Committee considered and appointed a potential and experienced person as the Company Secretary proposed for further approval of the Board of Directors. The Board of Directors has appointed Mrs. Vorapin Isaradharm as the Company Secretary. She has joined the Company Secretary since 1999. The Board of Directors appointed her to be the Company Secretary Officially on August 14, 2008 to comply with the new Securities and Exchange Act. B.E. 2551 (“The Securities Act 4.”).

However, Mrs. Vorapin Isaradharm has resigned from the Company Secretary on December 1, 2014. The Board of Directors' meeting of the Company No. 9/2014 held on December 19, 2014 has resolved to appoint Mrs. Jirawan Rujisonthi as the Company Secretary in replacement of her with effective on December 19, 2014.

Details of Company Secretary are provided under “Directors, Managements and Company Secretary” and “Company Secretary's Role and Responsibilities.”

Remuneration of Directors and Management

• Directors' Remuneration

Policy of Directors' Remuneration has been clearly and transparently set to be comparable to the general practice in same industry and be appealing enough to attract and retain qualified directors. The directors who also be appointed to be the member of any Committees will be paid appropriately more in accordance with the extra work. The Nominating & Compensation Committee will consider the remuneration and propose for consideration of the Board of Directors prior to further approval from the shareholders.

• Non-executive Director's Remuneration

The remuneration for the directors comprises meeting allowance and bonus. Meeting allowance shall be approved by the Shareholders' Meeting and it shall be paid to the directors who attended the meeting only. Members of the Board of Directors and the Audit Committee shall receive the meeting allowance at the same amount, however, the Chairman shall receive 2 times higher than other directors. The Chairman of the Nominating & Compensation Committee and the Chairman of the Corporate Governance Committee shall receive 33.33 percent higher than other members. The Executive Committee, the Risk Management Committee and the Sustainable Development Committee shall not receive any meeting allowance because they are the Company's executives. The provision of bonus to the directors shall be considered based on appropriateness in various aspects and by compared with other organizations in the same industry which have the same or similar size of business including business operations of the Company, performance and responsibility of the directors and overall business conditions.

The Shareholders in the Annual General Meeting 2014 approved remuneration for directors of the Company and Committees' members at the amount of not exceeding Bath 7.0 million. Details of remuneration are as follows:

Board of Directors and Audit Committee

- Chairman Baht 30,000 per meeting
- Director Baht 15,000 per meeting

Nominating & Compensation Committee and Corporate Governance Committee

- Chairman Baht 20,000 per meeting
- Director Baht 15,000 per meeting

- **Management's Remuneration**

Remuneration of the top managements shall be in accordance with principles and policies specified by the Nominating and Compensation Committee. Such remuneration is in the appropriated level and can be comparable with the rate of the same industry by taking into consideration duties, responsibilities and performance of the Company as well as performance of each top management. In addition, it must be able to motivate and retain the qualified and capable personnel.

Annual remuneration and bonus of the top managements shall have the fixed consideration criteria by based on performance of the Company, overall economic conditions and performance of each top managements. These criteria shall be explained in advance before they can be used for the assessment at the end of the year. The Nominating and Compensation Committee shall consider prior propose to the Board of Directors for approval.

For the remuneration of Chief Executive Chairman, it will be determined by the above criteria. The Board of Directors also conducts the performance evaluation of Chief Executive Chairman annually by each director. The results will be used to consider the remuneration of Chief Executive Chairman.

In 2014, the Company paid remuneration to directors and managements of the Company and major subsidiaries as follows.

1. **Total Remuneration in 2014: Total remuneration paid to directors and management in 2014 was as follows:**

- 1.1) **2014 Cash & Non-Cash Remuneration for Directors and Committees' Members**

- **Remuneration for existing Directors and Committees' members of Samart Corporation Pcl.**

Directors	Cash Remuneration						Non-Cash Remuneration
	Meeting Allowance ⁽¹⁾ (Baht)				Performance Bonus (Baht)	Total Amount (Baht)	Warrant ⁽³⁾ (Unit)
	Board of Directors ⁽²⁾	Audit Committee	Corporate Governance Committee	Nominating & Compensation Committee			
1. Dr. Tongchat Hongladaromp Chairman / Independent Director	270,000	75,000	-	60,000	380,000	785,000	500,000
2. Mr. Pradang Prichayangkun Vice Chairman / Independent Director	135,000	150,000	30,000	45,000	330,000	690,000	500,000
3. Mr. Seri Suksathaporn Director / Independent Director	135,000	75,000	40,000	45,000	330,000	625,000	500,000
4. Mrs. Siripen Vilailuck ⁽⁴⁾ Director	120,000	-	-	-	330,000	450,000	500,000
5. Mr. Charoenrath Vilailuck Director	135,000	-	-	-	330,000	465,000	500,000
6. Mr. Watchai Vilailuck Director	135,000	-	-	-	330,000	465,000	500,000
7. Mr. Sirichai Rasameechan Director	135,000	-	30,000	-	330,000	495,000	500,000
8. Mr. Prinya Waiwatana Director/ Independent Director	135,000	-	30,000	-	330,000	495,000	275,000 ⁽⁵⁾
Total	1,200,000	300,000	130,000	150,000	2,690,000	4,470,000	3,775,000

Remark : ⁽¹⁾ Meeting allowance shall not be paid to the Executive Committee, Risk Management Committee and Sustainable Development Committee because all members of such Committees are the executives who have remuneration as the executives already;

⁽²⁾ The 2014 meeting allowance is for 9 meetings of the Board of Directors;

⁽³⁾ The Company had issued 30,000,000 units of warrant offering to the Company's directors and the employees of the Company and its non-listed subsidiaries on May 29, 2009. The warrants have 5 years maturity period and can be exercised from the 1st - 5th year at 10, 15, 20, 25 and 30 percent respectively. Such Warrants have expired since May 28, 2014. Each director has been allocated 500,000 units of warrants totaling to 6,000,000 units of which equivalent to 20 percent of the total issued warrants. However, some directors who have been allocated the warrants have resigned. Warrants allocated to the current directors are representing to 12.58 percent of total issued warrants;

⁽⁴⁾ Different amount of meeting allowance for each director depended on number of participated meetings;

⁽⁵⁾ The Annual General Meeting of Shareholders 2012 held on April 27, 2012 has approved the allocation of 275,000 warrants (the unexercised warrant portion of the resigned director) to Mr. Prinya Waiwatana.

1.2) 2014 Cash & Non-Cash Remuneration of the Executive Board and Management

Remuneration	Number of Persons	Total Amount
Salary ⁽¹⁾	6	19,768,800 (Baht)
Bonus ⁽¹⁾	6	3,215,000 (Baht)
Provident Fund ^{(1) (2)}	6	1,271,700 (Baht)
Warrants ⁽³⁾	6	9,850,000 (Units)

Remark : ⁽¹⁾ The figures presented Salary, Bonus and Provident Fund for executives and management paid by the Company only. There were total 2 executives and management in 2014 with payment paid by the Company while other 4 executives and management received from other listed subsidiaries, i.e. Mr. Watchai Vilailuck received partial payment from the Company, Samart I-Mobile Pcl. and Samart Telcoms Pcl., Mr. Pracha Phathayakorn received partial payment from the Company and Samart I-Mobile Pcl. as well as Mr. Jong Diloksombat and Mr. Thananan Vilailuck received payment from other listed subsidiaries under other line of businesses;

⁽²⁾ Provident fund to executive directors and management have been provided by the Company at the rate of 3 - 10 percent of salary related to year of services;

⁽³⁾ The Company had issued 30,000,000 units of warrant offering to the Company's directors and the employees of the Company and its non-listed subsidiaries on May 29, 2009. The warrants have 5 years maturity period and can be exercised from the 1st - 5th year at 10, 15, 20, 25 and 30 percent respectively. Such Warrants have expired since May 28, 2014. The management have been allocated 9,850,000 units of which equivalent to 32.83 percent of the total issued warrants.

2. Total Remuneration of Major subsidiaries in 2014 :

2.1) 2014 Cash & Non-Cash Remuneration for Directors and Committees' Members of Samart I - Mobile Pcl.

- Remuneration for existing Directors and Committees' members of Samart I-Mobile Pcl.

Directors	Cash Remuneration						Non-Cash Remuneration
	Meeting Allowance (Baht)				Performance Bonus (Baht)	Total Amount (Baht)	Warrant ⁽¹⁾ (Unit)
	Board of Directors	Audit Committee	Corporate Governance Committee	Nominating & Compensation Committee			
1. Prof. Suphachai Phisitvanich Chairman / Independent Director	120,000	60,000	-	-	350,000	530,000	3,000,000
2. Dr. Chotivid Chayavadhanangkur Director / Independent Director	90,000	120,000	40,000	45,000	300,000	595,000	3,000,000
3. Mr. Kunthit Arunyanakonda Director / Independent Director	105,000	75,000	30,000	80,000	300,000	590,000	3,000,000
4. Mr. Charoenrath Vilailuck Director	105,000	-	-	-	300,000	405,000	3,000,000
5. Mr. Watchai Vilailuck Director	105,000	-	-	-	300,000	405,000	3,000,000
6. Mr. Thananan Vilailuck Director	90,000	-	-	-	300,000	390,000	3,000,000
7. Mr. Jong Diloksombat Director	90,000	-	30,000	-	300,000	420,000	3,000,000
8. Mr. Sirichai Rasameechan ⁽²⁾ Committee member	30,000	-	-	60,000	300,000	390,000	-
9. Mr. Azwan Khan Bin Osman Khan ⁽³⁾ Director	-	-	-	-	300,000	300,000	3,000,000
10. Mr. Simon John Perkins ⁽⁴⁾ Director	30,000	-	-	-	-	30,000	-
11. Mr. Annis bin Sheikh Mohamed ⁽⁵⁾ Director	-	-	-	-	300,000	300,000	-
Total	765,000	255,000	100,000	185,000	3,050,000	4,355,000	24,000,000

Remark : 1 SIM had issued 100,250,000 units of warrant offering to the SIM's directors and the employees of SIM and its non-listed subsidiaries on May 29, 2009. The warrants have 5 years maturity period and can be exercised from the 1st - 5th year at 10, 15, 20, 25 and 30 percent respectively. Such Warrants have expired since May 28, 2014. Each director has been allocated 3,000,000 units of warrants totaling to 33,000,000 units of which equivalent to 32.92 percent of the total issued warrants. However, some directors who have been allocated the warrants have resigned. Warrants allocated to the current directors are representing to 23.94 percent of total issued warrants;

⁽²⁾ To be appointed as the director on August 7, 2014;

⁽³⁾ Resigned from the director on February 17, 2014;

⁽⁴⁾ Resigned from the director on August 4, 2014;

⁽⁵⁾ Resigned from the director and the Nominating and Compensation Committee member on August 4, 2014 with no replacement.

- **2014 Cash & Non-Cash Remuneration of the Executive Board and Management of Samart I-Mobile Pcl.**

Remuneration ⁽¹⁾	Number of Persons	Total Amount
Salary	4	15,182,120 (Baht)
Bonus	4	2,157,000 (Baht)
Provident Fund ⁽²⁾	4	1,094,000 (Baht)
Warrants ⁽³⁾	4	16,800,000 (Units)

Remark: ⁽¹⁾ The figures presented Salary, Bonus and Provident Fund for executives and management paid by Samart I-Mobile Pcl;

⁽²⁾ Provident fund to executive directors and management have been provided by the Company at the rate of 3 - 10 percent of salary related to year of services;

⁽³⁾ SIM had issued 100,250,000 units of warrant offering to the SIM's directors and the employees of SIM and its non-listed subsidiaries on May 29, 2009. The warrants have 5 years maturity period and can be exercised from the 1st - 5th year at 10, 15, 20, 25 and 30 percent respectively. Such Warrants have expired since May 28, 2014. The management have been allocated 16,800,000 units of which equivalent to 16.76 percent of the total issued warrants.

2.2) 2014 Cash & Non-Cash Remuneration for Directors and Committees' Members of Samart Telcoms Pcl.

- Remuneration for existing Directors and Committees' members of Samart Telcoms Pcl.

Directors	Cash Remuneration						Non-Cash Remuneration
	Meeting Allowance ⁽¹⁾ (Baht)				Performance Bonus (Baht)	Total Amount (Baht)	Warrant ⁽³⁾ (Unit)
	Board of Directors ⁽²⁾	Audit Committee	Corporate Governance Committee	Nominating & Compensation Committee			
1. Mr. Sombut Uthaisang Chairman / Independent Director	210,000	-	-	-	350,000	560,000	500,000
2. General Sumpun Boonyanun Director / Independent Director	105,000	180,000	30,000	60,000	300,000	675,000	500,000
3. Mr. Vichai Pokasamrit Director / Independent Director	105,000	90,000	40,000	45,000	300,000	580,000	225,000 ⁽⁴⁾
4. Ms. Rapeepan Luangaramrut ⁽⁴⁾ Director / Independent Director	90,000	75,000	-	30,000	300,000	495,000	500,000
5. Mr. Kajornvut Tayanukorn ⁽⁴⁾ Director	90,000	-	30,000	-	300,000	420,000	500,000
6. Mr. Charoenrath Vilailuck Director	105,000	-	-	-	300,000	405,000	500,000
7. Mr. Watchai Vilailuck Director	105,000	-	-	-	300,000	405,000	500,000
8. Mr. Sirichai Rasameechan Director	105,000	-	-	-	300,000	405,000	500,000
9. Mr. Jong Diloksombat Director	105,000	-	30,000	-	300,000	435,000	125,000 ⁽⁴⁾
Total	1,020,000	345,000	130,000	135,000	2,750,000	4,380,000	3,850,000

Remark : ⁽¹⁾ Meeting allowance shall not be paid to the Executive Committee, Risk Management Committee and Sustainable Development Committee because all members of such Committees are the executives who have remuneration as the executives already;

⁽²⁾ The 2014 meeting allowance is for 7 meetings of the Board of Directors of SAMTEL;

⁽³⁾ SAMTEL had issued 18,000,000 units of warrant offering to the SAMTEL's directors and the employees of SAMTEL and its non-listed subsidiaries on May 29, 2009. The warrants have 5 years maturity period and can be exercised from the 1st - 5th year at 10, 15, 20, 25 and 30 percent respectively. Such Warrants have expired since May 28, 2014. Each director has been allocated 500,000 units of warrants totaling to 4,500,000 units of which equivalent to 25 percent of the total issued warrants. However, some directors who have been allocated the warrants have resigned. Warrants allocated to the current directors are representing to 24.17 percent of total issued warrants;

⁽⁴⁾ Different amount of meeting allowance for each director depended on number of participated meetings;

⁽⁵⁾ The Annual General Meeting of Shareholders 2012 held on April 27, 2012 has approved the allocation of 350,000 warrants (the unexercised warrant portions of the resigned director) to Mr. Vichai Pokasamrit at the amount of 225,000 units and Mr. Jong Diloksombat at the amount of 125,000 units.

• **2014 Cash & Non-Cash Remuneration of the Executive Board and Management of Samart Telcoms Pcl.**

Remuneration	Number of Persons	Total Amount
Salary	4	15,444,000 (Baht)
Bonus	4	2,231,000 (Baht)
Provident Fund ⁽¹⁾	4	1,462,680 (Baht)
Warrants ⁽²⁾	4	2,800,000 (Units)

Remark: ⁽¹⁾ *Provident fund to executive directors and management have been provided by the Company at the rate of 3 - 10 percent of salary related to year of services;*

⁽²⁾ *SAMTEL had issued 18,000,000 units of warrant offering to SAMTEL's directors and the employees of the Company and its non-listed subsidiaries on May 29, 2009. The warrants have 5 years maturity period and can be exercised from the 1st - 5th year at 10, 15, 20, 25 and 30 percent respectively. Such Warrants have expired since May 28, 2014. The managements have been allocated 2,800,000 units of which equivalent to 15.56 percent of the total issued warrants.*

Human Resource

Number of employees of the Company and its subsidiaries classified by line of business for the past 3 years are as follow:

Line of business	Number of Employees (persons)		
	2012	2013	2014
1. Mobile Multimedia	837	956	923
2. ICT Solutions and Services	1,246	1,369	1,419
3. Call Center	- N/A -	- N/A -	2,045
4. Utilities and Transportations	- N/A -	503	613
5. Technology Related Services	3,438	2,142	655 ^(*)
Total	5,521	4,970	5,655

Remark: ^(*) *in 2014, the Company listed the number of personnel by separating Call Center Business from Technology Related Services, thus the number of employees in Technology Related Service has been decreased.*

The remuneration of employees of the Company and the subsidiaries which comprises of salary, bonus, contribution to provident fund and other compensation during the past 3 years are as follows:

(Unit : Million Bath)

Remuneration	Total Amount		
	2012	2013	2014
1. Salary	1,079.78	1,172.85	1,330.34
2. Bonus	123.59	137.43	143.09
3. Provident Fund	35.65	42.27	46.83
4. Other remuneration (over time, special subsidy and commission)	95.90	148.75	103.30

Human Resources Management and Development Policy

The Company always regards that our employees are valuable and crucial fundamental for the company's sustainable success as a leading Telecommunication and Technology related company in the industry. Since The Company achievement depends on qualified and high caliber employees, SAMART group practically creates HRM & HRD policy emphasizing on increasing performance efficiency and improving working procedure to cope with business working environmental as well as performance evaluation and potential assessment, developing individual capabilities at all levels progressively and proper manpower analyzing and planning to prepare for business extension and competition, and any changes. Indeed, these have to be compatible to SAMART group's business vision, missions, operation, and corporate culture as synergy simultaneously.

1. Human Resources Management Policy

For responding to Corporate HR Policy, Human Resources Management Policy has mainly been concentrated on:

- **Recruitment & Selection Policy**

The Company continuously applies proactive approaches in recruiting capable people at all levels including of sourcing and attracting new graduated candidate by launching Campus Tour and Activities Programs in leading universities and coordinating with business recruitment agency and allied business network to build SAMART group's branding for career opportunity in joining SAMART group for professional candidate as well. In Selection Policy, The Company places importance on the selection its employees, focusing on knowledge, ability in with their virtues recruitment & selection combines cooperation among original affiliation and human resources to ensure that the process of recruitment & selection on good corporate governance. These would be capable people at all levels and lead them to success their owned career at SAMART leading to be the Company's sustainable success.

- **Performance Development Policy**

SAMART ensures an equitable and appropriate performance evaluation system through applying KPIs approach cascading organization objectives through division and individual goals and corporate competencies methodologies aligning to business strategic planning at all levels throughout SAMART.

- **Human Resources Management and Development Information Systems Policy**

The Company conducts application of technology developed by Human Resources Information Systems to support both HRM & HRD functions by increasing speed of work, lower operation cost, and data accuracy. Apart from applying technology to HR Portal services, manhour and workload monitoring systems and benefit services, we also applied for personnel recruitment and development, such as candidate application online and knowledge management systems, including managing competency assessment systems and individual development plan (IDP) system. Furthermore, the Company would fully utilize hris data to support in HRM & HRD Policy decision making for sustainable organization achievement.

- **Compensation & Benefit Policy**

The Company formulates compensation, benefit and welfare scheme by job analyzing and evaluating all positions, responsibilities and their performances at all levels throughout SAMART. By the way, Company essentially determines corporate compensation, benefit and welfare policy being compatible to organizational position including of skill, accountability, knowledge, and competence related to business operation and economic situation with comparative analysis among businesses in the same and diversified industry. These might ensure that our employees would receive appropriate and equitable compensation, benefit and welfare package being competitive in labor market or among leading companies in the industry.

- **Employee Relation & Engagement Policy**

Company concentrates on the employee relation and engagement at all levels of employees throughout SAMART and also implants them into corporate value along with corporate culture by building synergy working-style. Hence, these initiate the best cooperation among individual level through corporate level. In 2014, there were a various ER&EE programs and activities to build synergy among employees, executives and organization i.e., SAMART athletic activities, Open-mind activities, Synergy program, Employee Engagement activities and other activities (focused on Employee Relation) of Company and D-Club (CSR program) etc.

2. Human Resources Development Policy

The Company has a consolidated HRD policy to continuously develop the knowledge and ability of employees being appropriate to their owned position at all levels for achieving business's needs and preparing to business expansion. Due to the Company believes our employees as valuable and fundamental success factors leading the Company achieving business missions. Therefore, the Company aspires to develop employees in all careers at all levels by harmonizing all aspects of development tools for increasing their skill, knowledge, capability through corporate culture and code of conduct according with SAMART strategy and operation not only for present day but the future business as well.

• Career Development Policy

The Company defines career development policy by which the Company further supports employees in all careers to be continuously developed in their qualifications, knowledge and abilities. Particularly, competency approach has been applied to categorize required business capabilities to Generic competency, Managerial Competency and Functional Competency for analyzing, planning, and leading to individual competency development with diversified development tools for all employee levels. Thus, our employees might be developed to create their high potential specified by both corporate and Line of business (LOB) levels to support sustainable growth and prepare for business expansion throughout SAMART.

• Employee Training & Development Policy:

The Company regards the employees as a key factor and fundamental to success as "Learning & Growth Aspect" in order to achieve business strategies and goals, resulting in corporate sustainable growth and business competitive advantage. Hence, The Company has HRD policy to continuously develop all employees among qualifications, knowledge and ability in parallel with the human resources development system at all levels as summarized below;

In-house Training

To encourages and develop the employees to facilitate the organization's strategies and goals most effectively and efficiently. The Company therefore conducts training courses deem necessary, as follows:

For top and management executives:

The managerial competency program, courses have been designed for management level in order to develop in managerial competency to strengthen leadership and management skills for executives as well as prepare promotion qualification in the future for pre-executive or talent employees. Moreover, this program would elaborately lead executives to support organization's business growth and prepare SAMART to become business leader in the industry existed. These courses provide innovated and practical knowledge to be applied to arrange managerial work such as Executive Development Program (EDP), Modern Supervisory, etc.

For operational staffs:

The functional competency program, courses have been designed for developing and enhancing functional knowledge and functional capability related to operational responsibilities and increasing skill of employees for each career and division concerned such as Project Management courses, Financial and Accounting Standard courses, Computer skill and Technology related course, Marketing and Sales Management course, Information Technology & ISO standard courses, etc.

For all employees:

The Generic Competency Program, courses have been designed to ensure that the employees could perform their work in accordance with the corporate culture at the most efficiency such as Orientation course for new employees, Effective communication, Courses for corporate culture, etc.

Furthermore, the Company organizes special competency development program for specialist, namely Modern Marketing Management. The objective is to equip the marketing with the marketing knowledge and skills in order to be ready for the intense competition and the changing business environment factors. This program cooperated with leading institute to develop program for its executives supporting SAMART marketing policy relevantly responding to fluctuating market target and customer need.

External Training

In addition to In-house Training, SAMART supports all executives and employees to acquire knowledge and skill from training certified courses conducted or instructed by external reputable institutes both local and international in order to enhance their expertise, knowledge, ability and also making relationship through associated network in the same business and occupation.

- **Talent Management Policy and Succession Planning :**

The Company designed special HRM & HRD programs and tools to prepare excellent performance and high potential employee (talent) for their succession planning including of Job rotation, Job Enlargement & Enrichment, Job assignment, Talent monitoring, and fast-track program preparation. By encouraging them through employee engagement programs as well, these would motivate talent to full utilize their owned skill, knowledge, competence and potential to dedicate performing all missions to achieve SAMART's goals most efficiently.

Furthermore, the Company always recognizes the importance of having a succession plan, especially at the top management level, to ensure continuity when there is a vacancy or to support expansion of business.

The Company has provided the training continuously and systematically in order to promote opportunities for them to have knowledge, management skill, problem solving skill and making effective decision. In addition, the Company has arranged internal and external training course and has also been sending staff to training with following institutions.

Summary of Training to management and employees of the Company and its subsidiaries in 2014

Training	Frequency	Number of Participants
In-House Training		
Managements	115	1,080
Employees	187	1,354
Sub-Total	302	2,434
External Training		
Managements	126	147
Employees	177	253
Sub-Total	303	400
Total	605	2,834

Training Expenses in 2014

In 2014, total expenses concerning the employees' participation in the trainings domestically and abroad of the Company and its subsidiaries were Baht 11.329 million. Total employees' training hours were 21,747 hours per year or averagely 7.6 hours/person/year which is more than the standard hours specified by the Department of Skill Development which equaled to 6 hours/person/year. Example of training courses internally, externally and abroad were as follows:

Internal Training Courses

- Modern Marketing Management Program 2014
- Business English for Communication.
- Project Modern Supervisory Skill
- Brand Management
- Big Data Analysis
- How to become a Professional Marketer
- Entrepreneurial Marketing
- Digital Marketing
- Creativity in Marketing Professional
- Strategic Marketing Plan
- Smart Cyber Security
- TOEIC Test 2014
- Act Coach: Effective Coaching for Manager
- SAMART: Management Effectiveness
- Practices in legal contracts
- Interview Techniques Essential for Line Manager
- Creating & Strategic Implementation Plan
- CMMI Training (Role : Project Manager, Sales,

- Applications for technical program e-mail
- Applications for technical program Lotus Notes mail
- Applications for technical program Open Office
- Orientation Samart Group
- CMMI Appraisal Method for Process Improvement
- English for Fundamental Writing
- Presales, Human Resources / Learning & Development, Configuration Manager, Procurement)
- Systems Applications Products (SAP)
- Applications for technical program Gimp, Inkscape
- Applications for technical program VDO Conference (Web EX) External and international course

External and International Courses

- The 5th Training Course on Administrative Justice for Executive : AJE
- Executive Management Capital Market Academy
- Seminar trading and investment in Cambodia, how to be successful
- Trend of the Future: Merger& Acquisition
- Winning Strategies for M&A, JV & Business Alliance
- Electrical installation standards for Thailand
- CRM2013 Foundation-Functional
- Designing Network Service Architectures
- ISO27001 : 2013 Interpretation Training Course
- SABA Cloud Business Consultant
- Project Management Exam Preparation
- CPD's TA CPA and Accountant Annual 2014
- Tax Planning for drafting International Contracts
- Omni-Channel Marketing
- Strategic in Purchasing Planning for Professional
- CEO & HR Professional to the AEC
- Capital Market Leader Program : The Securities and Exchange Commission
- Enhancing Good Corporate Governance based on CGR Scorecard
- Challenge of the audit committee on sustainable development
- Trade & e-Commerce for those business to open e-Commerce
- Premises, equipment and interpreting financial reporting standards
- AEC Employ & International Tax Planning
- XBRL, a new dimension of financial reporting in the digital age version of 3/57
- Tax planning and accounting for SMEs
- Knowledge laws governing the employment of people with disabilities

Corporate Governance

The Board of Directors of the Company realized on the importance of the good Corporate Governance which will be the fundamental factor for improving standard of business operation to create more transparency, competitiveness and strengthen the confidence of all shareholders, investors and other related parties. The Company has the Corporate Secretary Division which is the Compliance Unit to supervise and oversee the operations of the Company, the directors and the executives to ensure that they have been correctly complied with the regulations of SET, SEC and the Public Company Limited Act including other relevant laws as follows:

1. Corporate Governance Policy & Business Ethics

1.1 Corporate Governance Policy

The Board of Directors is aware of the importance of good Corporate Governance. Therefore, the written Policy of Corporate Governance both in Thai and English have been set and approved by the Board since 2005 to create more transparency, competitiveness and strengthen the confidence of all shareholders, investors and other related parties. The Corporate Governance Policy had also been posted on the Company's website for information of the Company's employees and for public. Internal audit and internal control system have been emphasized to monitor the management to follow the Company's policy with more efficiency in order to increase long-term benefit to the shareholder under the law and Business Ethics. The Corporate Governance Committee will monitor and have the employees to strictly comply with such policy. The CG Policy will be annually reviewed and revised to comply with new regulations. The latest revision which complied with the 2012 Corporate Governance Principle of SET has been resolved by the Board of Directors of the Company on February 25, 2015. Corporate Governance Policy covers the following:

1. Rights of Shareholders

The Company emphasizes and recognizes the importance of the rights of all shareholders equitably; no matter such shareholder is a minority shareholder, a major shareholder, an institute investor or a foreigner. All rights that the Company's shareholders obtained in 2014 were as follows:

- **Rights to get share certificate, sell, purchase or transfer the Company's shares**

Thailand Securities Depository Co., Ltd. ("TSD") has been appointed as the Company's registrar to provide all services for all transactions related to registration of the Company's shares.

- **Rights to propose agenda and enquiries for the Shareholders' Meeting**

The Company is aware of the shareholders' rights and equitable treatment to the shareholders under the good corporate governance and to comply with laws. It's the Company policy to allow the shareholders to propose matter(s) for consideration of the Board of Directors as agenda of the shareholders' meeting starting from 2009 Annual General Meeting of shareholders. The shareholders have been granted an opportunity to submit the enquiries for consideration prior the meeting since 2011 provided that they must comply with criteria on proposing of meeting agenda for shareholders' meeting as per specified by the Company's Board of Directors. In 2015 Annual General Meeting of Shareholders, the Company shall allow the minority shareholders to propose the matter for consideration as agenda and submit the enquiries at least 3 months in advance prior the ending date of the fiscal year since September 30, 2014 and explain the detailed procedures on proposing the matter for consideration as agenda including an advance submission of the enquiries in the Company's website (www.samartcorp.com) in the section of the "Investor Relations" under the title of "Enquiries submission prior to the Annual General Meeting of Shareholders 2015".

- **Participation in the Shareholders' Meeting**

The Company is aware of the shareholders' rights and equitable treatment to participate in the shareholders' meeting, be informed conditions and procedures of meeting as well as having proxy to vote and comment in the meeting on behalf of the shareholder. With realize on convenience to shareholders and to encourage them to attend the shareholders' meeting, the Company is prior to notify and specify date, time and place that comfort the shareholders to participate in the meeting. There was only one meeting in 2014, the 2014 Annual General Meeting of Shareholders which held on April 29, 2014 at Miracle Grand Convention Hotel, Vibhavadee-Rangsit Road, Laksi, Donmuang, Bangkok where is convenience for transportation and capability to cover with number of shareholders.

Before the Meeting Date

In the Annual General Meeting of Shareholders 2014, the shareholders have been informed on the date and agenda of the meeting via SET's communication system 56 days prior to the meeting date. At the same time, the Company also disclosed the invitation letter as well as related documents in both languages, Thai and English, on the Company's website (www.samartcorp.com) in the section "Investor Relations" under the title of "the Annual General Meeting of Shareholders" 39 days before meeting date for the shareholders to have sufficient time for consideration. Same documents will be directly delivered to the shareholders by TSD, the Company's registrar, within 29 days before the meeting date of which better than what has been required by law. The invitation letter contained fact, rationale, and opinions from the Board of Directors for each agenda, conditions and procedures of meeting, annual report, proxy form and any other related document with sufficient information for shareholders' consideration. Moreover, the invitation letter has also been 3 days continually published on the newspaper 14 days prior to the meeting date to be in line with law.

For convenience on registration for attending the shareholders' meeting of the institutional investors, the Company shall coordinate on preparation of proxy for them prior the meeting date.

On the Meeting Date

Meeting procedures has been set to conform to regulations and considering on shareholders' convenience. The Company is aware of the equitable of shareholders' right and their comfort to participate in the shareholders' meeting. Appropriated technology and equipments are sufficient for registration reviewed on required documents more than one hour prior to commencement of the meeting. In the 2014 Annual General Meeting of Shareholders there were 8 directors. Chairman of all committees including Chairman of the audit committee, the Company's management, external auditors and Investor Relation also presented in the meeting. Chairman of the Board of Directors who was Chairman of the meeting introduced all Board members to the shareholders and declared to the meeting that there were 709 shareholders with voting rights attended the meeting for the 2014 Annual General Meeting of Shareholders. The Chairman had declared to the shareholders how to exercise their right and vote before commencement conducted the meeting to be in line with the agenda without any additional topic from what have been expressed in the invitation letter. Voting cards were provided for significant agenda. Voting result in term of approval, disapproval or abstain for each agenda were transparently presented to the meeting. The shareholders were encouraged to express their opinions and raise any questions, either in the agenda or any other questions related to the Company's business, at the meeting. All questions had been answered and taken in the minutes of meeting as well as the opinions from the shareholders.

After the Shareholders' Meeting

Resolutions of the meeting were disclosed to SET with voting details, approved, disapproved and abstain, of each agenda on the next day after the meeting date. Full minutes of meeting of which contained the attendance record of the directors, summary of questions and answers during the meeting in both Thai and English had been sent to SET and related parties within 14 days after the meeting date as well as posted on the Company's website (www.samartcorp.com) for verification.

- **Appointment / Dismission of Directors of the Company and Approve their Remuneration**

According to the Company's Articles of Association, at the Annual General Meeting of Shareholders, one third (1/3) of the Directors has to be retired by rotation. Election for replacement is required. The retired directors are eligible to be re-elected for another term.

The election of the Board of Directors shall be in accordance with the rules and procedures as follows:

- (1) Each shareholder shall have one vote on each share;
- (2) In voting, a shareholder shall vote in accordance with the number of votes each shareholder has under (1) for one or several directors. The said shareholder may not allot any number of his votes to any person;
- (3) The person obtaining the highest and higher votes respectively shall be elected as directors equal to the number of directors required or ought to be elected at such a meeting. In the event that persons receiving votes in respective orders receive equal votes and the number of directors exceeds the positions required or ought to be, the chairman of the meeting shall have a casting vote.

Apart from the appointment of Directors, the shareholders also have rights to remove any director from the office before the expiration of his term of office by having votes of no less than three quarters (3/4) of the number of shareholders attending the meeting and having the rights to vote and the aggregate number of shares shall be no less than one half (1/2) of the shares held by all the shareholders attending the meeting and having the rights to vote.

In every Annual General Meeting of Shareholders, the shareholders have the rights to consider and approve the remuneration for all directors and members of sub-committees. Adequate Information of all candidates for being considered and appointed as directors or members of committees was also delivered for shareholders' consideration.

- **Appointment of Auditors and approval of their remuneration**

In every Annual General Meeting of Shareholders, one of the agenda is the appointment of Company's auditors and consideration of their remuneration. The Company will propose name of the auditors with sufficient details and remuneration for consideration of the shareholders.

- **Regularly and timely obtained adequate information, business performance and management policy**

The Company concerns on Shareholders' rights and not only disclosed Company's information via SET's communication system but also posted all significant and updated information on the Company's website (www.samartcorp.com).

- **Getting profit**

The Company will return profit to its shareholders by way of dividend payment. (Details are provided under "**Dividend Policy**")

In addition, apart from such shareholders' rights, the Company does not prevent or obstruct any opportunities to allow the shareholders to communicate with each other.

2. **Equitable Treatment of Shareholders**

The Company realizes to protect and due care for the interests of all major and minor shareholders as fairly basis. In addition, the Company sets policy for equitably treatment to all shareholders for attending and vote in the shareholders' meeting, sharing in profits, regularly and timely obtained adequate information, business performance and management policy. In the shareholders' meeting, each shareholder shall have one vote on each share. All the Company's shares are the ordinary shares. Proxy form requiring documents were delivered together with the invitation letter for shareholders who would like to appoint a proxy. Proxy form, which contains detail of voting as approve, disapprove or abstain, as well as details of 4 independent directors also are attached for shareholders consideration as alternative proxy including identify the document, evidence and proxy method in the meeting invitation which has been

prepared in Thai and English for convenience of the shareholders. In the 2014 Annual General Meeting of Shareholders, there were 429 proxies to the Company's independent directors. In addition, voting cards were provided for each agenda, especially, the agenda of appointment of directors of which been appointed by individual. In every shareholders' meeting, the meetings were conducted to be in line with the agenda without any additional topic from what have been expressed in the invitation letter otherwise rights of the shareholders who could not participate in the meeting by themselves will be deprived. Moreover, the Company will inspect to insure no inside information of which is material, undisclosed and confidential leak to public or be used from unauthorized for personal benefit. (Details are provided under **"5. Inside Information"**)

3. Roles of Stakeholders

The Company is aware of the support from each stakeholder should increase the competitiveness and ability to generate more benefit for long-term succession and realized the importance of all stakeholders i.e. shareholders, employees of the Company and its subsidiaries, customers, competitors, lenders, societies and environment. Thus, general rules and practices have been set for directors, management and employees in the Company's Business Ethics for directors, managements, and employees to perform and disclosed on the Company's website (www.samartcorp.com) as well as providing more channels for the stakeholders to contact directly to the Company in order to provide either comments or recommendations which will be benefit to the Company. (Details are provided under **"1.2 Ethic Business"**).

4. Disclosure and Transparency

The Company has strong determination to reveal accurate complete, consistent and updated information, both financial and general information that related to Company's business. The Complete, consistent and updated information will truly reflect Company's financial performance and future business direction. The Company has a disclosure policy to disclose information of any significant and future business operation directions, so that the shareholders and the stakeholders to access information conveniently and speedily for

- To submit the financial report and the Management Discussion and Analysis (MD&A) to the Stock Exchange of Thailand ("SET") and the Securities and Exchange Commission Thailand ("SEC") within the specified timeframe. The financial report did not have any transactions where the auditor opined with qualified, the financial statement has also never been revised under the order of the SET and SEC. In order to make the investors are more well informed and understand the changes occurred to the financial position and operating results of the Company in each quarter, **MD&A has been quarterly provided via SET online and the Company website.**
- Criteria on provision of remuneration to the directors and the executives have been clearly disclosed. (Details are provided under **"Management Structure" in the topic of "the Remuneration of Directors and Managements"**)
- Shareholding information of the directors and the executives has been disclosed in the Annual Report and the Annual Disclosure information. In addition, the Company has a policy requiring the directors and the executives to report a change in their securities holding within 3 business days from the date the securities have been purchased, sold, transfered or accepted transfer. The Company Secretary's unit shall coordinate on submission of such report to SET and SEC. Moreover, it is also specified that any change of such securities holding of the directors and the executives shall be reported to the Board of Directors' meeting every time.

The 2014 securities holding information of the directors and the executives

Number of shares held in Company (shares)

Directors / Executives	Before acquisition / disposition	Acquisition in 2014		Disposition in 2014	31 Dec. 2014	Variance
		Warrants exercised	Buy via SET			
1. Dr. Tongchat Hongladaromp <i>Spouse and minor children</i>	100,000 -	- -	- -	50,000 -	50,000 -	(50,000) -
2. Mr. Pradang Prichayangkun <i>Spouse and minor children</i>	500,000 -	- -	- -	- -	500,000 -	- -
3. Mr. Seri Suksathaporn <i>Spouse and minor children</i>	927,750 -	- -	- -	- -	927,750 -	- -
4. Mrs. Siripen Vilailuck <i>Spouse and minor children</i>	5,960,250 -	- -	- -	- -	5,960,250 -	- -
5. Mr. Charoenrath Vilailuck <i>Spouse and minor children</i>	118,694,960 30,000	1,500,000 -	1,510,000 -	- -	121,704,960 30,000	3,010,000 -
6. Mr. Watchai Vilailuck <i>Spouse and minor children</i>	120,817,660 28,375	1,400,000 -	9,659,500 -	- -	131,877,160 28,375	11,059,500 -
7. Mr. Sirichai Rasameechan <i>Spouse and minor children</i>	600,000 -	- -	- -	600,000 -	- -	(600,000) -
8. Mr. Prinya Waiwatana <i>Spouse and minor children</i>	150,000 -	- -	- -	- -	150,000 -	- -
9. Mr. Thananan Vilailuck <i>Spouse and minor children</i>	13,903,150 1,210,000	- -	- -	1,901,050 -	12,002,100 1,210,000	(1,910,050) -
10. Mr. Jong Diloksombat <i>Spouse and minor children</i>	- -	- -	- -	- -	- -	- -
11. Mr. Pracha Phathayakorn <i>Spouse and minor children</i>	310,000 -	- -	- -	- -	310,000 -	- -
12. Ms. Numthip Burapongsanon <i>Spouse and minor children</i>	100,000 -	- -	- -	100,000 -	- -	(100,000) -

- Details on connected transactions have been clearly disclosed to prevent a conflict of interest. (Details are provided under **“Connected Transactions”**)

Furthermore, the Company also has a policy on the report of transaction which has conflict of interest of the directors and the executives as follows:

- 1) The director and the executive shall submit the first report on transaction with interest within 30 days from the date he/she is appointed to be the director or the executive pursuant to the specified report form.
- 2) The Director and the executive shall report a change of transaction with interest within 30 days from the date of such change pursuant to the specified report form.
- 3) Report on transaction with interest shall be kept at the Company Secretary and the Company secretary shall arrange to submit a copy of such report to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date the Company received such report.

The Company were disclosed to shareholders, investors and any related parties via SET's Communication system, Company's website (www.samartcorp.com), press release and Company's Annual Report and Form 56-1 as well as participated in the "Opportunity Day" which arranged by SET.

The Board of Directors has to ensure that the Company's disclosures are transparency and strictly complied by laws, Company's and any related regulations. The Company has never been notified any offense by SEC/SET on such matter. The Board has Major concerned on transparency and disclosure in the following area:

- **Provide multi channels for disclosure of information apart from SET's Communication system**

Annual Report and Form 56-1

The Board of Directors has to ensure that Annual Report / Form 56-1 contained adequate information with accuracy, clarity and could create understanding to the shareholders and related parties on the Company's operation and its performance for the previous year as well as the management structure, performance of the Board of Directors and all Committees.

Company's website

The Board of Directors is aware of the efficiency of website disclosure to the shareholders and related persons as well as equitably and easily of getting information. The Board of Directors therefore ensures the Company not only provides all significant information of the Company in the Company's Annual Report but also on the Company's website (www.samartcorp.com) in both languages, Thai and English. The disclosed information comprised of Corporate Governance Policy, Business Ethics, General News, Financial Statement as well as Annual Report and the Annual Disclosure Information form (Form 56-1), etc.

Investor Relations

The Company has also set up an Investors Relations section to provide Company's information and activities for investors, shareholders, analysts and general public via Company's website, Road Shows, analysts meetings and conference calls etc. The Company's Investor Relations could be contacted at phone number 0-2502-6583 or via www.samartcorp.com or the e-mail address at Pongthep.V@samartcorp.com. The investor relations ethics prescribed by the Company are as follows:

The investor relations ethics

1. Conduct duties with integrity;
2. Disclose necessary information completely and fairly to all relevant groups equally;
3. Allow all relevant groups to access and enquire the information;
4. Perform duties by mainly adhering to benefits of the shareholders and the stakeholders;
5. Preserve confidential information of the Company and must not use inside information for personal gain;
6. Perform duties at his/her best and professionally;
7. Keep on studying to develop efficiency of the work;
8. Observe the principle on not accepting the appointment during the period close to financial statement announcement and the practical guidelines on securities trading specified by the Company.

In addition to above, the announcements on the Company's financial performance have been arranged for public, investors and analysts by quarterly basis with participation of the executives.

Meetings with investors and analysts in 2014 were summarized as follows:

- One on One Meeting with Analyst & Investors	72	Times
- Announcement of Company's Performance	4	Times
- Road Show	7	Times

- **Disclosure of Information of the Board of Directors and Committees**

- Structure, Roles and Responsibilities of the Board as well as performance of the Board and each Committee;
- Directors and Management's Remunerations: Policy of Directors' Remuneration has been clearly and transparently set to be comparable to the general practice in same industry and be appealing enough to attract and retain qualified directors. The directors who also be appointed to be the member of any Committees will be paid appropriately more in accordance with the extra work. The Nominating & Compensation Committee will consider the remuneration and propose for consideration of the Board of Directors prior to further approval from the shareholders. The remuneration of the Board of Directors has been disclosed in the Company's Annual Report and the Annual Information Disclosure form (Form 56-1). (Details are provided under **"Management Structure" in the topic of "the Remuneration of Directors and Managements"**).

- **Accountability to the Financial Statements**

The Board of Directors is responsible for the Company's consolidated financial statements and any financial information which been disclosed in the Company's Annual Report. Such financial statements were prepared in accordance with the general acceptance-accounting standard in Thailand with appropriated financial policy. The reports were carefully considered and prepared with sufficient information in the notes to the financial statements. The financial statements have been audited and commented independently by the authorized auditors of SEC.

The Board of Directors also set out and maintained for the efficiency of the Company's internal control system to ensure that the financial information had been correctly and accurately booked and sufficient to maintain the Company's assets and be aware of weak point in order to prevent whether from any dishonesty or significant error. The Board of Directors had appointed the Audit Committee of which comprised independent directors to be responsible for the quality of the financial statements and the internal control system and disclosed such opinion in the Annual Report under the Report of the Audit Committee. The opinion of the Audit Committee has already been disclosed in the Annual Report. Moreover, Report of the Board of Directors' responsibility on the Company's Financial Statements was also attached in the Company's Annual Report.

5. Roles and Responsibilities of the Board

For best benefit of the strike a balance of power within the Company, the Company has a policy to put emphasis on responsibilities of the Committee members with regards to their components, qualifications including roles & duties as the following:

5.1) Directors' Qualifications

The Company's Board of Directors comprises of the members who are knowledgeable, skillful and have transparent work experiences, good moral, and responsibility. The Board must comprise of members of various professions and experiences which are beneficial to business operations of the Company, i.e. accounting/finance, management, strategic planning, legal and corporate governance without having any gender discrimination and achieve its objectives. The Company has 8 directors who complied with the qualification that been described in the Company's **"Management Structure"**. All of the Directors have contributed their best to the Company which may concern from their participation in the meeting. Details are provided under **"5.5.4 Board of Directors and Committees' Meeting"**.

5.2) The Independent of the Board of Directors

- **Separation of CEO and Chairman**

For best benefit of the shareholders and to strike a balance of power within the Company, the positions of Chairman of the Board of Directors and CEO must not be attained by the same person. The Company's Chairman of the Board of Directors is an independent director who has the qualifications of independent director in accordance with SET's notification and has no business relation with any management of the Company. Chairman of the Board and CEO have Roles and Responsibilities as follows:

Roles and responsibilities of the Chairman of the Board

1. To be responsible as the leader of the Board of Directors to oversee, monitor and supervise the operations of the Executive Board and other Committees to make them achieve the objectives pursuant to the specified plan;
2. To act as the Chairman of the Board of Directors' meeting and the Shareholders' meeting;
3. To have a casting vote in case the Board of Directors' meeting has a tie vote.

Roles and Responsibilities of Chief Executive Officer

1. General operation management and control in business of the Company to comply with its objectives, policy and the Articles of Association;
2. Consideration in business investment plans prior to propose for the Executive Board and the Board of Directors for further approval;
3. Entering into any transaction binding the Company conforming to the Company's Delegation of Authorities;
4. Carry out any assignment from the Board of Directors and/or the shareholders of the Company.

The delegation authorities of the Chief Executive Officer should not be delegated or further assigned that authorize the CEO or its attorney to approve any connected transactions between themselves or any persons who may have conflict of interest (according to the concept of conflict of interest of the SEC's notification) with the Company or subsidiaries except such transactions are handled in line with the connected transaction procedure or policy which been approved by the Board of Directors of the Company and/or shareholders' meeting to be complied to regulations of SET/ SEC or any related laws and regulations.

- **Balance of Power**

The Board of Directors of the Company comprised of 8 members with various qualifications, skills, experience and expertise. Composition of the members is as follow:

- 4 Independent Directors (50% of the Board of Directors)
- 3 Executive Directors
- 1 Non-Executive Directors (Representative from major shareholders)

The 2 Independent Directors namely Dr. Thongchat Hongladaromp and Mr. Pradang Prichayangkul have working experience relating to the Company's business.

The shareholders could have confidence that the directors as representatives of the shareholders could perform their duty without any influence or control by management of the Company by the above structure.

- **Separate Roles and Responsibilities of the Board of Directors and CEO**

The Company has clearly set the separate roles and responsibilities of the Board of Directors and CEO. The Board of Directors will focus and ensure that the Company's business will achieve its target and in the direction that create value and best benefit to the shareholders as well as all stakeholders. Any conflict of interest with the Company and its subsidiaries will be prohibited. The Board will also comply with the Company's Ethics to ensure all Company's businesses are run under Company's objectives, Articles of Association, laws and regulations of SEC/SET and other related laws. At the same time, CEO who is the management's leader will focus on general management of the Company.

5.3) Being Director in other Listed Companies

- **Policy for directors on being director in other listed companies**

For efficiency of being the director, the Board of Directors of the Company has set the "Policy" for all directors to be the director in any listed companies not exceeding 5 companies. However, there is not any of the existing directors of the Company is being the director in listed companies over than 5 companies and also could participate and contribute to the Company with efficiency.

- **Policy for executives management on being director in other listed companies**

Moreover, the management of the Company will also be obtained approval from the Executive Board prior to be a director in any companies of which are not have either similar business or being the Company's competitors.

5.4) Transparency of Nomination

The Board ensures the Company to provide transparency process of nomination of directors and management of the Company of which the details are provided under the topic of **"3. Nomination and appointment of the Directors and Management"**.

5.5) Board of Directors' Activities in 2014

5.5.1) Set Policy and Business Direction

The Board of Directors has clearly established the Company's Vision & Mission are which details are provided under **"Policy and Overview on business Operation"** in the topic of **"Corporate Vision, Mission, Goals and strategies"**.

Monitoring on Business Ethics

The Company conveyed business ethics practices via various channels and the Company also specified that all directors, executives and employees have responsibility to acknowledge and comply with the Company's policies and regulations. The supervisors or the superior officers at all level have to monitor the compliance with the business ethics as well as to give recommendation and advise in case there is a problem on making decision or performing the works concerning the business ethics which have not been specified elsewhere. However, such recommendation must be based on the legal rules and it must not against the policy or business ethics of the Company, must not have negative impact to the Company's image including must not cause negative effect to the Company's stakeholders. The Company shall revise and improve its business ethics policy continually to make it always appropriate and up-to-date.

In the event that it is found that there is a violation of the business ethics, the supervisor shall undertake the necessary measures to solve or make good of such action or may issue a warning notice, as the case may be. The wrongdoer shall be subject to disciplinary penalty and may also be faced with legal penalty, if such action is against the law.

Moreover, the Company also has one more channel to receive the misconduct information or complaint or opinion on violation of law or ethics including on the behavior which may lead to the corruption or inequality treatment, the details on procedures and methods on informing such information, as well as the protection of the informant can be found in **“1.2 Business Ethics”** in the Subject of **“Procedures and methods on “Notifying the information on misconduct and the protection of the informant”**”.

5.5.2) Leadership and Vision

The Board of Directors involved and agreed on set out the Company’s vision, mission, strategies, business plan and budget as well as to govern the management to follow such business plan and budget with efficiency and profitability for economic value to the Company and the best stability to the shareholders. In addition to the above, the Board of Directors has not only ensure the Company and its management to oversee the value of all stakeholders, neither derive personal benefit nor create any rivalry with the Company and its subsidiaries, but also conducted the business with great awareness in ethical, moral and compliance to the Company’s Articles of Associations, Notifications of SEC/SET and other related laws and regulations.

Internal Control system, internal audit as well as efficiency risk management had been set by the Board of Directors. Monitoring and evaluation were made by the Audit Committee and regularly reported to the Board of Directors.

5.5.3) Set up of Committees

For governing the management to comply with the approved policies and having better efficiency, the Board of Directors appointed the following committees to help the Board for consideration in significant matters.

- Audit Committee
- Executive Board
- Corporate Governance Committee
- Nominating & Compensation Committee
- Risk Management Committee
- Sustainable Development Committee

Roles and responsibilities of each committee are provided under **“2. Committees”**. In addition, Committees’ Charters have also been set and disclosed on the Company’s website (www.samartcorp.com).

5.5.4) Board & Committees’ Meeting

1) Board of Directors’ Meeting

The Board of Directors’ Meeting schedule has been set as quarterly basis with certain agenda. The annual meeting schedule will be sent to each director by the Company Secretary for preparation and arrangement for meeting participation. However, additional unscheduled Board meetings may be called upon appropriate notice at any time to address specific needs of the Company. The operating results will be regularly reviewed. The invitation letter as well as meeting materials will be delivered by the Company Secretary to all directors at least 5 working days prior to the meeting date for consideration. The average length of the meeting is approximately 2 hours. **In addition, the Board of Directors set its quorum of the meeting to be at least 2/3 of all directors attending in the meeting.**

Details of directors' attendance for 2014 with total 9 meetings, were as follows:

Directors			Directorship in the Company	Term of Directorship (Year- month)	Number of Attendance /Total Number of Meeting	Summary of consideration
1.	Dr. Tongchat	Hongladaromp	Apr. 2008	6-8	9/9	<ul style="list-style-type: none"> - Considered the Company Operating Performance and Financial Statements for 2013 as well as quarterly performance of 2014; - Considered the sufficiency of the Company's Internal Control System; - Acknowledged the 2013 Committees' activities; - Acknowledged Assessment Result on Quality on Arrangement of AGM of Shareholders for 2014, Assessment Result on Corporate Governance of Thai Listed Companies for 2014 and The company won SET AWARDS 2014 on Top Corporate Governance Report Awards; - Acknowledged the 2013 Board Self-Assessment, CEO and Company Secretary Assessment Result as well as consider the criteria of the Board Self Assessment, CEO, Committees and Company Secretary Assessment Form for 2014; - Considered the interim payment for six months of 2014; - Considered the dividend payment for year 2013; - Considered matters concerning to 2014 AGM agenda and provide opinions to shareholders for consideration; - Considered the appointment of Committees' members; - Considered Annual Salary increase for 2015, 2014 Bonus and 2015 Bonus Payment Policy; - Considered the Directors & Officer Liabilities and Corporate Reimbursement Insurance; - Reviewed and revised the Company's Corporate Governance Policy, Business Ethics and Committee Charter; - Considered vision, mission and the Company's 2015 business plan; - Considered to allow the minority shareholders to propose matter in the agenda and enquiries prior to the meeting date of AGM 2015; - Acknowledged the securities holding report of the Company's directors and the executives which has been changed from the previous meeting; - Acknowledged the progress report on an issuance or ordinary shares of OTO; - Considered and Approved of an issuance of Company's bond; - Acknowledged the assessment of CG according to Asean CG Scorecard 2013/2014;
2.	Mr. Pradang	Prichayangkun	Apr. 2008	6-8	9/9	
3.	Mr. Seri	Suksathaporn	Feb. 1999	15-11	9/9	
4.	Mrs. Siripen	Vilailuck	Feb. 1993	21-10	8/9 ^(*)	
5.	Mr. Charoenrath	Vilailuck	Feb. 1993	21-10	9/9	
6.	Mr. Watchai	Vilailuck	Feb. 1993	21-10	9/9	
7.	Mr. Sirichai	Rasameechan	Feb. 1996	18-10	9/9	
8.	Mr. Prinya	Waiwatana	Apr. 2010	4-8	9/9	

Remark : ^() Went aboard for business trip.*

Directors	Directorship in the Company	Term of Directorship (Year- month)	Number of Attendance /Total Number of Meeting	Summary of consideration
				<ul style="list-style-type: none"> - Considered and Approved the distribution of capital investment on ordinary shares of Samart I-Mobile Plc; - Considered and Approved on the establishment of subsidiaries; - Considered and Approved the appointment of Company Secretary replaced for the existing one who resigned; - Considered and Approved the issuance and allocation of Samart Corporation Public Company Limited's Warrants ("SAMART-W Warrants") to the existing shareholders of the Company pro rata to their respective shareholdings (Rights Offering); - Considered and Approved the increase of Company's registered capital of Baht 201,300,782.00 from the current registered capital of Baht 1,006,503,910.00 to the new registered capital of Baht 1,207,804,692.00 by issuing 201,300,782 new ordinary shares at par value of Baht 1.00 per share; - Considered and Approved the amendment of Clause 4. of the Company's Memorandum of Association to conform with the increase of Company's registered capital; - Considered and Approved the allocation of Company's newly issued ordinary shares of up to 201,300,782 shares at par value of Baht 1.00 per share to accommodate for the exercise of warrants under SAMART-W Warrants.

Remark : ⁽¹⁾ Went aboard for business trip.

The minutes for all meetings had been taken, kept and been ready for verification by the directors or any related parties.

2) Audit Committee

In 2014, the committee conducted 5 meetings, were as follows:

Directors	Number of Attendance/ Total Number of Meeting	Summary of consideration
1. Mr. Pradang Prichayangkun 2. Dr. Tongchat Hongladaromp 3. Mr. Seri Suksathaporn	5/5 5/5 5/5	<ul style="list-style-type: none"> - Reviewed the financial statement and the consolidated financial statement of the Company and its subsidiaries to ensure that the financial reporting system is correctly, adequately disclosed and beneficial to the operators; - Reviewed the connected transactions or transactions which might have conflict of interests with the Company to ensure that the Company has conducted business under normal course of business conditions and has complied with the laws on securities and stock exchange; - Reviewed on strictly compliance with governance policy pursuant to principle of laws and operating practices of The Securities and Exchange Commission as well as other related laws to order to make the operations of the Company transparently and can create confidence to the shareholders and the investors; - Reviewed the company's internal control system on quarterly basis to ensure that the Company has adequate and appropriate internal control system and also urged the Internal Audit Department to follow up the matters assigned to ensure that the management has rectified or improved as per suggestion made by the Internal Audit Department within the specified period of time; - Considered and approved internal audit plan for 2015 to ensure that the internal audit activities shall be conducted with efficiently and effectively by reviewing scope of operation, duties & responsibilities of the Internal Audit Department in order to make quality of audit operation on par with international standards; - Considered the nomination, appointment and annual remuneration of the external auditor for 2015 to propose to the Board of Directors and the shareholders for their consideration; - Conducted its self-assessment performance concerning authority, independence, auditing performance and the expression of opinions or recommendations which should benefit to the Company pursuant to the best practices guidelines from the Stock Exchange of Thailand and the Audit Committee Charter.

3) Executive Board

In 2014, the committee conducted 12 meetings, were as follows:

Directors	Number of Attendance/ Total Number of Meeting	Summary of consideration
1. Mr. Charoenrath Vilailuck 2. Mr. Watchai Vilailuck 3. Mr. Sirichai Rasameechan 4. Mr. Jong Diloksombat 5. Mr. Thananan Vilailuck	12/12 12/12 12/12 11/12 ^(*) 11/12 ^(*)	<ul style="list-style-type: none"> - Quarterly consider business operation plan and solutions of each LOB; - Monthly review and monitor business operations to be in line with the plan; - Considered the followings prior to submit for further approval from the Board of Directors: <ul style="list-style-type: none"> • Investments/Dispose of investments; • The Company's 2015 Strategic Implementation Plan; - Considered Annual Salary increase for 2015, 2014 Bonus and 2015 Bonus Payment Policy for the employees and the management of the Company proposed for further consideration to the Nominating & Compensation Committee; - Considered new hire and promotion of manpower; - Acknowledged the Internal Audit report of subsidiaries.

Remark : ^() Went abroad for business trip.*

4) Corporate Governance Committee

In 2014, the committee conducted 2 meetings, were as follows:

Directors	Number of Attendance/ Total Number of Meeting	Summary of consideration
1. Mr. Seri Suksathaporn 2. Mr. Pradang Prichayangkun 3. Mr. Sirichai Rasameechan 4. Mr. Prinya Waiwatana	2/2 2/2 2/2 2/2	<ul style="list-style-type: none"> - Reviewed Acknowledged to allow the minority shareholders to propose matter in the agenda and enquiries prior to the meeting date of AGM 2014; - Acknowledged the Board Self-Assessment, CEO and Company Secretary Assessment Evaluation for 2013; - Reviewed and considered the amendment of Company's Corporate Governance Policy, Business Ethics and Committee Charter in line with the international corporate governance criteria; - Considered the 2013 Corporate Governance Committees' activities; - Considered Corporate Governance Report to disclosed Annual Report 2013; - Acknowledged the 2014 Corporate Governance survey result and The Company won SET AWARDS 2013 on Top Corporate Governance Report Awards and Best Investors Relation Awards; - Considered the criteria of Corporate Governance evaluation for 2015; - Considered the Board and Committees Self Assessment Form for 2014; - Considered the criteria of CEO and Company Secretary Assessment for 2014; - Arranged the meetings between the Company's Non-Executive Directors without the participation of the Company's Management to discuss the management problems of the Company.

5) Nominating & Compensation Committee

In 2014, the committee conducted 3 meetings, were as follow:

Directors	Number of Attendance/ Total Number of Meeting	Summary of consideration
1. Dr. Tongchat Hongladaromp 2. Mr. Pradang Prichayangkun 3. Mr. Seri Suksathaporn	3/3 3/3 3/3	<ul style="list-style-type: none"> - Selected, and nominated appropriate candidates to be the Directors for replacement; - Selected, and nominated appropriate candidates to be the Committee Member; - Considered remuneration of Board members and Committees' members; - Considered Annual Salary increase for 2015, 2014 Bonus and 2015 Bonus Payment Policy; - Considered the 2013 Nominating & Compensation Committees' activities.

6) Risk Management Committee

In 2014, the committee conducted 3 meetings, were as follow:

Directors	Number of Attendance/ Total Number of Meeting	Summary of consideration
1. Mr. Charoenrath Vilailuck	3/3	- Reviewed and improved the risk management policies to make them consistent with the specified business operation plans;
2. Mr. Watchai Vilailuck	3/3	
3. Mr. Sirichai Rasameechan	3/3	- Advised on risk management operations to the management in the Group of Companies;
4. Mr. Sommai Damneonkiat	3/3	
5. Mrs. Sukanya Vanichjakvong	3/3	- Encouraged the management and the employees to be well aware of the importance of risk management as it is the means to lead the Company to meet the targets specified;
6. Mr. Thananan Vilailuck	3/3	
7. Mr. Jong Diloksombat	3/3	- Followed up progress of risk management operations of the relevant organizations.
8. Mr. Pracha Phathayakorn	3/3	

7) Sustainable Development Committee

In 2014, the committee conducted 2 meetings, were as follow:

Directors	Number of Attendance/ Total Number of Meeting	Summary of consideration
1. Mr. Watchai Vilailuck	2/2	- Considered the assessment results on sustainability development level of the Company from the SEC;
2. Mr. Sirichai Rasameechan	2/2	
3. Mr. Jong Diloksombat	2/2	- Considered the sustainability of the listed company development Roadmap of the SEC;
4. Mr. Thananan Vilailuck	2/2	
5. Mr. Pracha Phathayakorn	2/2	- Acknowledged the ESG/SD and the participation in Thailand's private sector collection action coalition anti-corruption;
6. Mr. Teerachai Phongpanangam	2/2	
7. Mrs. Rosalin Charoenwong	2/2	- Acknowledged the sustainable development committee self-evaluation for 2014;
8. Mrs. Phongsri Saluckpetch	2/2	
9. Ms. Kanokwan Chanswangpuvana	2/2	- Considered the social development activation (CSR) of the company in 2014;
10. Mrs. Vorapin Isaradharm ⁽²⁾	0/2 ⁽¹⁾	
		- Reviewed the Company's social responsibility;
		- Considered the report of the Sustainable Development Committee to disclose in the annual report 2014.

Remark: ⁽¹⁾ Went abroad for business trip.

⁽²⁾ Has resigned from Sustainable Development Committee on December 1, 2014.

All the Committees have regular meetings and reported to the Board of Directors of the Company for consideration.

Meeting among members of Non-Executive Directors In 2014, the Company has arranged the meeting among only members of the Non-Executive Directors of the Company prior to the Board of Directors' Meeting every time without any participation of the management team, in order to have discussion on management issues of the Company freely.

5.6) Conflict of Interest

To prevent conflicts of interest, the Company has drawn out guidelines for directors and employees (Details are provided under “**1.2 Business Ethics**”).

5.7) Internal Control System and Internal Audit

(Details are provided under “**Internal Control System, Risk Management and Anti-Corruption**”)

5.8) Board, Committees, CEO and Company Secretary Assessment

5.8.1 Board Self-Assessment

The Corporate Governance Committee has initiated the Self Assessment form for Board members to review and evaluate their performance for 2014 as a whole. The assessment form, which has been approved by the Board of Directors in its meeting No. 9/2014 on December 19, 2014 was sent to all directors for assessment. The questionnaire covers the following area:

- Board Composition
- Strategic Guidance
- Monitoring & Evaluation
- Accountability

From the assessment which been completed by the Board members, total number of directors (8) agreed that for the above area, the Board of Directors of the Company has an **excellent** evaluation by obtaining average score **95.95%**.

5.8.2 Directors Self-Assessment

For improvement and more efficiency of the meeting Corporate Governance Committee has all directors to evaluate themselves by individual through the Board self Assessment form for 2014. The assessment form, which has been approved by the Board of Directors in its meeting No. 9/2014 on December 19, 2014. The questionnaire covers the following area:

- Qualification Knowledge Abilities
- Role & Responsibilities
- Board meeting
- Self- Development

From the assessment which been completed by the Board members individually, total number of directors (8) agreed that for the above area, the Board of Directors of the Company has an **excellent** evaluation by obtaining average score **97.36%**.

5.8.3 Audit Committee Self-Assessment

In order to make the Audit Committee to be able to evaluate its own performance during the previous year with regards to the compliance with prudent practices and the effectiveness, so the evaluation which covered the following topics has been conducted:

- Component of the Audit Committee
- Authority, duty and responsibility
- Training and resources
- Meeting
- Activities of the Audit Committee
- Relationship with the Director of Internal Audit Department, the auditor and the executives
- Roles of the Internal Audit Committee in the future

From the assessment which been completed by 3 Audit Committee Members, the members agreed that the Audit Committee has an **excellent** evaluation by obtaining average score **91.00%**.

5.8.4 Committee Self-Assessment

The Corporate Governance Committee has initiated the Self Assessment form for Committee members to review and evaluate their performance for 2014 were as follows: Executive Board Member, Nominating & Compensation Committee, Corporate Governance Committee, Risk Management Committee and Sustainable Development Committee. Results of the self-assessment

of each sub-committee will use to develop working performance of them for more efficiency and to be in line with the responsibilities assigned from the Board of Directors. The Committee assessment form, which has been approved by the Board of Directors in its meeting No. 9/2014 on December 19, 2014 was sent to all directors for assessment. The questionnaire covers the following area:

- Board Structure
- Role & Responsibilities
- Performance Monitoring
- Meeting
- Training & Development

From the assessment which been completed were as follows:

1. Executive Board Member has an **excellent** evaluation by obtaining average score **97.78%**;
2. Corporate Governance Committee has an **excellent** evaluation by obtaining average score **97.88%**;
3. Nominating & Compensation Committee has an **excellent** evaluation by obtaining average score **99.21%**;
4. Risk Management Committee has an **excellent** evaluation by obtaining average score **96.30%**.
5. Sustainable Development Committee has an **excellent** evaluation by obtaining average score **96.48%**.

5.8.5 CEO Assessment

The Corporate Governance Committee has initiated the Assessment for CEO. The form has been approved by the Board of Directors in its meeting No. 9/2014 on December 19, 2014 and sent to all directors for assessment. Assessment result will be considered for remuneration adjustment. The questionnaire covers the following area:

- Leadership
- Formulation and compliance with the strategic plan
- Planning and the financial performance
- Board Relations
- Risk Management and Internal Control
- Administration and relationship with the personnel
- Succession of the position
- Knowledge on products and services
- Good Corporate Governance and Code of Business Conduct

From the assessment which been completed by 7 directors, the directors agreed that the CEO has an **excellent** evaluation by obtaining average score **97.17%**.

5.8.6 Company Secretary Assessment

In order to develop the working efficiency of the Company Secretary, the Company has also been assessed by using the assessment form which has been approved by the Board of Directors in its meeting No. 9/2014 on December 19, 2014 and sent to all directors for assessment. Assessment result will be considered for remuneration adjustment. The Board of Directors has evaluated performance of the Company Secretary (Mrs. Vorapin Isaradharm) who performed duty as the Company Secretary from January 1 - December 1, 2014.

The questionnaire covers the following area:

- Skill, Knowledge and Capacity of Company Secretary
- Compliance
- Contact and Coordination
- Documentation
- Meeting Arrangement
- Corporate Governance

From the assessment which been completed by 8 directors, the directors agreed that the Company Secretary has an **excellent** evaluation by obtaining average score **97.21%**.

5.9) Development of Directors and Management

The Company specified that whenever there is a change of director, there shall be an orientation for a new director every time so that he/she can adequately acknowledge essential information before performing duties. In addition, director's manual, document and useful information which shall be beneficial to the duty operation of the new director shall be provided, in order that such new director can be ready to conduct his/her duty. The Company Secretary shall be a coordinator for the orientation with following matters:

- Matters that should be known: Nature of business, business structure, directors' structure, scope of power and duty, related laws as well as policies and practical guidelines for supervising the Company's business;
- General knowledge of the business: Business operation guidelines to enhance knowledge and understanding on business and various operations of the Company;
- Arrange to have a meeting with the Chairman and the Executive Chairman /CEO to enquire in-depth information about business operation of the Company.

However, during the past year, no new director has been appointed as an additional member of the Board of Directors, so the Company has not arranged the orientation for the new director for 2014.

In addition, to support and increase knowledgeable of the directors, periodical training will be provided especially the Director Accreditation Program (DAP) and Director Certification Program (DCP) arranged by the Thai Institute of Directors (IOD). Seven of the existing directors had joined DCP program and one director joined DAP program. Each year, the Company shall submit the training courses arranged by various institutes to the Committee members for their consideration on attendance pursuant to their needs. In 2014, the directors have attended the additional training courses as follows:

Directors	Courses
1. Mr. Pradang Prichayangkun	- Seminar on "Challenges facing audit committees on listed companies' sustainable development", The Securities and Exchange Commission; - Seminar on "Walk Against Change", From EY Office Limited.
2. Mr. Watchai Vilailuck	- The 5 th Training Course on Administrative Justice for Executives, Institute of Administrative Justice, The Office of the Administrative Courts of Thailand.

1.2 Business Ethics

The Company is conducting the business with great awareness in ethical and moral issues. The handbook concerning business ethics for all members of the Board of Directors, managerial team and our employees has been provided in both Thai and English since 2005 as a guideline to continue his/her duty with honesty, integrity, morality, and, of course, highest quality. It also reminds the Company to bring fair treatment in accordance with legal restrictions, to maximize shareholder value, and to prevent plausible conflicts of interest. The Business Ethics had also been posted on the Company's website for information of the Company's employees and for public acknowledgement. The Business Ethics will be annually revised. The latest revision has been reviewed by the Board of Directors of the Company on February 25, 2015 for compliance with the revised Corporate Governance Policy. Business Ethics covers the following area:

• Conflicts of Interest

To prevent conflicts of interest, the Company has drawn out guidelines for directors and employees as follows:

1. Avoid all actions that may cause conflicts of interest with the Company;
2. In case that directors or employees commit any transaction related to the Company, the particular director and employee will be treated like an outsider, and will play no part in decision-making process;
3. Refuse to use Company's information obtained in their posts for an opportunity to derive personal benefits by creating rivalry with the Company or involving in related businesses;

4. Refuse to use Company's information for securities purchase for personal benefits or to leak Company's information to outsiders for their benefits;
5. Refuse to reveal Company's classified information (e.g. electronic information, financial situation, work's plans, business information and Company's future plans) during and after their posts.

On any conflict of interest transaction, before entering into the transaction, the Company specified that the Board of directors, Managements, Employees and relevant parties must disclose the transactions with interest to the Audit Committee to consider the appropriateness of such transactions. The Audit Committee will carefully review prior to submit with opinion either on such conflict or connection to the Board of Directors for further review and to ensure that the transaction has to be complied with SET's regulations, information of the transaction i.e. value of transaction, party involved and necessity etc., has been disclosed in the Company's Annual Report, Form 56-1 and the auditor's note in the financial statements. Any consideration of the connected transaction, the directors who may have conflict of interest will neither participate nor vote in such meeting both in the Board of Director's and the Shareholders' Meeting. Details of the transactions which may have any conflict of interest are provided under **"Connected Transactions"**.

- **Accountability to shareholder**

The Company aware of its role to protect and due care for the interests of all major and minor shareholders by granting rights to every shareholders to attend, vote and have comments in the shareholders' meeting, to share in profits, to propose agenda and enquiries for the Shareholder's meeting, regularly and timely obtained adequate information, business performance and management policy. Details of shareholders' rights are provided under **"Rights of Shareholders"**.

- **Employee policies**

The Company highly regards all of the employees as valuable resources and is a major factor to drive the business performance to achieve its goals. As a result, it is the Company's policy to treat employees fairly in all respects, employment opportunity, reasonable remuneration, promotion, welfare i.e. There is always be the nurse(s) stationed in the infirmary everyday at the Company's office building and the doctor shall visit and treat sick employees twice a week. The company also has the medical treatment welfare for the employees (in case of out-patient) who are treated at the government and private hospitals. The employees shall be entitled to the annual medical treatment fee pursuant to their level. In 2014, total amount of medical treatment fee reimbursed by the employees of the Company and its subsidiaries amounted to Baht 2.89 Million. Moreover, the Company also has group health insurance (in case of in-patient) for the Company's employees which is made with the American International Assurance Company Limited (AIA) as well as group life insurance which covers all kinds of death, annual medical check-up and provident fund to secure their working life security under the name of "The Registered Samart Group Provident Fund". The Company also has the social security fund and provision of loan in case of the accident or sickness to the employees as well, loan for employees, fitness center and special discount for Company's products, including development programs, both internal and external training courses, are continually provided for all levels of employees. (Details about the employees are provided under **"Management Structure"** in the topic of **"Human Resource"**). In addition, the Company has provided educational support by awarding scholarship to employees with aims to enhance their knowledge and skills. Furthermore, in 2014, the Company has awarded 3 scholarships at master degree levels to the employees, i.e. on 2 Department of Business Administration, Ramkhamhang University, and 1 on Business Administration, Kasetsart University, etc.

In addition, the Company emphasizes on the safety of life and health of the employees as the following policies:

1. The Company is committed to developing and creating safety and health of employees in accordance with the requirements of the law.
2. Company has implemented all kinds of safety operations for the sake of safety of life and health of the employees.
3. Company has issued to control and prevent loss due to accident, fire and occupational illness. Security equipments and fire drill as well as promoting and raising awareness of health care workers.

4. The Company will support adequate and appropriate resources in accordance with the requirements of the law and commit to develop human resources with knowledge and awareness of safety and health of employees.
5. The Company is aware that a safety and health of employees is very important, it was the duties and responsibilities of executive, supervisors at all levels and employee to comply with the rules and the requirements of the law.

Furthermore, the Company also followed such practical guidelines concretely as follows:

1. To appoint the safety officers and the relevant persons in all levels to take responsibility, supervise and monitor the strictly compliance with safety, occupational health and working environmental policy.
2. To fortify the employees at all levels with knowledge, consciousness and joint responsibility, for instance, to arrange for the training and cultivate consciousness on safety, occupational health and working environment for the employees, as well as to arrange for the training on health by arranging the Healthy Week and the Safety Week and etc.
3. To conduct the annual evacuation drill in case of fire as well as to designate the assembly points of all offices.
4. To use the fingerprint scanning system so only the eligible persons can enter and exit the office building for safety of life and properties of the employees and the Company.
5. To provide the medical treatment, modern medicine provision service and basic medical service in all offices.
6. To arrange for the medical checkup every year.
7. To arrange for the fitness center and to encourage for the sport competition, both inside and outside the Company to promote health of the employees.

Record on 2014 accident at work of Samart Group

LOB	Lost Time Accidents in 2014 (Time)
1. ICT Solutions and Services	-None-
2. Mobile Multimedia	-None-
3. Call Center	1
4. Utilities and Transportations	3
5. Technology Related Services	2

The Company trained and informed the prudent operating guidelines standards with regards to good manner and ethics of the employees via the orientation of the new employees, Employee Manual and HR website (www.samarthre.com). Such ethics have been written in the working regulations of the Company for the employee's adherence. The Company has posted **Ethics of the Employees** on the Company's website (www.samartcorp.com).

• Customer policies

The Company has a policy to put emphasis on creation of satisfaction and confidence values to our customer, the Company's benefactor, on continued basis and such practices have been disclosed in the Company's business ethics. The Company's valued customers by determining to procure, develop and manufacture the qualified and modern products and services at the reasonable prices to respond to their needs as well as to procure the products and equipment which have been manufactured from the factories which have been certified by the international standards, new products and services have been developed by the subsidiaries and also having control and inspection of product's quality prior release for satisfaction in goods and services of customers;

- SIM and its subsidiaries including control and inspection of product's quality before distribution. The Company has launched many models of mobile phones with variety functions to serve customers' needs in all levels and continued to improve after sales services. The i-mobile service centers provide a total solution to customers both the complete mobile phone sales and repair services. The technicians

have been stationed at the repair centers to oversee the repair works, upgrade software and provide other services to customers as well as guarantee to change new product immediately within 7 days if there is any problem and has spare units while repairing. In addition, the Company provides training course to our employees who work at service centers nationwide continuously in order to give more understanding of products and services and expertise to answer questions and solve problem of customers in a timely manner. SIM has appointed the Authorized Service Centers and Drop Points to service customers nationwide with the same quality as i-mobile service centers.

- Moreover, the Company provides call center services for consultation and complaint of customers, and also for control the quality prior release for satisfaction in goods and services of customers.

Moreover, the Company set Customer Retention Management (CRM) unit called “i-club”. The customer who has service at i-mobile shop and subscribe as a member of i-club will receive 10% discount for new product, 30% discount for accessories. In addition, there are special activities, benefits and 10-40 % discounts from the leading stores participating. At present, total i-club members are more than 700,000. Training center is set in many areas to facilitate dealers and gain understanding of the Company’s products and services. Dealer Conference is organized to express gratitude to the dealers and meet with the Company’s management as well as update new products, acknowledge the Company’s operating results and set target in the next year.

- Samart Telcoms Public Co., Ltd. offers a full range of integrated business throughout supply chain for customer services and the establishment of nationwide service center, by Samart Communication Services Co., Ltd. for Flexibility Conveniently and earlier service of ICT Solutions and Services to customers provides support and currently have 38 centers.
- Samart Communication Services Co., Ltd. and Samart Comtech Co., Ltd. maintain the standard of service from ISO 9001:2008 which receive more confidence in their services from customers.
- Posnet Co., Ltd. developed “Electronic Signature Capture System” on EDC terminal devices enabling credit card holders to sign on Sign Pad devices. Signatures are stored as electronic signature in secure storage, resulting in ease of query. The system can record selling data to generate sales reports and can verify total amount transferred to connecting banks accurately and easily.
- Samart Ed-Tech Co., Ltd. designed and developed e-coursewares for employee development and training program for commercial banks and corporate clients.
- Smarterware Co., Ltd. provided staffs training program of new technologies according to application development direction of the Company. The Company targeted development of expertise in GIS and Mobile Application, which is the direction of application development with advanced technology to increase technical capabilities. More importantly, the Company has maintained international standard of CMMI Level 5, the highest level certified by SEI - Software Engineering Institute in development process of quality software.
- Portalnet Co., Ltd. extended staffs’ knowledge base to cover Data Warehouse, Customer Relationship Management, Enterprise Content Management, and Success Factors Talent Management systems.

- **Trade partners policies**

The Company has the policy to equitably and fairly treat its trade partners by taking into consideration of the Company’s interest and on mutual benefits basis and such practices have been disclosed in the Company’s Business Ethics. The Company has clearly defined in evaluation and selection of trade partners as well as developing and maintaining good relationship between all partners with trust and confidence. The Company regularly visits partners to exchange opinions and they must trust with each other. It will not take personal benefits from business partner or partner of contract and it will not publicize a false advertisement to mislead business partner including avoid purchase product which violates human rights or intellectual property. It will not deal business with a business partner who has illegal behavior or has behavior which is against public order and good morals.

Moreover, the Company has strictly complied with the business partner treatment policy by selecting the qualified business partner to enter into the Approved Vendor List and prices have been compared before the purchase order has been made. The business partner has been evaluated by using the auditable standard criteria pursuant to the international standards of ISO 9001 and CMMI. The Company also has the policy not to corrupt, extort, embezzle or not tolerate such action. The business partner must not propose or take bribery or any illegal reward from the Company and the business partner must not give the reward or propose personal benefit in whatsoever form to the employee as a result of business undertaking. Such policy has been inspected by the management under the document and the supporting particulars and it also has been audited by the neutral auditor both from the inside and outside the organization.

- **Creditor policies**

The Company is conforming to its Principle of Business Operation in order to the respect and admission of the Creditors and strictly complied with terms and conditions agreed upon in the agreements i.e. repayment of debt, loan, interest and other guarantee in time and specific conditions. In the event that any covenanted condition could not be met, the Company will prior inform the Creditors and seeking mutual accepted solution.

- **Counterpart/Competitor policies**

The Company has the policy on treatment with business competitor under rules and fair competitions to encourage trading such practice have been disclosure in the Company's Business Ethics without fraudulently or inappropriately seeking confidential information of its competitors, or damage competitor's reputation by abusive accusation. Refuse to violate intellectual property rights of business' counterparts / competitor and not intervene or have a secret transaction that give negative impact to competitor and give benefit to the Company.

- **Anti-Corruption policies**

The Company operates business by adhering to good corporate governance principle. Anti-corruption policy has been specified as fraudulent act might occur from operation and transaction with the stakeholders, where the directors, the executives and the employees of the Company, the subsidiaries and the affiliated companies shall strictly comply with. During the Board's meeting No. 1/2015 on February 25, 2015, the Board has approved on amendment of anti-corruption policy and it has been disclosed in the Company's code of Business Ethics, so that the employees shall use it as the practical guidelines. In addition, details on anti-corruption policy, practical guidelines on anti-corruption and operating results on compliance with such policy have been disclosed in **"Internal Control, Risk Management and Anti-Corruption"**.

- **Responsibility to Societies and Communities**

The Company recognizes that it can survive and grow in a society that is vigorous Communities and prosperous. Therefore to bring about societal progress the Company participated in societal improvements with financial support to all activities that aim to maintain beneficial cultures, customs and rituals. Moreover, the Company will involve in religious activities regularly. The Company also participated in many activities for development of social, education, vocation, athletic ability as well as sanction for outreach people and victims. In addition, the Company has strengthened the closed relationship with the surrounding and nearby communities by building up good relationship with the private and public organizations as well as the community leaders in many levels, so that the cooperation from all parties can be smoothly coordinated for sustainable and concreted development of the communities. In 2014, Samart Group has also specified the guidelines on promoting the "Qualified People and Virtue Society" campaign via many projects and activities which were beneficial to the societies. Details are provided under **"Corporate Social Responsibilities Report"**

- **Responsibility to environment**

The Company conducts business with recognition of environmental conservation and standard management of safety. It is also the Company's policy to become a responsible corporate citizen to comply with all relevant laws and regulations and be responsible for utilizing natural resources in prudent manners. The Company has a policy to strengthen and provide knowledge and training on environment to the employees in the organization, in order to be aware of environmental responsibility when they perform their work by arranging campaign to cultivate

conscious mind on environment and natural resources through employee participation activities as well as disseminating news and information on environment in order to build up good understanding on environmental management of the Company. For motivation of the employees to continually conform to the Company's policy, announcement via Company's PR boards, e-mail and internal radio are provided. In 2014, the Company were committed to develop products and services with regard to conservation of the environment and its safety standards. Environmentally friendly telecommunication services were offered and the optimal use of energy was promoted for public agencies and enterprises with similar vision were included for joint projects such as AMR Project (Automatic Meter Reader) of the Provincial Electricity Authority, etc. Moreover the stimulation of their consciousness to pay attention on the environment and use resources through the annual energy-saving campaign. On 2014, the Company organized the project under the *"Roger That and Change"* concept with aim to perpetuate behavioral changes and also to pursue maximum efficiency from resources. As a result, a 3D house model went up as a part of the exhibition that showed how to save energy in daily life. In addition, in its bid to turn unused items into something useful for the society, the project carried out various other activities. Among them was a call for the donation of unused notebooks that were passed onto students in need. In addition, the Company's subsidiary which performs business on waste management has conducted trainings to the employees in various levels, i.e. high level environmental management system for the management and primary level for the operation level employees. Such subsidiary has been certified for Environmental Management Systems (ISO 14001:2004).

(Details are provided under **"Corporate Social Responsibilities Report"**)

- **Corporate Social Responsibility Report / Sustainable Development Report**

The Company specified that there should be the corporate social responsibility report in place. At first, this report may be a part of the annual report and after that if the Company has more readiness, then such CSR report may be considered to be separated from the annual report.

- **Non-violation of human rights policy**

The Company has specified Non-violation of human rights policy by the Company deems that human rights principles are practices that must be jointly observed. All employees are strictly prohibited to perform any acts which shall cause or encourage for violation of human rights. These practical policies have been specified in the Code of Business Ethics Manual of the Company. The Company shall keep all personal information of the employees confidential and shall not disclose or distribute personal information, i.e. personal health record, working experiences and etc. to any unrelated persons. Disclosure or distribution of such information can be done after it has been consent from the employee who is the owner of the information only. Moreover, the Company shall treat all employees equally without any discrimination with regards to race, nationality, language, religion, gender, age and education. The Company shall provide opportunity to the employees to allow them to express their potential at fullest extent. The remuneration shall be provided as appropriated pursuant to regulations of the Company. The employees shall also be provided opportunity to further their education, both at the university level and short-term or long-term training courses. Consideration on work performance shall be made fairly and appropriately and any expression of opinion or others which may lead to conflict shall be avoided.

Furthermore, the Company shall communicate such policies via the Company HR's website (www.samarthre.com) for the employees' acknowledgement and compliance. In case any employee deemed that he/she has not been treated fairly in any matter, such employee is allowed to submit complaint, recommendation on right violation including any other problems to the Company. The Company shall solve such problem by taking into account maximum benefits of all parties and good relationship of team work.

- **Operating policy on non-infringement of intellectual property or copyright**

The Company has an operating policy on non-infringement of intellectual property or copyright. The method employed by the Company regarding this matter is that all employees are required to sign their names in memorandum of understanding to not commit any computer crime and to not infringe any intellectual property. The Company has specified the policy on usage of information technology system of Samart Group of Companies and software program of the employee shall be inspected to prevent any usage of piracy software and software which is unrelated to work.

- **Opinion or suggestion**

In addition, the Board of Directors are respect the importance of all stakeholders in participation of the Company's success, thus feed back channels for all stakeholders to return their complaints, comments or recommendations are provided for improvement. Those channels consist of direct mail to the following address, via Company's website at www.samartcorp.com under **"Contact Us"**.

Mailing Address : Secretary to the Audit Committee
Samart Corporation Public Company Limited
99/10 Moo 4, Software Park, 26th Fl., Chaengwattana Rd.,
Klong Gluar, Park-kred, Nontaburi 11120.

The Audit Committee Secretary will collect the information, and proposes the Audit Committee to consider and summarize for further report to the Board of Directors. In addition, the Company has the policy to defend the appellant by keeping appellants' information as secret.

- **Procedures and methods on "Notifying the information on misconduct and the protection of the informant"**

The Company adheres to good corporate governance principles and encourages its employees to examine and oversee any action which is against the corporate governance principles, ethics, rules and regulations of the Company, laws or any action which might cause damages to the Company including rights violation. If such action is found, the employee can notify the clue on misconduct behavior to the Company by sending document and/or evidence to Chairman of the Audit Committee. Such document and/or evidence may be sent by the employees themselves or via the postal service, however name and surname of the sender must also be notified for convenience on enquiry and/or contact for more information.

Chairman of the Audit Committee shall then investigate and analyze such matter and if it is found that it has factual basis, it shall be sent to the Company's Audit Committee for further consideration.

The Company shall protect the employee who notifies such information (the informant or whistle blower) by not disclosing the name of the informant to any person. Only Chairman of the Audit Committee and the Audit Committee shall know such information. (If the name has not been identified, this matter shall not be considered).

The employee can find the method on informing the clue and the protection of the informant at the public relations media of the Company, i.e. the Company's website (www.samartcorp.com) and HR's website (www.samarthre.com) and etc.

In addition, the Company has publicized vision, mission and policy on good corporate governance including business ethics on website of the Company (www.samartcorp.com). Corporate governance policy and business ethics has been delivered to the management and the employees via e-mail and in the form of weekly corporate governance tips as well as in a poster posted at the public relations board of the Company. Moreover, the Company also assigns the Corporate Governance Committee to oversee the directors, the management and the employees to ensure that they strictly adhere to this principle.

2. Committees

The Company's management structure comprised of 6 Committees; the Audit Committee, the Executive Board, the Corporate Governance Committee, the Nominating & Compensation Committee, the Risk Management Committee and the Sustainable Development Committee.

1) **Audit Committee members**⁽¹⁾ as of December 31, 2014

1. Mr. Pradang Prichayangkun Chairman of the Audit Committee (Independent Director)
 2. Dr. Tongchat Hongladaromp Member (Independent Director)
 3. Mr. Seri Suksathaporn Member (Independent Director)
- Mrs. Vorapin Isaradharm⁽²⁾ Secretary of the Audit Committee

Remarks: ⁽¹⁾ *Audit Committee members comprise of no less than 3 members, all of them have sufficient experience to review the Company's financial statement. Curriculum Vitae of Audit Committee are provided on page 230.*

⁽²⁾ *Has resigned from Secretary of the Audit Committee on December 1, 2014.*

Qualifications of Audit Committee

1. Has been appointed from the Board of Directors and/or the shareholders;
2. The Members of the Audit Committee have to be the Independent directors qualification from the SEC;
3. Not being a person who has been empowered by the Board of Directors for any decision in the business operation of the Company, Parent Company, Subsidiaries or affiliated Companies, Same-Level of Subsidiaries as well as any juristic person, major shareholder, or controlling person of the Company;
4. Not being a director in Parent Company, Subsidiaries and any same-Level of Subsidiaries which is a listed Company;
5. Having sufficient knowledge, experience, and time to perform duties as the Audit Committee members;
6. At least one member of the Audit Committee should have sufficient knowledge and experience to review the financial statement credibility and the Company has to put his/her name in the filing of 56-1 and 56-2 Form. In addition, such qualification also has to be put in the committee certified letter which will be submitted to SET.

Terms of positions

Term of the Audit Committee members is three years. All members shall be in post no longer than 3 terms except getting a unanimous approval from the Nominating & Compensation Committee and the Committee ensures that the extra term will not cause or impact to the independent of such director as well as obtain an approval from Board of Directors and/or the Company's shareholders.

Roles and Responsibilities of the Audit Committee

1. Review the Company's financial statement to ensure its accuracy and adequacy;
2. Ensure that the Company has an appropriate and efficiency internal control, internal audit system, and consider the independence of the internal audit as well as to propose the appointment, rotation or dismissal chief of internal audit of the Company or any other related function who takes responsibilities to internal audit;
3. Ensure that the Company has complied to the Securities and Exchange Act, regulations of SEC/SET and any other related regulations;
4. Propose for consideration and approval of the Board of Directors and Shareholders on the appointment, termination of the external auditors including propose their remuneration for further consideration;
5. Arrange meeting with auditors without the management of the Company at least once a year;
6. Review, comment and ensure that all connected transactions and any other conflict of interest transactions have been complied to laws, and regulations of SET/SEC as well as to ensure that the transactions are reasonable with best benefit to the Company;
7. Provide the Audit Committee report for disclosure in the annual report of the Company with minimum contents as required by regulations of SET/SEC;
8. Consider any other activities assigned by the Board of Directors.

2) Executive Board members as of December 31, 2014

- | | |
|------------------------------|--|
| 1. Mr. Charoenrath Vilailuck | Executive Chairman / Chief Executive Officer |
| 2. Mr. Watchai Vilailuck | Member |
| 3. Mr. Sirichai Rasameechan | Member |
| 4. Mr. Jong Diloksombat | Member |
| 5. Mr. Thananan Vilailuck | Member |

Terms of positions

Term of the Executive Board members is one year. The Nominating & Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and the managements proposes for further consideration and approval of the Board of Directors for the appointment in its first meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term. CEO of the Company will be the Chairman of the Committee.

Roles and Responsibilities of the Executive Board

1. Consider business plan, direction and structure as well as the Company's strategies, and delegation of authorities for further approval of the Board of Directors;

2. Monitor, audit and set the management policies for efficiency and productivities as well as to conform with the instruction of the Board of Directors;
3. Consider and approve the Company's investment and annual budget prior to further approval of the Board of Directors;
4. Consider remuneration policy and salary structure propose to the Nominating & Compensation Committee for consideration prior to further consideration of the Board of Directors;
5. Consider entering into any transactions binding the Company within its authorities under the Company's Delegation of Authorities;
6. Consider any other activities according to the assignment from the Board of Directors.

The delegation authorities of the Executive Board should not be delegated or further assigned that authorize the Executive Board or its attorney to approve any connected transactions between themselves or any persons who may have conflict of interest (according to the concept of conflict of interest of the SEC's notification) with the Company or subsidiaries except such transactions are handled in line with the connected transaction procedure or policy which been approved by the Board of Directors of the Company. The connected transaction has to be considered and approved either by the Company's Board of Directors or shareholders' meeting to be complied with regulations of SET/SEC or any related laws and regulations.

Roles and Responsibilities of Chief Executive Officer

1. General operation management and control in business of the Company to comply with its objectives, policy and the Articles of Association;
2. Consideration in business investment plans prior to propose for the Executive Board and the Board of Directors for further approval;
3. Entering into any transaction binding the Company conforming to the Company's Delegation of Authorities;
4. Carry out any assignment from the Board of Directors and/or the shareholders of the Company.

The delegation authorities of the Chief Executive Officer should not be delegated or further assigned that authorize the CEO or its attorney to approve any connected transactions between themselves or any persons who may have conflict of interest (according to the concept of conflict of interest of the SEC's notification) with the Company or subsidiaries except such transactions are handled in line with the connected transaction procedure or policy which been approved by the Board of Directors of the Company and/or the shareholders' meeting to be complied to regulations of SET/SEC or any related laws and regulations.

3) Corporate Governance Committee members as of December 31, 2014

- | | |
|------------------------------|--|
| 1. Mr. Seri Suksathaporn | Chairman of the Corporate Governance Committee
(Independent Director) |
| 2. Mr. Pradang Prichayangkun | Member (Independent Director) |
| 3. Mr. Prinya Waiwatana | Member (Independent Director) |
| 4. Mr. Sirichai Rasameechan | Member |

Terms of positions

Term of the Corporate Governance Committee members is one year. The Nominating & Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and/or any qualified candidates propose for further consideration and approval of the Board of Directors for the appointment in its first meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term. In addition, the Chairman of the Committee has to be nominated from the Company's Independent Director.

Roles and Responsibilities of the Corporate Governance Committee

1. Responsible for governing and monitoring business operation and committees' activities as well as managements and employees of the Company to strictly comply with law and related regulations;
2. Ensure that good corporate governance is being conducted at all level in accordance to legal requirements, Company's policies and other related authorities;
3. Formulate and review the Company's rules concerning good corporate governance;
4. Provide suggestions relevant to ethical practices to the directors, managements and employees of the Company;

5. Yield continuity and appropriate regulations in carry out good corporate governance;
6. Report to the Board the recommendations for improvement on the Corporate Governance of the Company as appropriate.

4) Nominating & Compensation Committee members as of December 31, 2014

1. Dr. Tongchat Hongladaromp Chairman of the Nominating & Compensation Committee
(Independent Director)
2. Mr. Pradang Prichayangkun Member (Independent Director)
3. Mr. Seri Suksathaporn Member (Independent Director)

Terms of positions

In every subsequent year, one-third of the Nominating & Compensation Committee's members, who have been longest in office, shall retire. The retired members are eligible to be re-elected for another term by obtaining majority vote from the Board of Directors. In case of vacancy, the Nominating & Compensation Committee will consider an appropriate person for the replacement and propose to the Board of Directors for further consideration.

Roles and Responsibilities of the Nominating & Compensation Committee

1. Recruit, select, and nominate appropriate candidates for independent directors, Chairman of the Boards and Board members proposed to consideration of Board of Directors and/or further approval of the shareholders when those positions are vacant due to termination of terms or other reasons;
2. Recruit, select, and nominate appropriate candidates for members of the committee, CEO, top management and Company Secretary proposed for consideration of the Board of Directors when such position is vacant as well as propose criteria for selecting candidates for the succession plan;
3. Propose to the Board of Directors the guidelines and reasonable remuneration packages for all members of the Boards, committee, CEO and executives of which must be complimented to their duties, conform to Company's operating performance and market's atmosphere;
4. Evaluate Company's performance for consideration of the annual bonus and merit increase;
5. Review the Company's salary structure and any other remuneration;
6. Screen and verify the list of the candidates proposed to the director with the relevant agencies to ensure that they are not blacklisted or have been revoked from the list of such agencies;
7. In case the director who is retired on rotation is proposed to be re-elected to resume the position, his/her contribution and track record on attendance of the Board of Directors' meeting and the Shareholders' meeting must also be taken into consideration.

5) Risk Management Committee members as of December 31, 2014

1. Mr. Charoenrath Vilailuck Chairman of the Risk Management Committee
2. Mr. Watchai Vilailuck Chief Operating Member
3. Mr. Sirichai Rasameechan Member
4. Mr. Sommai Damnoenkiat Member
5. Mrs. Sukanya Vanichjakvong Member
6. Mr. Thananan Vilailuck Member
7. Mr. Jong Diloksombat Member
8. Mr. Pracha Phathayakorn Member

Terms of positions

Term of members of the Risk Management Committee is one year. The Nominating & Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and/or any qualified candidates propose for further consideration and approval of the Board of Directors for the appointment in its first meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term. The nominated committee's members will appoint the chairman of the Risk Management Committee from the committee's members.

Roles and Responsibilities of the Risk Management Committee

1. Establish clear business objectives, identify, analyze, assess significant risks and formulate risk strategies;
2. Develop risk management standards and practices in the areas for which they are accountable;
3. Ensure that the above standards and practices are fully communicated to and have active support of all employees;
4. Ensure that the management has regularly, continually and systematically identify and analyze risk exposures, which may have, to cover all processes of the business;
5. Support and develop to have the managements and all employees to continually aware of risk management as well as to ensure the Company's Risk Management Policy is complied with the international standard.

6) Sustainable Development Committee members as of December 31, 2014

- | | |
|--|--|
| 1. Mr. Watchai Vilailuck | Chairman of the Sustainable Development Committee |
| 2. Mr. Sirichai Rasameechan | Vice Chairman of the Sustainable Development Committee |
| 3. Mr. Jong Diloksombat | Member |
| 4. Mr. Thananan Vilailuck | Member |
| 5. Mr. Pracha Phathayakorn | Member |
| 6. Mr. Teerachai Phongpanangam | Member |
| 7. Mrs. Rosalin Charoenwong | Member |
| 8. Mrs. Phongsri Saluckpetch | Member |
| 9. Ms. Kanokwan Chanswangpuvana | Member |
| 10. Mrs. Vorapin Isaradharm ⁽¹⁾ | Member / Secretary |

Remark: ⁽¹⁾ Has resigned from the Sustainable Development Committee on December 1, 2014.

Terms of positions

Term of members of the Sustainable Development Committee is one year. The Nominating & Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and/or any qualified candidates propose for further consideration and approval of the Board of Directors for the appointment in its first meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

Roles and Responsibilities of the Sustainable Development Committee

1. Set policy, framework and practice of the company's CSR;
2. Consider and endorse CSR strategies and activities to meet the company's CSR policy;
3. Monitor progress of CSR activities and evaluate the effectiveness of the implementation of the Company's CSR activities;
4. Report the company's CSR activities to the Board of Directors.

In addition, the Committees have regularly arranged the meetings and the written minutes of meeting have been taken. For more details on summary of essence of the meetings and number of meeting attended during the past year, details are provided under "Board & Committees' Meeting".

3. Nomination and appointments of the Directors and Managements

• Nomination of Independent Directors, Directors and Management

The Nominating & Compensation Committee has been appointed by the Board of Directors in order to select, and nominate appropriate candidates for positions of Chairman of the Board, members of the Board and other committees, CEO, other executives and Company Secretary as well as consider the appropriate remuneration for such directors and managements. Whenever the position of directors are vacant, **the Nominating and Compensation Committee shall search for information on directors by using Director Pool Database of the Thai Institute of Directors as well as recruit the personnel who have qualifications as per specified by the law and the specified criteria, i.e. qualifications, experiences, knowledge and capability beneficial to the Company including necessary skills which the Company's Board of Directors is still lack at that moment for such position** to ensure that it conforms to the Company's business operation strategies. In case of vacancy by rotation or appointing of new director, the Nominating and Compensation Committee and Independent Directors will propose the appropriate candidate to the Board of Directors for approval and for further approval of the shareholder. The elected

directors should obtain majority vote from shareholders who attend the meeting and have voting right. Each shareholder shall have one vote on each share. In voting, a shareholder shall vote in accordance with the number of votes each shareholder has for one or several directors. The said shareholder may not allot any number of his/her votes to any person. **In addition, the Company also allows the shareholders to vote for the individual director where the Company shall propose the name of each nominated director, so that the eligible shareholders can truly elect their preferred director.** For election of independent directors, the Nominating & Compensation Committee will nominate any person who is fully complied with the qualifications of Independent Directors under the Company's policy as well as complying to such requirements of SEC/SET as a minimum. Moreover, the Board of Directors of the Company has also appointed other committees to help the Board on its business either audit or consideration any significant matters. Such Committees are Executive Board, Audit Committee, Risk Management Committee, Corporate Governance Committee, Nominating & Compensation Committee and Sustainable Development Committee. The nomination of members of the committee will be selected and nominated by the Nominating & Compensation Committee prior to propose for consideration of the Board of Directors and/or shareholders of the Company.

- **Executive Succession Plan**

The Company is aware of the importance of executive succession plan when any executive position is vacant. In order to create confidence for investors, shareholders and employees on the continuity operation of the Company, an Executive Succession Plan has been considered. The potential candidate will be selected, trained and developed to be ready to accommodate the vacant position in the future.

4. Supervision on Operation of the Subsidiaries and Affiliated Companies

Before establishment of any new company, the responsible managing department shall propose such matter to the meeting of the Board of Directors for consideration and approval before the registration of the new company is arranged. The Board of Directors shall consider on appointment of the executives who shall hold positions of director and management of such subsidiaries and affiliated companies including scope of authority and responsibility of the directors and the management who shall be the Company's representatives in such company. The management of the subsidiaries and affiliated companies shall report business performance of the company they are responsible to the Executive Committee every month. Any investments or substantial operations as per specified in the delegation of authorities must be performed pursuant to the specified policies and they must be presented to the meeting of the Executive Committee as well. The management of the subsidiaries and affiliated companies must present the annual business plan to the meeting of Executive Committee and the Board of Directors for consideration and approval every year. If performance of any company has not achieved as per the targeted plan, the management must clarify to the meeting of Executive Committee. In case business operation encountered a lot of problems, the management is required to clarify to the Executive Committee as the watch list so that precaution and corrective measures can be closely monitored and taken.

The subsidiaries and affiliated companies must have the internal control system or measure that the Company's Internal Audit Department can audit and report to the Audit Committee and the Executive Committee. If internal control system of any company is defective which may likely cause risks and damage to the Company, the Executive Committee shall order such company to make good and rectify defects in such internal control system immediately. In addition, if the subsidiary has to conduct any transaction which is required to comply with the regulations of the Company or of the relevant laws and which is required to be approved from the shareholders' meeting of such subsidiary, i.e. capital increase, capital decrease or dissolution of subsidiary and etc., such transaction shall be proposed for the Executive Committee's consideration and approval on voting guideline during the shareholders' meeting of such subsidiary.

In the event where the subsidiary performs any transaction about acquisition or disposal of assets, the Company shall treat the same way as criteria on acquisition and disposal of assets of its own which must be pursuant to criteria on undertaking the significant transaction on asset acquisition or disposal as per specified by the Capital Market Supervisory Board. In case the subsidiary has performed any transaction with its related persons, the Company shall not involve in such matter, except the subsidiary has performed any transaction with the related person of the Company, then the Company shall comply with the criteria on related transaction announced by the Capital Market Supervisory Board.

5. Inside Information

The Company will inspect to ensure no inside information of which is material, undisclosed and confidential leak to public or be used from unauthorized for personal benefit. IT system has been implemented for a secure access for all users inside and outside the firewall in conjunction with the Company's own user authentication and security system. It was also set forth in the Company's Corporate Governance Policy to **refuse directors, managements and employees of the Company to use Company's inside information for personal benefits. Any trading of the Company securities within 1 month prior to disclosure of either Company's financial performance or any other information that may affect securities' price is prohibited** and to ensure that such policy has been acknowledged and complied, the Company has prepared the notice informing the securities trading prohibited period for the whole year before disclosing the financial statement to the directors and the management in advance. **The Company shall also send such notice to the directors and the managements for their acknowledgement once again every quarter. However during the past year, the Company did not encounter the case where its directors or executives traded their securities by using inside information.** Such matter has been disseminated to the Company's employees via e-mail in the means of weekly corporate governance tips and poster has also been posted at the public relations board of the Company. More over the Directors and Executive managements of the Company had been informed on their duties and punishment regarding to report on securities holdings of themselves, their spouse and any minor children to SEC within 3 business days from the transaction date according to the Securities and Exchange Act B.E. 2535 in section 59. Any change in securities holdings, such directors and Executive managements have to report the Company Secretary for coordination and preparing report submit to SEC. In addition, the Company has set as a policy to report on securities holdings of directors and Executive managements in every meeting of the Board of Directors. **However, in case there is any mistake and the executive violates such rules, the Company shall issue a warning notice to prevent reoccurrence of such incident.**

In case of conflict of interest, it is the Company's Policy to have the directors, management, employees and related parties to disclose such interests to the Audit Committee for consideration of the transaction to be complied to SET's regulations and any governing laws and regulations prior to further submit for consideration of either the Board of Directors or the shareholders. **The director who has conflict of interests shall not present in the meeting to consider and vote, both in the Board of Directors' meeting and the Shareholders' meeting.** Moreover, any conflict of interest transactions with the connected persons will be disclosed in the Company's Annual Report and the Annual Information Disclosure (56-1) under **"The Connected Transactions"**.

General practices for conflicts of interest protection have been set not only in the Company's Business Ethics but also disclosed in **"1.2 Business Ethics" under the topic of "Conflicts of Interest"**. Such practices have been delivered to all directors, management and employees. The Corporate Governance Committee will monitor and ensure that Company's regulations, Corporate Governance Policy and Business Ethics have been strictly and continually complied.

Moreover, the Corporate Governance Committee has been established to ensure that good corporate governance is being conducted continuity at all levels in accordance to legal requirement and the Company's Articles of Associations.

6. Compliance with other good corporate governance principles

The Company has complied with the 2012 Principles of Good Corporate Governance for Listed Companies pursuant to the guidelines specified by the Stock Exchange of Thailand, however, there were some principles that the Company have not yet complied with and the reasons for such non-compliances are as follows:

Section II: Equitable Treatment of Shareholders

1. The Company has not yet allowed the minority shareholders to nominate candidates for directorships. However, the Board has appointed the Nomination and Compensation Committee (NC Committee) to nominate and propose the candidate to be the member of the Board by taking into consideration the information in the Director Pool Database of the Thai Institute of Directors. Other duties of the NC Committee are to recruit and select the appropriated candidates for directorships as per specified by the laws and the criteria, by considering from their qualifications, experiences, knowledge and expertise which are useful to the Company as well as necessary skills that the current member of the Board still lacks and then to further propose for the Board's consideration and for the shareholders' approval.
2. The Company has not yet specified the cumulative voting process for the director but the shareholder is entitled to vote on individual nominee where the Company shall nominate director's name and allow the shareholder to vote individually. One share of each shareholder shall have one vote pursuant to the Company's articles of association. By this way the shareholders shall truly select their desired director.
3. The Company has not yet established the procedure which specified that the directors and the top executives shall notify their trading activity of the Company's securities at least 1 day in advance before trading to the Board or the person appointed by the Board. However, even though the Company does not have such policy, the Company has a policy that the directors and the top executives shall report a change of their ownership of the Company's securities during the Board's meeting every time.

Section V: Responsibilities of the Board

1. The Company did not establish a policy to set a limit that an individual **director** can hold director position in not more than 5 listed companies and non-listed subsidiaries, but the Company has established a policy which specified that an individual director shall not hold director position in more than 5 listed companies.
2. The Company did not establish a policy to set a limit that an individual **executive director** can hold director position in not more than 5 listed companies and non-listed subsidiaries, but the Company has established a policy which specified that an individual director shall not hold director position in more than 5 listed companies. In addition, the Company has established the policy which stated that before any top executive holds the director position in other company, he/she shall notify the Executive Board for consideration and approval. In addition, he/she shall not be the director in the company which engages in the same business with the Company or the company which has competitive nature against the Company. The Nomination and Compensation Committee shall consider on appointment of the nominee for the directorship of the Company by taking into account the knowledge, capability and adequate time such person can devote to perform responsibilities for the Company.
3. None of the Company's Independent Director who is a member of the Board is a woman. However, one of the Company's Non-Executive Directors is a woman. Nonetheless, the Company does not have a policy on sexual discrimination in employment at all.
4. Ratio of the Company's Independent Directors who are the members of the Board is 50%, which is closed to the number of more than 50% as per specified in the Principles of Good Corporate Governance. At the same time, ratio of the Non-Executive Directors who are the members of the Board is 62.5% which is slightly less than the number of 66% as per specified in the Principles of Good Corporate Governance.

Internal Control, Risk Management and Anti-Corruption

1. Internal Control

1.1 Opinions of the Board of Directors and the Audit Committee regarding the Company's Internal Control System

The Company's Board of Directors puts emphasis on internal control system on continued basis as it can prevent and reduce risks which may cause damage to the Company. Therefore, the Audit Committee of which all members are the Independent Directors is assigned to assess the internal control system. The Internal Audit Department, the organization that directly report to the Audit Committee, has duty to audit performance of all units such as accounting, finance, management and operations of all departments with regards to efficiency, effectively and compliance with the related rules, regulations and laws pursuant to the annual audit plan which must have been approved by the Audit Committee.

Apart from assessment of its internal control pursuant to assessment guidelines of the Office of the Securities and Exchange Commission which has been newly revised in 2013, the Company also refers to the international standard of the Committee of Sponsoring Organization of the Tread way Commission Enterprise Risk Management (COSO - ERM) which composes of 8 components. The Audit Committee has opinions on such components as follows:

1) Control Environment

The Company encourages and enhances for proper internal control atmosphere. The Board of Directors and the executives shall specify the operating guidelines which focus on integrity and code of conduct, arrangement of organizational structure and line of command. Key Performance Indicators (KPIs) have also been implemented to monitor and compare work performances against those set out in the targets. The Company has appropriate policy and procedures to recruit, develop and retain competent, capable and skilled personnel to support the growth of the Company's business.

2) Objectives Setting

The Company set up strategic objectives and targets in the annual business plan and such organizational objectives have been publicized and clarified in the Management Meeting twice a year as well as publicized for the employees' acknowledgement. The Company has a policy to encourage all departments to prepare up-to-date operating manual and strictly comply with such manual.

3) Event Identification

The Company will evaluate and identify the risks which may impact the achievement of objectives and goals of the Company by considering of risks occurred from internal and external company, including risk assessment each process of work can make to identify risk factors cover all business processes.

4) Risk Assessment

Risk Management Committee assigned the Company's management to prepare risk management plan for business operations and present to the meeting to find management guidelines and follow up such potential risks. Risks have been assessed by taking into consideration the probability and impact which might occur in all aspects. After that information gathered shall be ranked based on their priority for proper risk management.

5) Risk Response

The Company has efficient of internal control systems and divide responsibilities separately, approval authority to ensure check and balance. The appropriate and effective internal control system will be reviewed by the internal audit unit. The Company has in place a continuous and systematic risk management process. The Company plans strategic responses to risk at the individual and overall level by considering either avoiding , reducing, sharing or accepting the risk.

6) Control Activities

The Company has appropriate policy and operating methods to control the risks in order to minimize damages from such risks. The operations shall be monitored and audited by the Audit Committee, Internal Audit Unit and the Company's auditor to ensure compliance with rules, regulation, operating manual and delegation of authority.

7) Information and Communication

The Company has established Data Center to collect operation data of the Company. Usage of this center has been controlled pursuant to international standards. In order to solve IT problems, complete information and details shall be presented and more than 1 option shall be proposed for decision making by employing Decision Analysis & Resolution, one of the processes under CMMI standards. For immediate internal communication, website, e-mail or wire broadcasting shall be used to serve such purposes.

8) Monitoring

The Company assigns Internal Audit Unit to assess adequacy of internal audit system on annual basis. The Company specified frequency on monitoring and evaluation on performance of each work system in advance, but internal control shall be particularly focused on. If any material deficiency is found, the management and the executives of the Company shall be immediately notified so that they can find preventive and corrective measures as well as set up period of time to complete such correction work. The Internal Audit Unit shall monitor rectification result then further report to the Audit Committee.

The Internal control system must be assessed and reported to the Board. During the Board of Directors' Meeting No. 1/2558 on February 25, 2015, the Meeting has considered and deemed correspond with the Audit Committee that the Company and its subsidiaries had a sufficient internal control system. In addition, the Company's auditor, Miss. Siriwan Suratepin, an auditor license no 4604 audited the Company's financial statements for period ending December 31, 2014 without any comment on the Company's internal control system as significant error.

1.2 Internal Audit

Internal Audit Unit is an independent unit and it shall directly report to the Audit Committee. The audit work shall follow the plans approved by the Audit Committee. Audit criteria used shall be based on risk assessment results and important internal control aspects, by emphasizing on preventive control measures.

Duties of the Internal Audit Unit are to evaluate efficiency and effectiveness of the Company's internal control system, to be the consultant to support the Company on achievement of the business objectives and targets. Other duties and responsibility include:

1. Encourage for good governance, transparency, prevention of wrongful misconduct or corruption as well reduction of potential risks which might prevent the Company from achievement the objectives.
2. Encourage for efficiency and effectiveness of performance of the Company because internal audit tasks are evaluation, analysis and comparison of all aspects of operational information so information obtained are quite important that it can help improve work systems, for instance it can make them more convenient, concise, reduce repetitive processes and always make them suitable with the circumstances, consequently it can reduce expenses and time of the Company.

The Internal Audit Unit also has responsibility to review to make sure that the usage systems follow as the policy, work plan and work instruction specified by the Company and impact important that may occur for show result. Including to prevention the Company's assets to be suitable and can prove the assets those actual existence.

The operations of internal audit unit are qualified and complied with the international standard on internal audit. To perform must to be cautious. And used skill and performed its duties and responsibilities assigned with knowledge, competent, rationality.

1.3 Head of Internal Audit and Head of Compliance of the Company

In addition, Mrs. Vorapin Isaradharm has resigned from the position with effective date from December 1, 2014. Currently, the Company is now recruiting for a person who has suitable qualifications to hold the position of Chief of Internal Audit Unit in the place of her.

The Audit Committee shall supervise to ensure that the Chief of Internal Audit Unit has suitable and adequate academic education, experiences and trainings with the duties performed.

The Audit Committee deemed that the Chief of Internal Audit Unit has suitable qualifications and can effectively perform duties. During 2014, the Chief of Internal Audit Unit has performed the following duties:

1. To supervise the audit works to make them conform to the plans approved by the Audit Committee.
2. To report important issues concerning internal control systems of the Company which have been found upon audit process.
3. To give suggestion to the Company's executives and employees on efficient performance.
4. To control the audit work to ascertain that the Company's performance meet legal requirements, regulations of the Stock Exchange of Thailand or regulations of the relevant government agencies.
5. To coordinate, supervise and control on various aspects, such as risk management, code of conducts and etc.

Chief of Internal Audit Unit can provide useful information and recommendation to various departments in the Company with regards to how to operate the works to make them consistent with the laws, rules and regulations required as completely.

The consideration of the appointment, removal and relocation of the head of internal audit are required to have an approved from the Audit Committee.

2. Risk Management

Risk management is very important to help the company achieve goals, prevent damage to the business as well as a key component of good governance.

The Company specify of Risk Management Policy by risk assessment of the incident both inside and outside the company as follows :

1. Preparation of risk management plan by each department to support the Company's master business plan and to cope with business risks for the Company's goal achievement;
2. Risk Management will be carried according to the plan mentioned above. Each responsible department has prioritized the risks by evaluating the overall risk profile and its potential impact to the organization. The appropriate risk mitigation criteria shall be determined in conjunction with each department where as internal audit department undertaking role as risk coordinator and reviewer;
3. Risk Management countermeasures shall be implemented and regularly followed up by the Risk Management Committee comprising of each concerning management in a quarterly meeting as outlined in the risk management plan. All countermeasures shall be followed and reviewed by internal audit department to ensure that the final outcome is agreeable with the Company's proposed objectives.

Risk Management Committee has duties and responsibilities to support and guidelines for risk management for executives, In 2014 consider as follows :

- To Reviewed and improved Risk Management policies in accordance with the Company's business plan.
- To consultant and recommended to the Company's executives on risk management.
- To follow up progress of the Risk Management from various departments of the company.

The Company periodically reviews risk management plans by using both past and present information so that they can be effectively implemented. It is deemed as part of normal practices that all departments are required to report potential risks to the Risk Management Committee on continued basis.

3. Anti-Corruption

The Company operates business by placing importance on anti-corruption and adherence to integrity, ethics, transparent and auditable management as well as accountability to all stakeholders. The Company prescribed suitable code of conduct guidelines for the Board of Directors, the executives and the employees with regards to business ethics and employee ethics. Compliance with the policy has been reviewed continually.

Anti-corruption Policy

The Company operates business by always adherence to good corporate governance and anti-corruption policy which may occur from operation and transaction with the stakeholders. The directors, the executives and the employees of the Company, its subsidiaries and associated companies shall strictly comply with the following principles:

1. Political impartiality and Political Assistance

The Company has the policy to conduct business with political impartiality and compliance with the laws as well as democratic form of government with the King as Head of State. The directors, the executives and the employees shall have political rights and liberty pursuant to the law, however, they shall not perform any act which can make the Company lose impartiality or damage from involvement in the political activities as well as usage of any resources of the Company for such act.

2. Donation for Charity and Supporting Fund.

The Company supports for community and social development for better quality of life including enhancement of economy of the community and society through business processes or donation for charity of which the proceed shall be used for public charity only as well as supports for the Company's business with clear evidences and in line with the Company's regulations.

3. Receiving and Giving Present, Property or Other Benefits.

Receiving or giving any benefits as tradition and morality to express gratitude or maintaining business relation as usual should be done with appropriateness. The Company will not encourage or expect the receiving person to ignore his/her duty and/or return favor from giving inappropriate present, property or other benefits with the following practices :

1. Receiving and giving property or other benefits that could improperly influence decision making:

- The employee of Company shall not receive or give money, property, merchandise or any benefits involving anyone whose intention is to persuade the employee to commit or omit anything contrary to duty.
- Receiving present or property shall be compliance with morals, and shall not be illegal as well as such gift or property shall not be illegal.
- Paying for business expenses such as meals and other forms of hospitality that are directly connected to performance of business commitments is acceptable, but such expenses must be reasonable.
- Giving present, property or other benefits to government officer in Thailand and other countries must be sure that it shall not against the law and local tradition.

2. Receiving or giving present and the memento:

- Before receiving or giving present or memento, should make sure that such an action does not violate the law and the Company's regulations. Gifts exchanged in the normal course of business should be inexpensive and appropriate to the occasion.
- Avoid receiving or giving present or memento that could unfairly influence a decision in the performance of one's duties. If it is necessary to receive a gift of unusually high value from someone doing business with the Company, report the matter to the superior.
- Keep records of expenses as evidence of the value of present or memento given, so that can be examined later.
- If the employee has been assigned or permitted by the superior to assist an outside agency, the employee may receive money, item, or present according to the guidelines or standards that agency has set.

3. Transactions with the government sector:

- Conduct properly and honestly when in contact with government officials or agencies.
- Always remember that the laws, rules, and customs of each place may have diverse conditions, procedures, or methods of proceeding.
- Comply with the laws of each country or locality in matters pertaining to hiring government employees as consultants or employees of the Company. Such hiring must be transparent and appropriate.
- Details are disclosed on the Company's website (www.samartcorp.com)

General Operating Guidelines

1. The process of Risk assessment and Risk Management

Risk management, The Company has an Internal Audit Department to audit operations which may tend to have risks of all departments of each company, including risks from corruption to ensure that all departments have appropriated internal control system in place, both on preventive control and defective control. If it is found that any department does not have adequate internal control system or there is a corruption case, such matter shall be reported to the Audit Committee and the high level executives. Preventive guidelines must have also been reported in order to improve the internal control system.

2. Prevention

To ensure that the remuneration provided to the employees is adequate, focused on creation of consciousness and it must not be the source for corruption. The Human Resource Department shall compile the survey results report on wage adjustment in each year from the well-known institutes, both domestically and internationally as well as exchange information with the Human Resource Department of other companies in the telecommunication and computer businesses. The information gained shall be used for consideration on provision of remuneration to the employees.

3. Training and communication

To encourage operations pursuant to anti-corruption policies by providing training to the employees to promote honesty, integrity and operating guidelines for standard on good conduct and ethics for the employees including code of business ethics of the Company during the orientation of the new employees. All employees can access to such information via HR Website (www.samarthre.com)

4. Reporting and reporting channels

To supervise on compliance with anti-corruption policies. The Company urges the employees and the stakeholders to report about any policy violations as well as unfair practices or any misconduct, i.e. against good governance principles, code of business ethics, rules & regulations of the Company or the laws. Such matter can be reported to the Chairman of the Audit Committee via postal services at the designated address provided in the Company's website or it can be submitted by person. The Chairman of the Audit Committee shall proceed pursuant to procedures and then forward to the members of the Audit Committee for further consideration. The Company shall protect the whistle blower by not disclosing name of such whistle blower to any person.

5. Governance and monitoring of the policy compliance

The Internal Audit Department shall summarize the audit result only about the corruption issues of each department during the previous year and report to the Audit Committee every year as well as to provide recommendations for solving the problems.

In the past year, the Company has no found corruption of employees, only has found about flaw of not conformed to the regulations of the company which was revised and clarified the correct order for employees to acknowledge.

Furthermore, no director or executive was found to break the rules or was forced to resign on the ground of violation of corporate governance principles and the Company did not encounter the problem on having negative reputation caused by failure of the Committees on supervision their duties.

Connected Transactions

1. Related transactions which might have conflicts of interest in 2014

Related Parties	Transaction Type	Value of Transaction (Million Baht)	Necessity of Transactions
1. Vilailuck International Holdings Co., Ltd. (VIH) The major shareholder of Samart Corporation PCL (SC) with 17.12% stake owner. <u>Director of VIH</u> (related person)	SC rented office space at Software Park Building via 30 year lease agreement from VIH : The building owner. - Rental, Services charge for public utilities and property tax. (Monthly rental and service charge of Baht 2,751,328.20 and yearly property tax of Baht 782,643.75) Remarks : The rate of Service Fee will be increased 5% annually in accordance with the service conditions in the Services Agreement.	33.798	Such transaction was complied with the Rental and Services Agreement dated May 1, 1999 (The 30- year lease agreement for 11,926 sq. meters was approved by the Company's shareholders in the meeting no. 1/1997 on August 24, 1997, and Audit Committee had opinion that such Service charge was in line with condition of services agreement). (No. 1/2015 on February 25, 2015)
1. Mrs. Siripen Vilailuck 2. Mr. Charoenrath Vilailuck 3. Mr. Watchai Vilailuck	- Rental, Service charge and Property Tax (11 th -12 th floor) for SC (for the period during August 1, 2012 - July 31, 2015 with monthly rental and service charge of Baht 914,831.34)	10.978	The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters (rent area was 1,614 sq. meters). The Audit Committee in its meeting No. 1/2015 on February 25, 2015, resolved that such rental has the same rate charged to other customers.
	- Rental, Service charge and Property Tax: (mezzanine floor) for SC (for the period during August 1, 2012 - July 31, 2015 with monthly rental and service charge of Baht 262,053.27)	3.145	The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters (existing agreement with area of 462.33 sq. meters). The Audit Committee in its meeting No. 1/2015 on February 25, 2015, resolved that such rental has the same rate charged to other customers.
	- Rental, Service charge and Property Tax (25 th floor, HOF) for SC (for the period during August 1, 2012 - May 31, 2014 with monthly rental and service charge of Baht 138,794.76 and since June 1, 2014 - December 31, 2014 with monthly rental and service charge of Baht 72,540.67 by reduce area from 244.87 to 127.98 sq. meters)	1.202	The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters. The Audit Committee in its meeting No. 1/2015 on February 25, 2015, resolved that such rental has the same rate charged to other customers.

Related Parties	Transaction Type	Value of Transaction (Million Baht)	Necessity of Transactions
	<ul style="list-style-type: none"> - One To One Contacts PCL. (OTO) (SC is a major shareholder) Rental, Services charge for public utilities and property tax. (For the period during August 1, 2012 - July 31, 2015 with monthly rental and service charge of Baht 740,154.69 and yearly property tax of Baht 415,183.68) (Total outstanding as of December 31, 2014 was Baht 0.00) 	9.230	<p>The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters (rent area was 1,366.86 sq. meters).</p> <p>The Audit Committee in its meeting No. 1/2015 on February 25, 2015, resolved that such rental has the same rate charged to other customers.</p>
	<ul style="list-style-type: none"> - Miscellaneous expenses paid to VIH i.e. service charge for public utilities, overtime air condition and parking by OTO. (Total outstanding as of December 31, 2014 was Baht 34,585) 	0.426	<p>The Audit Committee in its meeting No. 1/2015 on February 25, 2015, resolved that such service charge was the actual payment, which was the same rate charged to other customers.</p>
	<ul style="list-style-type: none"> - Telephone preventive-maintenance 	0.005	<p>It was a normal business transaction, which been charged in proportion of actual usage.</p> <p>The Audit Committee in its meeting No. 1/2015 on February 25, 2015, resolved that it was the same rate charged to other customers.</p>
	<ul style="list-style-type: none"> - Advanced payment by SC for Telephone and medical fee expenses to VIH (Total outstanding as of December 31, 2014 was Baht 142,374) 	-	<p>Advanced payment for normal business of which repayment.</p> <p>The Audit Committee in its meeting No. 1/2015 on February 25, 2015, resolved that it was the real advanced expense.</p>
	<ul style="list-style-type: none"> - Miscellaneous expenses paid for entertain and property tax to VIH by SC. (Total outstanding as of December 31, 2014 was Baht 899,579) 	0.367	<p>The Audit Committee in its meeting No. 1/2015 on February 25, 2015, resolved that it was a normal business transaction, which been charged in proportion of actual usage.</p>
	<p>Miscellaneous transactions of SC and its subsidiaries paid to VIH during Jan. - Dec. 2014. Actual miscellaneous payments i.e. service charge for public utilities, overtime air condition and parking lots were as follows;</p> <ul style="list-style-type: none"> - Samart Corporation PCL. (SC) 	0.490	<p>The Audit Committee in its meeting No. 1/2015 on February 25, 2015, resolved that such service charge was the actual payment, which was the same rate charged to other customers.</p>
	<ul style="list-style-type: none"> - Vision and Security System Co., Ltd. (Subsidiary of SC) 	0.052	
	<ul style="list-style-type: none"> - Samart U-Trans Co., Ltd. (Subsidiary of SC) 	0.014	
	<ul style="list-style-type: none"> - Teda Co., Ltd. (Subsidiary of SC) 	0.067	
	<ul style="list-style-type: none"> - Transec Power Services Co., Ltd. (Subsidiary of SC) 	0.008	
	<ul style="list-style-type: none"> - Samart Telcoms PCL. (STC) (SC is a major shareholder) 	5.343	
	<ul style="list-style-type: none"> - Samart Communication Services Co., Ltd. (Subsidiary of STC) 	5.705	

Related Parties	Transaction Type	Value of Transaction (Million Baht)	Necessity of Transactions
	- Posnet Co., Ltd. (Subsidiary of STC)	0.007	
	- Thai Trade Net Co., Ltd. (Subsidiary of STC)	0.043	
	- Samart Infonet Co., Ltd. (Subsidiary of STC)	2.671	
	- Samart Comtech Co., Ltd. (Subsidiary of STC)	10.496	
	- Smarterware Co., Ltd. (Subsidiary of STC)	0.712	
	- Potalnet Co., Ltd. (Subsidiary of STC)	0.015	
	- IT Absolute Co., Ltd. (Subsidiary of STC)	0.038	
	- Samart Ed-Tech Co., Ltd. (Subsidiary of STC)	0.967	
	- Samart I-Mobile PCL. (SIM) (SC is a major shareholder)	3.417	
	- Samart Multimedia Co., Ltd. (Subsidiary of SIM)	5.906	
	- Samart Interactive Media Co., Ltd. (Subsidiary of SIM)	0.003	
	- I-Mobile Plus Co., Ltd. (Subsidiary of SIM)	3.791	
	- I-Sport Co., Ltd. (Subsidiary of SIM)	0.015	
	- Brain Source Co., Ltd. (Subsidiary of SIM)	0.003	
	(Total outstanding as of December 31, 2014 was Baht 4,058,317)		
	- Samart Multimedia Co., Ltd. (BUG) (Subsidiary of SIM) sold the EDT Guidebook and bag to VIH (Total outstanding as of December 31, 2014 was Baht 0.00)	0.041	The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a normal business transaction, for sale and purchase of goods, according to the general trade conditions.
	- Samart I-Mobile PCL. (SIM) (SC is a major shareholder) sold the mobile telephone to VIH (Total outstanding as of December 31, 2014 was Baht 65,430)	0.061	The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a normal business transaction, for sale and purchase of goods, according to the general trade conditions.
	- Entertainment Tree Co., Ltd. (ENT) (Subsidiary of SIM) provided advertising service in "Reedicious" to VIH (Total outstanding as of December 31, 2014 was Baht 16,050)	0.015	The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a normal service business transaction according to the general trade conditions.

Related Parties	Transaction Type	Value of Transaction (Million Baht)	Necessity of Transactions
<p>2. Vilailuck Property Co., Ltd. (VPP) whose major shareholder of 12.50% is Vilailuck International Holding Co., Ltd. (VIH) and VIH is the major shareholder of SC.</p> <p><u>Director of VPP</u> (related person)</p> <p>1. Mrs. Siripen Vilailuck</p>	<p>Payments of Vilailuck Property Co., Ltd. paid in advance by SC were as follows:</p> <ul style="list-style-type: none"> - Miscellaneous expenses for example; telephone, copy and training. (Total outstanding as of December 31, 2014 was Baht 218,033) - Samart Engineering Co., Ltd. (SE) (Subsidiary of SC) sold DTH satellite dish to VPP. (Total outstanding as of December 31, 2014 was Baht 24,663) - Samart Engineering Co., Ltd. (SE) (Subsidiary of SC) Advanced payment by SE for officer's salary working to VPP. (Total outstanding as of December 31, 2014 was Baht 470,044) - Samart I-Mobile PCL. (SIM) (SC is a major shareholder) sold mobile phone to VPP. (Total outstanding as of December 31, 2014 was Baht 38,570) 	<p>0.001</p> <p>-</p> <p>-</p> <p>-</p>	<p>Advanced payment for normal business of which repayment. The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was the real advanced.</p> <p>The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a normal business transaction, for sale and purchase of goods, according to the general trade conditions.</p> <p>Advanced payment for normal business of which repayment. The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was the real advanced expense.</p> <p>The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a normal business transaction, for sale and purchase of goods according to the general trade conditions.</p>
<p>3. Vilailuck Development Co., Ltd. (VLX) whose major shareholder of 42.38% is VIH and VIH is the major shareholder of SC.</p> <p><u>Director of VLX</u> (related person)</p> <p>1. Mrs. Siripen Vilailuck 2. Mr. Charoenrath Vilailuck 3. Mr. Watchai Vilailuck</p>	<p>Advance payment of VLX paid by SC as follows:</p> <ul style="list-style-type: none"> - Miscellaneous expense such as telephone and Medical fee. (Total outstanding as of December 31, 2014 was Baht 9,695) - Samart Telcoms PCL. (STC) (SC is a major shareholder) Miscellaneous paid for service ie. Service charge for public utilities, house cleaning to VLX (Total outstanding as of December 31, 2014 was Baht 0.00) - Smarterware Co., Ltd. (STW) (Subsidiary of STC) provided System Development service to VLX (Total outstanding as of December 31, 2014 was Baht 100,537) 	<p>-</p> <p>0.035</p> <p>-</p>	<p>Advanced payment for normal business of which repayment. The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was the real advanced expense.</p> <p>Advanced payment for normal business of which repayment will be settled from time to time (monthly /quarterly basis).</p> <p>The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was the real advanced expense.</p> <p>The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a normal service business transaction, according to the general trade conditions.</p>

Related Parties	Transaction Type	Value of Transaction (Million Baht)	Necessity of Transactions
<p>4. Phupa Tara Co., Ltd. whose indirect shareholder of 42.38% is Vilailuck International Holding Co., Ltd. (VIH) and VIH is the major shareholder of SC.</p> <p><u>Director of Phupa Tara</u> (related person)</p> <p>1. Mrs. Siripen Vilailuck 2. Mr. Charoenrath Vilailuck 3. Mr. Watchai Vilailuck</p>	<p>SC and its subsidiaries paid for rent rooms and miscellaneous expenses to training and seminars at The Marriott Rayong Resort and Spa with Phupa Tara Co., Ltd. Actual payments were as follows;</p> <ul style="list-style-type: none"> - Samart Corporation PCL. (SC) 1.885 - Samart Multimedia Co., Ltd. (BUG) 0.075 (Subsidiary of SIM) - Samart Telcoms PCL. (STC) 1.550 (SC is a major shareholder) <p>(Total outstanding as of December 31, 2014 was Baht 7,062)</p>		<p>The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a normal service business transaction, according to the general trade conditions.</p>
	<ul style="list-style-type: none"> - Samart Engineering Co., Ltd. (SE) 0.302 (Subsidiary of SC) sold DTH satellite dish to Phupa Tara Co., Ltd. (Total outstanding as of December 31, 2014 was Baht 0.00) 		
	<ul style="list-style-type: none"> - Vision and Security System Co., Ltd. (VSS) 0.005 (Subsidiary of SC) Miscellaneous paid for entertain to Phupa Tara Co., Ltd. (Total outstanding as of December 31, 2014 was Baht 5,179) 		
<p>5. Phupa Tara (Khao Yai) Co., Ltd. whose indirect shareholder of 21.19% is Vilailuck International Holding Co., Ltd. (VIH) and VIH is the major shareholder of SC.</p> <p><u>Director of Phupa Tara (Khao Yai)</u> (related person)</p> <p>1. Mr. Watchai Vilailuck</p>	<ul style="list-style-type: none"> - Samart I-Mobile PCL. (SIM) 0.026 (SC is the major shareholder of SIM) sold mobile phone to Phupa Tara (Khao Yai) Co., Ltd. (Total outstanding as of December 31, 2014 was Baht 6,490) 		<p>The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a normal business transaction, for sale and purchase of goods, according to the general trade conditions.</p>
	<ul style="list-style-type: none"> - Samart Multimedia Co., Ltd. (BUG) 0.117 (Subsidiary of SIM) provided advertising service and sold gift voucher to Phupa Tara (Khao Yai) Co., Ltd. (Total outstanding as of December 31, 2014 was Baht 0.00) 		
	<ul style="list-style-type: none"> - Samart Interactive Media Co., Ltd. (SIAM) 0.030 (Subsidiary of SIM) service for horoscope to Phupa Tara (Khao Yai) Co., Ltd. (Total outstanding as of December 31, 2014 was 0.00 Baht) 		
	<ul style="list-style-type: none"> - Vision and Security System Co., Ltd. (VSS) 0.789 (Subsidiary of SC) sold CCTV to Phupa Tara (Khao Yai) Co., Ltd. (Total outstanding as of December 31, 2014 was 535,000 Baht) 		

Related Parties	Transaction Type	Value of Transaction (Million Baht)	Necessity of Transactions
6. I.Q. Wine Co., Ltd. has Executive Director of SC is a related person. <u>Director of I.Q. Wine</u> (related person) 1. Mr. Thananan Vilailuck	<p>Sale and purchase of goods (wine) of SC and its subsidiaries paid to I.Q. Wine Co., Ltd. during Jan. - Dec. 2014. Actual payments were as follows;</p> <ul style="list-style-type: none"> - Samart Corporation PCL. (SC) 0.537 - Vision and Security System Co., Ltd. (VSS) (Subsidiaries of SC) 0.067 - One To One Contacts PCL. (OTO) (SC is a major shareholder) 0.054 - Samart Telcoms PCL. (STC) (SC is a major shareholder) 0.489 - Samart I-Mobile PCL. (SIM) (SC is a Major shareholder) 4.172 <p>(Total outstanding as of December 31, 2014 was Baht 422,500)</p> <p>- I.Q. Wine Co., Ltd. rented office space at Smart One Building from SC for the period during December 1, 2012 - December 31, 2014 with monthly rental and service charge of Baht 27,948.80 (Total outstanding as of December 31, 2014 was Baht 100,611)</p> <p>- Vision and Security System Co., Ltd. (VSS) (Subsidiary of SC) sold CCTV to I.Q. Wine Co., Ltd. (Total outstanding as of December 31, 2014 was 0.00 Baht)</p> <p>- Samart Infonet Co., Ltd. (SIF) (Subsidiary of STC) provided Internet Service to I.Q. Wine Co., Ltd. (Total outstanding as of December 31, 2014 was 11,235 Baht)</p>	<p>0.537</p> <p>0.067</p> <p>0.054</p> <p>0.489</p> <p>4.172</p> <p>0.335</p> <p>0.276</p> <p>0.126</p>	<p>The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a normal business transaction, for sale and purchase of goods, according to the general trade conditions.</p> <p>The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters (rent area was 70 sq. meters).</p> <p>The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a asset trading which for used in the company's to market price.</p> <p>The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a normal business transaction, for sale and purchase of goods, according to the general trade conditions.</p> <p>The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a normal business transaction, for sale and purchase of goods, according to the general trade conditions.</p>
7. Wine Gallery (Samui) Co., Ltd. has Executive Director of SC is a related person. <u>Director of Wine Gallery (Samui)</u> (related person) 1. Mr. Thananan Vilailuck	<p>- Vision and Security System Co., Ltd. (VSS) (Subsidiary of SC) sold CCTV to Wine Gallery (Samui) Co., Ltd. (Total outstanding as of December 31, 2014 was 0.00 Baht)</p>	0.132	The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a normal business transaction, for sale and purchase of goods, according to the general trade conditions.

Related Parties	Transaction Type	Value of Transaction (Million Baht)	Necessity of Transactions
8. Nirvana Memorial Park Co., Ltd. whose indirect shareholder of 16.95% is Vilailuck International Holding Co., Ltd. (VIH) and VIH is the major shareholder of SC. <u>Director of Nirvana Memorial Park Co., Ltd.</u> (related person) 1. Mr. Watchai Vilailuck 2. Mr. Sirichai Rasameechan	- Samart Infonet Co., Ltd. (SIF) (Subsidiary of STC) provided Internet Service to Nirvana Memorial Park Co., Ltd. (Total outstanding as of December 31, 2014 was 5,350 Baht)	0.024	The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a normal service business transaction according to the general trade conditions.
9. Ascon Construction PCL. has Director of SC is a major shareholder. <u>Director of SC</u> (related person) 1. Mr. Charoenrath Vilailuck 2. Mr. Watchai Vilailuck	- Samart Engineering Co., Ltd. (SE) (Subsidiary of SC) sold DTH satellite dish and Antenna to Ascon Construction PCL. (Total outstanding as of December 31, 2014 was Baht 309,111.78)	-	The Audit Committee in its meeting No.1/2015 on February 25, 2015, resolved that it was a normal business transaction, for sale and purchase of goods, according to the general trade conditions.

2. Summary of guidelines for considering on the related transactions which might have conflicts of interest.

2.1 Necessity and Rationale of transactions

The Audit Committee had the opinion that the inter-company transactions above were reasonable and necessary for the Company's operations. The conditions were set according to the general trade conditions.

2.2 Measures and Steps of Approval for Connected Transactions

The connected transactions were verified by the Audit Committee to protect and avoid conflict of interest then proposed for consideration and approval in the Board of Directors' and shareholders' meetings respectively depended on conditions and values of transactions according to the SET's regulation. Meanwhile, the directors, management and the stakeholders who had conflict of interest would not participate in the such connected transactions. The approval on the connected transaction would be complied with the regulations and notifications of the Stock Exchange of Thailand (SET).

Principles on entering into the normal business transactions with general trading conditions and without general trading conditions are as follows :

- **Normal business transaction with general trading conditions**

Related transaction which is normal business transaction with general trading conditions is required to have an approval in principle from the Board of Directors. The management can approve such transaction if it has the same trading conditions as those an ordinary person would agree with any unrelated counterparty under the same circumstances on the basis of bargaining power which is without any dependent interest resulted from the status of the director, executive or related person.

Additionally, the Company shall summarize such transactions and report at the meeting of the Audit Committee and the meeting of the Board of Directors on quarterly basis.

- **Normal business transaction without general trading conditions**

Normal business transaction without general trading conditions is required to be considered and have an opinion from the Audit Committee before it can be proposed to the Board of Directors and/or the shareholders' meeting for further consideration. In addition, it must be complied with the laws on securities and stock exchange as well as regulations, notifications, orders and requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand including the regulations on disclosure of information concerning the connected transactions.

In the case where the Audit Committee does not have expertise in considering any of the related transaction to be incurred, the Company shall appoint the independent expert or the Company's auditor to express opinion on it. Such opinion shall be taken into account by the Audit Committee and/or the Board of the Directors and/or the shareholders, as the case may be, when making decision. The reasons are to ensure that such transaction is necessary and reasonable by taking into consideration the best interest of the Company. Moreover, the Company shall disclose the related transactions in an annual information disclosure form and in notes to the financial statement which has been audited/ reviewed by the Company's auditor.

2.3 Policy and Trend in Future Connected Transactions

The Company may have any connected transaction as appropriate based on normal business conditions and can be referred the same transaction made with outside parties with the necessity and the maximized benefit to the Company. However, the Company will strictly comply with SET's regulations and notifications. In case of any conflict of interest transaction occurred in the future, opinion from the Audit Committee on its necessity and appropriateness will be required and disclosed in the Company's audited notes of financial statement.

Financial Ratios

Financial Positions and Operating Results of Samart Corporation Pcl. and its Subsidiaries

(Unit: Baht Thousand)

Transation	As of December 31		
	2014	2013 (Restate) ^(*)	2012 (Restate) ^(*)
Cash and cash equivalents	1,632,084	1,653,441	1,118,274
Trade and other receivables	8,754,374	7,844,678	5,867,363
Accrued income	3,155,598	4,168,404	5,295,965
Inventories	3,719,871	2,288,801	1,193,696
Property, plant and equipment	4,644,430	4,561,959	4,789,528
Total assets	26,135,593	24,081,199	21,515,603
Bank overdrafts and short-term loans from financial institutions	11,275,588	6,311,638	6,376,181
Trade and other payables	2,961,462	4,147,401	3,345,416
Long-term loans from financial institutions - net of current portion	103,278	1,057,981	1,576,995
Total liabilities	17,874,040	15,549,958	14,383,340
Issued and fully paid - up	1,006,504	1,002,096	990,647
Unapproopriated Retained earning	5,313,436	4,710,911	3,985,961
Non- controlling interests of subsidiaries	2,402,283	1,976,503	1,500,979
Shareholders' equity	5,859,269	6,554,738	5,631,285
Revenues from sales, contact work and services	23,879,691	22,292,842	16,710,522
Total revenues	24,195,809	22,420,429	17,082,369
Cost of sales, contact work and service sold	18,653,119	16,908,410	13,011,313
Selling and admin expenses	2,762,459	2,577,032	1,912,159
Finance cost	451,974	509,713	485,991
Gain (Loss) on exchange	52,176	(31,439)	49,970
Total costs and expenses	21,443,723	19,572,468	15,045,537
Profit attributable to equity holders of the Company	1,484,139	1,473,899	1,092,889
Basic earning per share (Baht/share)	1.48	1.48	1.11
Cash flows from operating activities	51,872	2,069,237	1,739,129
Cash flows from investing activities	(1,430,676)	(849,966)	(2,140,832)
Cash flows from financing activities	1,357,984	(674,897)	478,121
Par value (Baht / share)	1	1	1
Common shares outstanding (Thousand shares)	1,006,504	1,002,096	990,647
Weighted average number of ordinary shares (Thousand shares)	1,005,564	997,970	984,741
Book value (Baht / share)	5.83	6.57	5.72
Dividend per share (Baht / share)	0.85 ^(**)	0.80	0.60

Remarks ^(*) The Company and its subsidiaries have restated the consolidated financial statements in 2013 and 2012:

- The Company and its subsidiaries due to change in accounting policy for building and building improvement from cancellation of a revaluation basis to a cost basis;
- The subsidiary Companies' adoption of Thai Financial Reporting Standard Interpretation 4: Determining whether an Arrangement contains a Lease and Thai Financial Reporting Standard Interpretation 12: Service Concession Arrangements.

^(**) Dividend per share comprised of interim dividend for January - June 2014 of Baht 0.42 and Baht 0.43 which will be proposed for consideration of shareholders in the Annual General Meeting 2015.

Financial Ratios of Samart Corporation Pcl. and its Subsidiaries

Financial Ratio		Samart Corporation Pcl. and Subsidiaries		
		2014	2013 (Restate) ^(*)	2012 (Restate) ^(*)
<u>LIQUIDITY RATIO</u>				
Current ratio	(Times)	1.10	1.23	1.16
Acid test ratio	(Times)	0.89	1.07	1.06
Cash turnover	(Times)	0.0033	0.15	0.15
Receivable turnover ratio	(Times)	2.89	3.25	2.99
Average collection period	(Days)	124.57	110.77	120.40
Inventory turnover ratio	(Times)	8.75	15.52	15.60
Days sales outstanding	(Days)	41.14	23.20	23.08
Payable turnover ratio	(Times)	6.42	5.44	5.06
Payment period	(Days)	56.07	66.18	71.15
Cash cycle	(Days)	109.64	67.79	72.33
<u>PROFITABILITY</u>				
Gross Profit Margin	(%)	21.89	24.15	22.14
Operating Profit Margin	(%)	11.38	12.63	12.01
Other revenue - to - Total revenues	(%)	1.31	0.57	2.19
Cash-to-income	(Times)	0.02	0.73	0.87
Net profit margin	(%)	6.13	6.57	6.40
Return On Equity	(%)	23.91	24.19	21.19
<u>EFFICENCY RATIO</u>				
Return On Assets	(%)	5.91	6.46	5.47
Return On Fixed Assets	(%)	60.87	56.41	47.52
Assets Turnover	(Times)	0.96	0.98	0.86
<u>FINANCIAL POLICY RATIO</u>				
Debt to equity	(Times)	2.16	1.82	2.02
Interest coverage	(Times)	1.85	5.94	5.17
Debt serviceability	(Times)	0.01	0.67	1.08
Dividend payout ratio	(%)	57.64	54.50	54.53

Remark ^(*) The Company and its subsidiaries have restated the consolidated financial statements in 2013 and 2012:

- The Company and its subsidiaries due to change in accounting policy for building and building improvement from cancellation of a revaluation basis to a cost basis;
- The subsidiary Companies' adoption of Thai Financial Reporting Standard Interpretation 4: Determining whether an Arrangement contains a Lease and Thai Financial Reporting Standard Interpretation 12: Service Concession Arrangements.

Management Discussion and Analysis 2014

Operation Overview

In 2014, Samart Corporation Public Company Limited or “SAMART” achieved total consolidated revenues of 24,196 million Baht, increased slightly by 7.92% from 2013. Revenues from sales and contract works along with service revenues gently rose to 23,880 million Baht in year 2014 from 22,293 million Baht in year 2013. Revenues growth was primarily resulted from an improvement of sales on Mobile Multimedia Business along with the better performance in Non-Listed Businesses.

Total consolidated expenses in year 2014 were 21,444 million Baht, accelerated by 1,871 million Baht or up 9.56% from year 2013, primarily due to a higher of cost of sales and services to 18,653 million Baht, these resulted in a drop of gross profit margin to 21.89% in year 2014 from 24.15% in year 2013, due to the consumer consumption slowdown and intense competition from Mobile Multimedia and Call Center Businesses. However, selling and administrative expenses were 2,762 million Baht, a modest increase by 185 million Baht.

In 2014, the consolidated finance cost was 452 million Baht, dropped significantly by 11.33% y-o-y as a consequence of loan repayment in ICT Solutions and Services Business.

Income tax expenses in this year were 305 million Baht, a slight rise from the previous year by 12 million Baht, or 4.04%.

The consolidated net profit attributable to equity holders of the Company was 1,484 million Baht, a slice increased from the year earlier mainly from the net profit growth on Non-Listed Businesses.

Consolidated Operating Results

In 2014, the Company recognized revenues from sales and contract work together with service income of 23,880 million Baht, a modest increase by 7.12% from the previous year.

Sales and Services Revenue breakdown

Line of Business	Sales and Services Income Y 2014 (MB)	Sales and Services Income Y 2013 (MB)	%YoY Growth
ICT Solutions and Services	6,523	9,226	-29.30%
Mobile Multimedia	12,354	10,217	20.92%
Call Center	669	630	6.19%
Utilities and Transportations	2,413	1,823	32.36%
Technology Related Services	1,919	396	384.60%
Sales and Services Revenue (after eliminated of related parties transaction)	23,878	22,292	7.11%

ICT Solutions and Services Business (“SAMTEL”)

As a consequence of the prolonged political unrest, in this year, sales and services revenues reduced significantly by 28.67% to 6,598 million Baht in this year. On the other hand, there was a slight improve in gross profit margin to 20.18% in year 2014 from 19.37% in the previous year. Over 60 projects have been signed with the total value of 5,943 million Baht. By the end of 2014, the Company has a backlog of 6,907 million Baht.

Mobile Multimedia Business (“SIM”)

Since the demand on smart phone handset has been increasingly overtime, the revenues from sales and services on Mobile Multimedia Business in this year increased to 12,370 million Baht from 10,239 million Baht last year. However, with the slowdown in consumer consumption and the intense competitive on this business, gross profit margin dropped to 21.23% in 2014 from 24.86% in 2013. The three line of businesses under Mobile Multimedia are as follow:

- **Handset Business**

According to market research from GFK, in 2014, the totals of 17.9 million units of handset were sold to the market. Smart phone still plays a significant role in the handset market. Research data shows that the smart phone portion keeps increasingly to 73% in this year from 54% by the end of the year earlier.

For Mobile Multimedia Business, the majority of sales and services revenues came from Handset Business which contributed over 90%. In this year, the total of 4.7 million units of i-Mobile handsets were sold, of which 75% were smart phone and the remaining of 25% was featured phone. Compared with year 2013, the growth on i-Mobile handset was primarily due to an increase in smart phone to 3.5 million units from 1.7 million units last year. Additionally, the average selling price keeps increasingly to 2,656 Baht in 2014. Hence, revenue from Handset Business in this year rose by 25% from previous year. However, as the slowdown in consumer consumption and the high competition in handset industry, it is unavoidable for the company to retain our gross profit margin at the same level. Thus, gross profit margin on Handset Business dropped to 20% in this year from 24% last year.

For year 2015, Handset Business will be one of our primary focused areas. The Company expected to drive sale volume by 15%-20%. The main market to expand will be mobile operators and oversea markets.

- **Content Business**

Content development is continuously refined by the internal team with the focus on increasing flexibility such that it can be applied to various channels such as website, newspaper and television. The Company has been committed to progressively expanding its businesses and customer base. It is evident that corporate client segment gained increased attention in the past year with implementation of programmes such as Privilege Guidebook creation for Mitr Phol, Tesco Lotus and SCB and publishing of EDT Free Copy for Chevrolet. However, the easiness access to information by clients has hurt our Content Business. Hence, in this year, revenue from Content Business dropped from 947 million Baht to 749 million Baht. The gross profit margin remained stable.

The business strategy to be implemented in year 2015 in order to stimulate growth on Content Business is to join with partnerships.

- **MVNO Business**

The bundling strategy has been implemented to acquire new subscribers. Compared with 2013, total active subscribers expanded by 41%, revenue rose by 54% and gross profit margin shifted from 26% to 38%. In 2015, various key strategies will be utilized to acquire more subscribers i.e. bundling strategy, partnership and direct sale marketing.

Call Center Business (“OTO”)

Year 2014, One To One Contacts PCL. or “OTO” recognized sales and services revenues of 774 million Baht, dramatically increased from the year earlier by 13.10% mainly from an increase in revenues from turnkey projects. With the higher portion in turnkey projects, gross profit margin moderately dropped to 17% in year 2014 from 24% in previous year. Moreover, several projects have been signed with the total value worth 1,032 million Baht.

Non-Listed Businesses

Utilities and Transportations Business

One of the major drivers for Samart group’s growth came from Utilities and Transportations Business. In this year, sales and services revenues grew to 2,413 million Baht from 1,823 million Baht in the previous year, a significant increase by 32.36%. Samart U-Trans Co., Ltd. or “SUT” contributed a majority portion in Utilities and Transportations Business. In 2014, SUT sales and services revenues increased significantly by 92% as a result of the growth on TEDA Business together with the business expansion on air traffic services both in Thailand and Myanmar. Another major revenue contributor came from Cambodia Air Traffic Services Co., Ltd. or “CATS”, this year, revenues from CATS rose by 12%. The number of flights keeps increasingly to 76,950 flights in this year from 72,694 flights in the previous year.

Technology Related Services Business

Sales and services revenues from Technology Related Services Business increased significantly to 1,919 million Baht in 2014 from 396 million Baht in 2013. An increase in sales and services revenues came mainly from a substantial growth in Samart Engineering Co., Ltd. or “SE”. SE is one of the major manufacturers in digital TV Set-Top-Box and Antenna. In 2014, more than 600,000 units of Set-Top-Box and 400,000 digital TV antennas sold through various channels under the subsidised coupon scheme. This resulted of an increase in total revenues by 232.54% y-o-y.

Financial Statement

Assets

As of 31 December 2014, the total consolidated assets grew by 2,054 million Baht to 26,136 million Baht, an increase by 8.53% y-o-y. Current assets rose by 1,742 million Baht to 19,155 million Baht in this year mainly resulted of an increase in account receivable and inventories. Moreover, noncurrent assets also increased to 6,980 million Baht in this year from 6,668 million Baht in the previous year.

Cash and cash equivalents slightly dropped to 1,632 million Baht from 1,653 million Baht in the previous year.

Trade Account Receivables and Inventories

As an increase in demand for smart phone and digital TV set-top-box, trade account receivable and inventories increased significantly to support the business growth. As of 31 December 2014, the consolidated trade account receivables were 8,754 million Baht, rose by 910 million Baht as compared with year end 2013. The increase in trade account receivables mainly resulted from Mobile Multimedia Business. Furthermore, inventories grew to 3,720 million Baht y-o-y.

D/E ratio

As of 31 December 2014, on a consolidated basis, D/E ratio (total liabilities over total equities) increased to 2.16 times from 1.82 times in the previous year. Interest-bearing liabilities to equities also increased to 1.61 times from 1.13 times in year 2013. An increase in D/E ratio caused from an increase in bank overdrafts and short-term loans from financial institutions to support the growth on Set-Top-Box and Handset Businesses.

Liquidity

As of 31 December 2014, current ratio (total current assets over total current liabilities) stood at 1.10 times, compared with 1.23 times in the previous year. The lower of current ratio resulted from a dramatic increase in bank overdrafts and short-term loans from financial institutions.

The Company reported net cash flow from operating activities of 52 million Baht, net cash flow used in investing activities of 1,431 million Baht and net cash flow from financing activities of 1,358 million Baht. Hence, in this year, cash and cash equivalents decreased softly by 21 million Baht to 1,632 million Baht.

Sources of fund

As of 31 December 2014, the consolidated shareholders equity was 8,262 million Baht, decreased from the previous year by 270 million Baht. However, unappropriated retained earnings rose to 5,313 million Baht. The issued and fully capital increased to 1,007 million Baht from 1,002 million Baht as a result of the exercise of employee stock options by employees and management team.

Consolidated total liabilities increased to 17,874 million Baht due to the increase in current liabilities to 17,409 million Baht. The higher in bank overdrafts and short-term loans from financial institutions was to support the business growth on Mobile Multimedia Business and Set-top-box Business.

Report of the Board of Directors' Responsibility on the Company's Financial Statements

The Board of Directors is responsible for the Company's consolidated financial statements and any financial information which been disclosed in the Company's annual report. Such financial statements were prepared in accordance with the general acceptance-accounting standard in Thailand with appropriated financial policy. The reports were carefully considered and prepared with sufficient information in the notes to the financial statements and been generally practiced.

The Board of Directors also set out and maintained for the efficiency internal control system to obtain reasonable assurance that the financial information had been correctly booked in proper way and completely enough to maintain the Company's assets and be aware of weak point in order to prevent whether from any dishonesty or significant error.

The Board of Directors had appointed the Audit Committee of which comprised 3 independent directors with qualification according to SET/SEC regulations and notification for being the audit committee's members to responsible for the quality of the financial statements and the internal control system. The opinion of the Audit Committee has already been disclosed in the annual report.

The Company's consolidated financial statements have been audited by EY Office Limited with full support from the Board of Directors in order to have the auditor to audit and provide their opinion in accordance with the accounting standard and such opinion has been disclosed in the Company's Annual Report.

The Board of Directors satisfied the Company's internal control system that was sufficient to obtain reasonable assurance in the Company's consolidated financial statements as of December 31, 2014, which was accurate and complied to the accounting standard and related law and regulations.



(Dr. Tongchat Hongladaromp)

Chairman

Samart Corporation Public Company Limited



(Mr. Charoenrath Vilailuck)

Executive Chairman & CEO

Samart Corporation Public Company Limited

Independent Auditor's Report

To the Shareholders of Samart Corporation Public Company Limited

I have audited the accompanying consolidated financial statements of Samart Corporation Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2014, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Samart Corporation Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Samart Corporation Public Company Limited and its subsidiaries and of Samart Corporation Public Company Limited as at 31 December 2014, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Emphasis of matters

I draw attention to the following notes to the financial statements:

- a) As discussed in Note 4 to the financial statements regarding the change in accounting policies of the Company and its subsidiaries due to change in accounting policy for building and building improvement from cancellation of a revaluation basis to a cost basis and the subsidiary companies' adoption of Thai Financial Reporting Standard Interpretation 4 Determining whether an Arrangement contains a Lease and Thai Financial Reporting Standard

Interpretation 12 Service Concession Arrangements, the Company has restated the consolidated financial statements for the year ended 31 December 2013, presented herein as comparative information, to reflect the adjustments resulting from such changes. The Company has also presented the consolidated statement of financial position as at 1 January 2013 as comparative information, using those accounting policies.

- b) As discussed in Note 44.5 i) to the financial statements, on 26 October 2006, Samart Communication Services Company Limited, a subsidiary company, entered into an agreement with a company (formerly a state enterprise), whereby they would provide an information technology network to The Department of Local Administration for a period of one year. The subsidiary is obliged to make the network available at not less than 1,000 sites within 120 days from the contract date and guarantee this minimum number of users throughout the contract period. If the subsidiary is unable to do so within the delivery period (22 February 2007), the counterparty will charge a penalty for any delays in the subsidiary's work. However, as at 22 February 2007 the subsidiary could not make the network available at 1,000 sites because such subsidiary has not yet to receive the equipment from the counterparty and Bandwidth received is not adequate for actual usage. Since the subsidiary could not accomplish the number of guaranteed users. The counterparty therefore could charge a penalty for delay work. However, the subsidiary's management and legal counsel are of the opinion that the subsidiary is not obligated to pay any fine to the counterparty as the delay of such project is not the subsidiary's fault. In addition, the subsidiary's management believes that the negotiation with the counterparty will be successful therefore as at 31 December 2014 the subsidiary has not set up provision for fine from the project delay.
- c) As discussed in Note 7 to the financial statements regarding the related party transactions. During the year, Samart Corporation Public Company Limited and its subsidiaries had significant business transactions with related parties, principally in respect of the purchase and sales of goods, services and loans. Such transactions have been concluded on terms and bases agreed upon between Samart Corporation Public Company Limited and those related parties.

My opinion is not qualified in respect of the above matters.

Other matter

The consolidated financial statements of Samart Corporation Public Company Limited and its subsidiaries and the separate financial statements of Samart Corporation Public Company Limited for the year ended 31 December 2013 (before restatement) were audited by another auditor of our firm who expressed an unqualified opinion on those statements and drew attention to the change in accounting policy as the result of adoption of Thai Accounting Standard 12 Income Taxes, provision for fine the project delay of subsidiary and the related party transactions, under her report dated 24 February 2014.



Siriwan Suratepin

Certified Public Accountant (Thailand) No. 4604

EY Office Limited

Bangkok: 23 February 2015

Statement of financial position

Samart Corporation Public Company Limited and its subsidiaries

As at 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2014	31 December 2013	1 January 2013	31 December 2014	31 December 2013	1 January 2013
			(Restated)			(Restated)	
Assets							
Current assets							
Cash and cash equivalents	8	1,632,084,446	1,653,440,975	1,118,273,670	103,815,312	60,436,739	48,178,618
Temporary investments	9	131,757,928	47,272,612	26,884,533	66,556,367	7,029,451	9,220,902
Trade and other receivables	10	8,754,373,509	7,844,677,628	5,867,362,783	240,668,520	110,444,154	106,620,862
Accrued income		3,155,597,934	4,168,404,186	5,295,965,365	724,101,601	3,861,504	1,579,051
Short-term loans	11	252,684	46,549	234,871	311,006,099	232,401,333	177,502,825
Inventories	12	3,719,871,357	2,288,800,537	1,193,696,366	12,457,513	134,553,000	-
Current portion of long-term finance lease receivable	13	18,224,661	15,924,637	29,571,338	-	-	-
Other current assets	14	1,743,112,288	1,394,278,521	941,409,268	169,543,212	174,193,011	16,978,211
Total current assets		19,155,274,807	17,412,845,645	14,473,398,194	1,628,148,624	722,919,192	360,080,469
Non-current assets							
Restricted bank deposits	15	287,617,580	130,894,370	245,481,832	-	-	-
Available-for-sale investments	16	267,359,025	173,103,058	78,959,138	-	-	-
Investments in associate	17	7,203,644	-	-	-	-	-
Investments in subsidiaries	18	-	-	-	6,858,053,553	4,182,482,758	4,174,298,909
Other long-term investments		-	-	116,840,451	-	-	-
Long-term finance lease receivables - net of current portion	13	32,203,720	50,199,828	61,727,386	-	-	-
Investment properties	19	74,672,500	-	-	-	-	-
Property, plant and equipment	20	4,644,429,953	4,561,958,953	4,789,528,001	287,356,414	291,424,724	319,006,700
Prepaid rental to a related company	21	179,486,300	192,008,600	204,530,900	179,486,300	192,008,600	204,530,900
Goodwill		392,542,637	330,125,124	324,313,581	-	-	-
Intangible assets	22	830,427,186	910,860,499	884,379,706	-	-	-
Assets held for future projects	23	24,121,040	61,779,180	61,988,918	24,121,040	43,079,180	43,288,920
Deferred tax assets	38	122,751,966	124,231,233	153,442,085	-	-	-
Other non-current assets							
Deposits		63,751,136	79,389,325	72,974,747	4,182,316	4,308,408	4,283,408
Others		53,751,115	53,803,575	48,037,885	8,676,120	7,987,388	9,021,315
Total other non-current assets		117,502,251	133,192,900	121,012,632	12,858,436	12,295,796	13,304,723
Total non-current assets		6,980,317,802	6,668,353,745	7,042,204,630	7,361,875,743	4,721,291,058	4,754,430,152
Total assets		26,135,592,609	24,081,199,390	21,515,602,824	8,990,024,367	5,444,210,250	5,114,510,621

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

Samart Corporation Public Company Limited and its subsidiaries

As at 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2014	31 December 2013	1 January 2013	31 December 2014	31 December 2013	1 January 2013
Liabilities and shareholders' equity			(Restated)			(Restated)	
Current liabilities							
Bank overdrafts and short-term loans							
from financial institutions	24	11,275,587,667	6,311,637,643	6,376,180,598	2,800,549,985	195,597,000	129,000,000
Trade and other payables	25	2,961,462,306	4,147,401,220	3,345,416,077	528,124,136	103,933,028	75,480,864
Short-term loans	26	18,294,405	-	495,000	367,000,000	372,000,000	364,526,852
Short-term debentures	27	1,560,000,000	1,460,000,000	-	-	-	-
Current portion of long-term loans from financial institutions	28	337,490,968	730,549,034	1,534,939,423	-	53,839,592	1,248,817
Current portion of liabilities under finance lease agreements	29	18,344,330	9,028,104	7,842,296	1,721,420	1,642,163	1,566,555
Income tax payable		71,481,982	63,669,843	39,285,273	-	-	-
Accrued project cost		655,421,498	761,729,858	927,455,754	8,118,513	1,341,011	-
Other current liabilities	30	510,706,723	703,872,891	293,389,312	67,256,967	243,193,379	2,959,752
Total current liabilities		17,408,789,879	14,187,888,593	12,525,003,733	3,772,771,021	971,546,173	574,782,840
Non-current liabilities							
Long-term loans from subsidiary companies	7	-	-	-	728,000,000	628,000,000	628,000,000
Long-term loans from financial institutions - net of current portion	28	103,278,062	1,057,980,994	1,576,994,944	-	356,951,683	410,797,325
Liabilities under finance lease agreements - net of current portion	29	37,379,009	34,397,067	36,188,150	4,483,248	6,204,668	7,846,831
Provision for long-term employee benefits	31	148,021,636	113,733,013	91,661,716	24,568,481	20,112,078	19,371,536
Deferred tax liabilities	38	160,371,000	145,617,550	143,739,534	20,253,508	20,141,913	14,958,389
Other non-current liabilities							
Deposits		12,442,610	7,101,610	6,122,839	16,229,649	16,362,448	14,346,090
Others		3,758,300	3,239,027	3,628,604	-	-	1,100
Total other non-current liabilities		16,200,910	10,340,637	9,751,443	16,229,649	16,362,448	14,347,190
Total non-current liabilities		465,250,617	1,362,069,261	1,858,335,787	793,534,886	1,047,772,790	1,095,321,271
Total liabilities		17,874,040,496	15,549,957,854	14,383,339,520	4,566,305,907	2,019,318,963	1,670,104,111

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

Samart Corporation Public Company Limited and its subsidiaries

As at 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2014	31 December 2013	1 January 2013	31 December 2014	31 December 2013	1 January 2013
Liabilities and shareholders' equity (continued)			(Restated)			(Restated)	
Shareholders' equity							
Share capital	32						
Registered							
1,006,503,910 ordinary shares							
of Baht 1 each		1,006,503,910	1,006,503,910	1,006,503,910	1,006,503,910	1,006,503,910	1,006,503,910
Issued and fully paid-up							
1,006,503,910 ordinary shares							
of Baht 1 each							
(31 December 2013:							
1,002,095,910 ordinary shares							
of Baht 1 each,							
1 January 2013:							
990,647,410 ordinary shares							
of Baht 1 each)		1,006,503,910	1,002,095,910	990,647,410	1,006,503,910	1,002,095,910	990,647,410
Share premium		243,404,011	223,788,411	172,842,586	243,404,011	223,788,411	172,842,586
Retained earnings							
Appropriated - statutory reserve	33	100,660,183	100,660,183	100,660,183	100,660,183	100,660,183	100,660,183
Unappropriated		5,313,435,691	4,710,910,545	3,985,961,329	2,947,251,756	1,979,682,853	2,061,592,401
Other components of shareholders' equity		(804,735,124)	517,283,139	381,173,291	125,898,600	118,663,930	118,663,930
Equity attributable to owners of the Company		5,859,268,671	6,554,738,188	5,631,284,799	4,423,718,460	3,424,891,287	3,444,406,510
Non-controlling interests of the subsidiaries		2,402,283,442	1,976,503,348	1,500,978,505	-	-	-
Total shareholders' equity		8,261,552,113	8,531,241,536	7,132,263,304	4,423,718,460	3,424,891,287	3,444,406,510
Total liabilities and shareholders' equity		26,135,592,609	24,081,199,390	21,515,602,824	8,990,024,367	5,444,210,250	5,114,510,621

The accompanying notes are an integral part of the financial statements.

Income statement

Samart Corporation Public Company Limited and its subsidiaries

For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
			(Restated)		(Restated)
Revenues					
Revenues from sales and contract work		16,009,526,025	15,001,748,347	1,114,198,838	2,149,540
Service income		7,870,165,138	7,291,093,382	17,523,982	16,422,196
Other income	34	316,117,904	127,587,228	2,363,451,041	1,084,664,462
Total revenues		24,195,809,067	22,420,428,957	3,495,173,861	1,103,236,198
Expenses	35				
Cost of sales and contract work		13,034,710,346	11,447,099,089	1,057,443,648	2,066,719
Cost of services		5,618,408,507	5,461,310,646	16,996,325	15,929,547
Selling expenses		1,500,575,600	1,371,787,343	-	-
Administrative expenses		1,261,883,744	1,205,244,844	326,763,811	308,596,964
Other expenses	36	28,144,436	87,025,584	11,167,341	21,244,130
Total expenses		21,443,722,633	19,572,467,506	1,412,371,125	347,837,360
Profit before share of loss from investment in associate, finance cost and income tax expenses		2,752,086,434	2,847,961,451	2,082,802,736	755,398,838
Share of loss from investment in associate		(1,796,356)	-	-	-
Profit before finance cost and income tax expenses		2,750,290,078	2,847,961,451	2,082,802,736	755,398,838
Finance cost	37	(451,973,814)	(509,712,644)	(79,967,868)	(42,631,629)
Profit before income tax expenses		2,298,316,264	2,338,248,807	2,002,834,868	712,767,209
Income tax expenses	38	(304,616,818)	(292,796,971)	(158,402,325)	(46,069,805)
Profit for the year		1,993,699,446	2,045,451,836	1,844,432,543	666,697,404
Profit attributable to:					
Equity holders of the Company		1,484,138,768	1,473,899,216	1,844,432,543	666,697,404
Non-controlling interests of the subsidiaries		509,560,678	571,552,620		
		1,993,699,446	2,045,451,836		
Earnings per share (Baht)	39				
Basic earnings per share					
Profit attributable to equity holders of the Company		1.48	1.48	1.83	0.67
Diluted earnings per share					
Profit attributable to equity holders of the Company		1.47	1.47	1.83	0.66

The accompanying notes are an integral part of the financial statements.

Statement of comprehensive income

Samart Corporation Public Company Limited and its subsidiaries

For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Profit for the year		1,993,699,446	(Restated) 2,045,451,836	1,844,432,543	(Restated) 666,697,404
Other comprehensive income:					
Actuarial losses	31	(11,750,530)	(536,013)	(1,806,506)	-
Income tax effect		2,350,106	107,203	361,301	-
		(9,400,424)	(428,810)	(1,445,205)	-
Exchange differences on translation of financial statements in foreign currencies		18,001,358	60,004,131	-	-
		18,001,358	60,004,131	-	-
Loss on changes in value of available-for-sale investments	16	(72,925,877)	(12,356,080)	-	-
Income tax effect		14,585,175	2,471,216	-	-
		(58,340,702)	(9,884,864)	-	-
Gain on revaluation of land	20, 23	66,454,846	-	9,043,337	-
Income tax effect		(13,290,969)	-	(1,808,667)	-
		53,163,877	-	7,234,670	-
Other comprehensive income for the year, net of tax		3,424,109	49,690,457	5,789,465	-
Total comprehensive income for the year		1,997,123,555	2,095,142,293	1,850,222,008	666,697,404
Total comprehensive income attributable to:					
Equity holders of the Company		1,501,885,570	1,526,170,301	1,850,222,008	666,697,404
Non-controlling interests of the subsidiaries		495,237,985	568,971,992		
		1,997,123,555	2,095,142,293		

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity

Samart Corporation Public Company Limited and its subsidiaries

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements												
	Equity attributable to owners of the Company												
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity						Total equity attributable to shareholders of the Company	Non-controlling interest of the subsidiaries	Total
					Other comprehensive income		Surplus on revaluation of land of subsidiary companies	Surplus on revaluation of land of subsidiary companies	Difference on investments in subsidiaries arising from changes in shareholding	Total other components of shareholders' equity			
					Exchange differences on translation of financial statements in foreign currencies	Deficit on changes in value of available-for-sale investments							
Appropriated - statutory reserve			Unappropriated										
Balance as at 31 December 2012 - as previously reported	990,647,410	172,842,586	100,660,183	3,680,581,627	(193,302,599)	(196,287)	131,410,803	153,747,504	370,772,908	462,432,329	5,407,164,135	1,504,231,057	6,911,395,192
Cumulative effect of change in accounting policies (Note 4)	-	-	-	305,379,702	(58,147,824)	-	(12,746,873)	(10,364,341)	-	(81,259,038)	224,120,664	(3,252,552)	220,868,112
Balance as at 31 December 2012 - as restated	990,647,410	172,842,586	100,660,183	3,985,961,329	(251,450,423)	(196,287)	118,663,930	143,383,163	370,772,908	381,173,291	5,631,284,799	1,500,978,505	7,132,263,304
Profit for the year (restated)	-	-	-	1,473,899,216	-	-	-	-	-	-	1,473,899,216	571,552,620	2,045,451,836
Other comprehensive income for the year (restated)	-	-	-	(343,048)	57,461,862	(4,969,121)	-	-	-	52,492,741	(2,459,236)	49,690,457	
Total comprehensive income for the year (restated)	-	-	-	1,473,556,168	57,461,862	(4,969,121)	-	-	-	52,492,741	1,526,048,909	569,093,384	2,095,142,293
Dividend paid (Note 40)	-	-	-	(748,606,952)	-	-	-	-	-	-	(748,606,952)	-	(748,606,952)
Increase share capital and share premium from warrant exercised (Note 32)	11,448,500	50,945,825	-	-	-	-	-	-	-	-	62,394,325	-	62,394,325
Changes in shareholding percentage in subsidiaries	-	-	-	-	-	-	-	-	-	83,617,107	83,617,107	86,552,174	170,169,281
Decrease in non-controlling interests of the subsidiaries from dividend payment of subsidiary	-	-	-	-	-	-	-	-	-	-	-	(268,376,018)	(268,376,018)
Increase in non-controlling interest of the subsidiary from acquisition of investment	-	-	-	-	-	-	-	-	-	-	-	41,985,200	41,985,200
Increase in non-controlling interest from increase in registered capital of the subsidiary	-	-	-	-	-	-	-	-	-	-	-	48,900,000	48,900,000
Decrease in non-controlling interest from liquidation in subsidiary	-	-	-	-	-	-	-	-	-	-	-	(2,629,897)	(2,629,897)
Balance as at 31 December 2013 - as restated	1,002,095,910	223,788,411	100,660,183	4,710,910,545	(193,988,561)	(5,165,408)	118,663,930	143,383,163	454,390,015	517,283,139	6,554,738,188	1,976,503,348	8,531,241,536

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity (continued)

Samart Corporation Public Company Limited and its subsidiaries

For the year ended 31 December 2014

(Unit: Baht)

Consolidated financial statements (continued)													
Equity attributable to owners of the Company													
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity					Total equity attributable to shareholders of the Company	Non-controlling interest of the subsidiaries	Total	
					Other comprehensive income		Surplus on revaluation of land of subsidiary companies	Difference on investments in subsidiaries arising from changes in shareholding percentage at lower (higher) than the book value of subsidiaries	Total other components of shareholders' equity				
					Exchange differences on translation of financial statements in foreign currencies	Deficit on changes in value of available-for-sale investments							
			(155,840,459)	(5,165,408)									127,898,171
			Appropriated - statutory reserve	Unappropriated	(38,148,102)	-	(9,234,241)	(9,907,237)	-	(57,289,580)	250,329,094	(11,788,077)	8,292,700,519
Balance as at 31 December 2013 - as previously reported	1,002,095,910	223,788,411	100,660,183	4,403,291,871	(193,988,561)	(5,165,408)	118,663,930	143,383,163	454,390,015	517,283,139	6,554,738,188	1,976,503,348	8,331,241,536
Cumulative effect of change in accounting policies (Note 4)	-	-	-	307,618,674	(38,148,102)	-	(9,234,241)	(9,907,237)	-	(57,289,580)	250,329,094	(11,788,077)	238,541,017
Balance as at 31 December 2013 - as restated	1,002,095,910	223,788,411	100,660,183	4,710,910,545	(193,988,561)	(5,165,408)	118,663,930	143,383,163	454,390,015	517,283,139	6,554,738,188	1,976,503,348	8,331,241,536
Profit for the year	-	-	-	1,484,138,768	-	-	-	-	-	-	1,484,138,768	509,560,678	1,993,699,446
Other comprehensive income for the year	-	-	-	(6,195,187)	12,197,654	(29,327,871)	7,234,670	33,837,536	-	23,941,989	17,746,802	(14,322,693)	3,424,109
Total comprehensive income for the year	-	-	-	1,477,943,581	12,197,654	(29,327,871)	7,234,670	33,837,536	-	23,941,989	1,501,885,570	495,237,985	1,997,123,555
Dividend paid (Note 40)	-	-	-	(875,418,435)	-	-	-	-	-	-	(875,418,435)	-	(875,418,435)
Increase share capital and share premium from warrant exercised (Note 32)	4,408,000	19,615,600	-	-	-	-	-	-	-	-	24,023,600	-	24,023,600
Changes in shareholding percentage in subsidiaries	-	-	-	-	-	-	-	-	(1,345,960,252)	1,345,960,252	(1,345,960,252)	204,292,723	(1,141,667,529)
Decrease in non-controlling interests of the subsidiaries from dividend payment of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(326,674,670)
Increase in non-controlling interest of the subsidiary from acquisition of investment	-	-	-	-	-	-	-	-	-	-	-	-	(326,674,670)
Increase in non-controlling interest from increase in registered capital of the subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	7,924,056
Balance as at 31 December 2014	1,006,503,910	243,404,011	100,660,183	5,313,435,691	(181,790,907)	(34,493,279)	125,898,600	177,220,699	(891,570,237)	(804,735,124)	5,889,268,671	2,402,283,442	8,261,552,113

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity

Samart Corporation Public Company Limited and its subsidiaries

For the year ended 31 December 2014

(Unit: Baht)

	Separate financial statements				
	Share capital issued and fully paid	Share premium	Retained earnings		Other components of shareholders' equity
			Appropriated - Statutory reserve	Unappropriated	
Balance as at 31 December 2012 - as previously reported	990,647,410	172,842,586	100,660,183	2,061,592,401	131,410,803
Cumulative effect of change in accounting policies (Note 4)	-	-	-	-	(12,746,873)
Balance as at 31 December 2012 - as restated	990,647,410	172,842,586	100,660,183	2,061,592,401	118,663,930
Profit for the year (restated)	-	-	-	666,697,404	-
Total comprehensive income for the year (restated)	-	-	-	666,697,404	-
Dividend paid (Note 40)	-	-	-	(748,606,952)	-
Increase share capital and share premium from warrant exercised (Note 32)	11,448,500	50,945,825	-	-	-
Balance as at 31 December 2013 - as restated	1,002,095,910	223,788,411	100,660,183	1,979,682,853	118,663,930
					3,457,153,383
					(12,746,873)
					3,444,406,510
					666,697,404
					666,697,404
					(748,606,952)
					62,394,325
					3,424,891,287

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity (continued)

Samart Corporation Public Company Limited and its subsidiaries

For the year ended 31 December 2014

(Unit: Baht)

	Separate financial statements (continued)				
	Share capital issued and fully paid	Share premium	Retained earnings		Other components of shareholders' equity
			Appropriated - Statutory reserve	Unappropriated	
Balance as at 31 December 2013 - as previously reported	1,002,095,910	223,788,411	100,660,183	1,979,682,853	127,898,171
Cumulative effect of change in accounting policies (Note 4)	-	-	-	-	(9,234,241)
Balance as at 31 December 2013 - as restated	1,002,095,910	223,788,411	100,660,183	1,979,682,853	118,663,930
Profit for the year	-	-	-	1,844,432,543	-
Other comprehensive income for the year	-	-	-	(1,445,205)	7,234,670
Total comprehensive income for the year	-	-	-	1,842,987,338	7,234,670
Dividend paid (Note 40)	-	-	-	(875,418,435)	-
Increase share capital and share premium from warrant exercised (Note 32)	4,408,000	19,615,600	-	-	-
Balance as at 31 December 2014	1,006,503,910	243,404,011	100,660,183	2,947,251,756	125,898,600
					4,423,718,460

The accompanying notes are an integral part of the financial statements.

Statement of cash flows

Samart Corporation Public Company Limited and its subsidiaries

For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
			(Restated)		(Restated)
Cash flows from operating activities					
Profit before tax		2,298,316,264	2,338,248,807	2,002,834,868	712,767,209
Adjustments to reconcile net income before tax to net cash provided by (paid from) operating activities					
Unrealised (gain) loss on exchange		(23,565,829)	7,435,547	(29,258,910)	(421,704)
Gain on disposal of temporary investments in trading securities	9, 34	(15,606,220)	(4,068,998)	(9,267,176)	(1,156,933)
Loss on change in value of temporary investment in trading securities	9, 36	9,217,595	3,080,597	5,569,687	55,772
Share of loss on investment in associated company	17	1,796,356	-	-	-
(Gain) loss on changes in fair value of forward exchange contracts		6,538,183	(27,081,642)	26,793,794	-
Bad debts and doubtful accounts (reversal)		3,151,600	(711,191)	-	-
Allowance for diminution in value of sales promotion receivables (reversal)		35,924	(3,148,258)	-	-
Reduction cost of inventories to net realisable value (reversal)		(20,294,813)	29,972,688	-	-
Increase in allowance for diminution in value of advance for purchase of inventories		374,302	9,490,501	-	-
Write-off advance for purchase of inventories		-	908,044	-	-
Write-off other current assets		-	36,252,251	-	-
Allowance for withholding tax deducted at source (reversal)		6,209,294	(5,540,240)	2,095,153	(10,044,079)
Write-off withholding tax deducted at source		-	4,035,504	-	2,481,391
Allowance for diminution in value of deposits		-	3,319,987	-	-
Allowance for diminution in value of investment in subsidiaries	36	-	-	-	19,572,454
Gain on disposal of investments in subsidiaries	34	-	-	(1,102,108,737)	(14,551,674)
Transfer equipment to expense		2,736,944	14,810,479	-	-
Transfer intangible asset to cost		61,045	-	-	-
Depreciation	20	1,343,693,091	1,198,487,175	33,998,829	33,762,243
Amortisation of intangible asset	22	144,417,659	124,842,355	-	-
(Gain) loss on disposal of property, plant and equipment and intangible assets	34	(8,477,924)	(14,191,024)	30,699	(46,819)
Loss on write-off equipment	36	9,580,332	53,715	-	-
Gain on compensation received from insurance		(60,036,012)	(4,125,032)	-	-
Amortisation of prepaid rental to a related company		12,522,300	12,522,300	12,522,300	12,522,300
Depreciation of assets held for future projects	23	209,740	209,740	209,740	209,740
Reversal of allowance for impairment of assets under installation		-	(1,298,557)	-	-
Gain on debt reduction	34	(2,000,000)	(295,000)	-	-
Amortisation of interest income under finance lease		(7,647,448)	(9,159,991)	-	-
Amortisation of deferred interest expense under finance lease	37	1,823,960	2,209,087	335,347	410,955

The accompanying notes are an integral part of the financial statements.

Statement of cash flows (continued)

Samart Corporation Public Company Limited and its subsidiaries

For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
			(Restated)		(Restated)
Cash flows from operating activities (continued)					
Increase in allowance for warranty (reversal)		(977,000)	12,701,000	-	-
Provision for long-term employee benefits	31	19,385,161	8,256,915	2,649,897	740,542
Interest income		(11,872,070)	(9,025,591)	(8,899,136)	(12,386,216)
Interest expense		417,297,475	475,801,116	79,125,646	41,996,105
Loss on the subsidiaries liquidation		-	-	-	1,615,905
Gain on revaluation of investment property	34	(17,210,529)	-	-	-
Loss on revaluation of land		3,471,802	-	3,471,802	-
Income from operating activities before changes in operating assets and liabilities		4,113,151,182	4,203,992,284	1,020,103,803	787,527,191
Operating assets (increase) decrease					
Trade and other receivables		(831,628,775)	(1,755,448,512)	(131,577,386)	(3,627,600)
Inventories		(1,514,338,073)	(1,243,254,648)	122,095,487	(134,553,000)
Accrued income		1,016,606,251	1,221,989,179	(720,240,098)	(2,282,453)
Other current assets		(160,395,097)	(241,926,436)	(16,723,227)	(149,398,180)
Other non-current assets		16,056,921	(18,352,204)	(521,342)	(660,574)
Operating liabilities increase (decrease)					
Trade and other payables		(1,324,451,168)	584,092,398	465,831,152	23,676,841
Other current liabilities		(222,972,286)	362,392,457	(175,936,410)	240,232,526
Other non-current liabilities		5,209,926	(15,343,985)	(132,800)	2,016,358
Cash flows from operating activities		1,097,238,881	3,098,140,533	562,899,179	762,931,109
Proceed from sale of temporary investments in trading securities	9	280,344,381	55,404,957	108,563,504	26,318,672
Cash paid for purchase of temporary investments in trading securities	9	(373,209,062)	(157,227,646)	(164,392,930)	(22,831,598)
Cash received from repayment from short-term loans to employees		109,503	273,462	9,533	1,492
Cash paid to provide short-term loans to employees		(217,734)	(85,140)	(14,300)	-
Cash paid for interest expenses		(417,798,766)	(474,784,463)	(78,719,671)	(42,648,846)
Cash paid for corporate income tax		(620,111,065)	(516,800,668)	(168,239,330)	(51,541,196)
Cash received from income tax refundable		85,516,193	64,316,233	1,189,681	12,562,611
Net cash flows from operating activities		51,872,331	2,069,237,268	261,295,666	684,792,244

The accompanying notes are an integral part of the financial statements.

Statement of cash flows (continued)

Samart Corporation Public Company Limited and its subsidiaries

For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
			(Restated)		(Restated)
Cash flows from investing activities					
Cash received from interest income		11,579,388	8,970,266	10,179,282	11,949,639
(Increase) decrease in fixed deposits		14,767,990	(23,782,527)	-	-
(Increase) decrease in restricted bank deposits		(156,723,210)	195,864,462	-	-
Cash paid to provide short-term loans to related parties	7	-	-	(171,600,000)	(59,400,000)
Cash received from repayment from short-term loans to related parties	7	-	-	93,000,000	4,500,000
Cash received from finance lease receivables		23,444,191	38,844,017	-	-
Cash paid to purchase available-for-sale investments	16	(167,181,844)	-	-	-
Cash paid for investment in associate	17	(9,000,000)	-	-	-
Net cash outflows from acquisition of investment in subsidiaries	18	(63,171,750)	(109,723,380)	-	-
Cash received from subsidiary liquidation		-	-	-	4,884,095
Proceeds from sales of property, plant and equipment and intangible assets		12,936,793	17,290,228	52,893	42,354
Cash received from insurance claims		104,691,793	31,702	-	-
Cash paid for property, plant and equipment		(1,167,515,585)	(893,358,153)	(5,288,956)	(6,018,346)
Cash paid for intangible assets		(41,147,933)	(72,976,422)	-	-
Increase (decrease) in non-controlling interests of subsidiaries		6,644,197	(11,126,090)	-	-
Net cash flows used in investing activities		(1,430,675,970)	(849,965,897)	(73,656,781)	(44,042,258)

The accompanying notes are an integral part of the financial statements.

Statement of cash flows (continued)

Samart Corporation Public Company Limited and its subsidiaries

For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
			(Restated)		(Restated)
Cash flows from financing activities					
Proceeds from disposal of investments in subsidiaries		1,624,115,815	70,434,994	1,460,165,055	17,619,839
Cash paid for additional purchase of investments in subsidiaries		(3,101,328,136)	(39,854,971)	(3,040,214,731)	(30,736,849)
Increase (decrease) in bank overdrafts		(26,296,453)	20,267,404	-	-
Proceeds from short-term loans from financial institutions		13,441,014,865	9,113,593,218	3,941,570,334	680,597,000
Cash paid to settle short-term loans from financial institutions		(10,099,198,236)	(9,848,669,793)	(1,436,617,349)	(614,000,000)
Proceeds from bill of exchange		450,000,000	90,000,000	100,000,000	90,000,000
Cash paid to settle bill of exchange		(150,000,000)	(1,090,000,000)	-	(90,000,000)
Increase in trust receipts		1,326,841,495	1,650,451,295	-	-
Proceeds from short-term debentures	27	2,420,000,000	1,760,000,000	-	-
Cash paid to debentures redemption	27	(2,320,000,000)	(300,000,000)	-	-
Repayment of short-term loans from unrelated parties		(96,740,000)	(200,000)	-	-
Proceeds from short-term loans from unrelated parties		13,500,000	-	-	-
Proceeds from short-term loans from related parties		-	-	-	324,000,000
Repayment of settle short-term loans from related parties	7	-	-	(5,000,000)	(316,526,852)
Proceeds from long-term loans from related parties	7	-	-	100,000,000	-
Cash paid to settle long-term loans from financial institutions		(1,408,681,644)	(1,342,811,028)	(410,791,276)	(1,254,866)
Cash paid to settle liabilities under finance lease agreements		(12,405,776)	(13,315,226)	(1,977,510)	(1,977,510)
Dividend paid	40	(875,418,435)	(748,606,952)	(875,418,435)	(748,606,952)
Proceeds from shares issued due to warrant exercised of the Company and its subsidiaries		76,731,600	225,919,951	24,023,600	62,394,325
Proceeds from call-up share capital subsidiaries		373,523,365	-	-	-
Increase in non-controlling interests of the subsidiaries from proceeds of ordinary shares of subsidiaries		49,000,000	48,900,000	-	-
Cash paid for return share capital of subsidiary to non-controlling interests		-	(2,629,897)	-	-
Decrease in non-controlling interests of the subsidiaries from dividend payment		(326,674,670)	(268,376,018)	-	-
Net cash flows from (used in) financing activities		1,357,983,790	(674,897,023)	(144,260,312)	(628,491,865)
Increase in translation adjustments		(536,680)	(9,207,043)	-	-
Net increase (decrease) in cash and cash equivalents		(21,356,529)	535,167,305	43,378,573	12,258,121
Cash and cash equivalents at beginning of the year		1,653,440,975	1,118,273,670	60,436,739	48,178,618
Cash and cash equivalents at end of the year		1,632,084,446	1,653,440,975	103,815,312	60,436,739

The accompanying notes are an integral part of the financial statements.

Statement of cash flows (continued)

Samart Corporation Public Company Limited and its subsidiaries

For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
			(Restated)		(Restated)
Supplement disclosures of cash flows information					
Non-cash items					
Account payable from purchase of investment in related parties		-	6,587,619	-	6,587,619
Transfer inventories to equipment		104,270,472	80,754,810	-	-
Transfer equipment to intangible assets		11,939,911	10,709,531	-	-
Acquisitions of equipment under finance leases agreements		-	9,385,864	-	-
Increase in receivable from sale of equipment		-	-	-	24,000
Increase in fixed asset payable		10,556,477	-	381,219	181,456
Transfer temporary investment to available-for-sale investments	9, 16	-	106,500,000	-	-
Transfer other long-term investment to investment in subsidiary		-	116,840,451	-	-
Transfer asset for future use and land to property investment	19	57,461,971	-	-	-

The accompanying notes are an integral part of the financial statements.

Notes to consolidated financial statements

Samart Corporation Public Company Limited and its subsidiaries

For the year ended 31 December 2014

1. General information

Samart Corporation Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the design and installation of telecommunications systems, and the sales of telecommunications equipment. The registered office of the Company is at 99/1 Moo 4, Software Park Building, 35th Floor, Chaengwattana Road, Klong Gluar, Pak-Kred, Nonthaburi.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Samart Corporation Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Subsidiaries directly held by the Company

Company's name	Nature of business	Country of incorporation	Percentage of shareholding (direct and indirect)	
			2014 Percent	2013 Percent
The Samart Engineering Co., Ltd.	Manufacture and distribution of television and radio antenna and satellite dishes as well as the provision of Broadcast Network Solutions	Thailand	100	100
Samart U-Trans Co., Ltd.	Provision for system integrator for transportation energy and utilities system	Thailand	100	100
Samart Research and Development Co., Ltd.	Deregister its business in 2013, currently is in process of liquidation	Thailand	100	100
Samart Telcoms Public Co., Ltd.	Sale of Telecoms equipment including designation, installation and communications system services	Thailand	70.07	70.20
Samart I-Mobile Public Co., Ltd.	Distribution of communication and electronic equipment	Thailand	71.47	58.74
One to One Contacts Public Co., Ltd.	Provision for customer contact center services	Thailand	70.76	99.11
Vision and Security System Co., Ltd.	Provide services, sale, installation of security system, audio and video conference, wire and wireless communication system	Thailand	70	70

Company's name	Nature of business	Country of incorporation	Percentage of shareholding (direct and indirect)	
			2014 Percent	2013 Percent
Suvarnabhumi Environment Services Co., Ltd.	Provision of waste management services in vicinity of Suvarnabhumi Airport	Thailand	90	90
Suvarnabhumi Environment Care Co., Ltd.*	Provision of waste management services in vicinity of Suvarnabhumi Airport	Thailand	90	90
Samart RadiTech Co., Ltd.	Provision for nuclear technology services and use of radiation for commercial purposes	Thailand	100	100
Samart Digital TV Co., Ltd.	Provision for broadcast network service	Thailand	100	100
Cambodia Samart Co., Ltd. (The Company has control over this company's operations)	Distribution of communication and electronic equipment in Cambodia	Cambodia	49	49
Samart Inter Holding Co., Ltd.	The holding company for investing in public utilities in the Indochina region	Hong Kong	100	100

* Suvarnabhumi Environment Care Co., Ltd. is in process of transferring its operation to Suvarnabhumi Environment Services Co., Ltd., which is a new subsidiary company established under the same conditions as Suvarnabhumi Environment Care Co., Ltd.

Indirect subsidiaries held by the Company's subsidiaries

Company's name	Nature of business	Country of incorporation	Percentage of shareholding indirect	
			2014 Percent	2013 Percent
Subsidiaries directly held by One to One Contacts Public Co., Ltd.				
One to One Professional Co., Ltd.	Provide company personnel to perform work regarding providing information, news and information center on-site and off-site	Thailand	70.76	99.11
One to One (Cambodia) Co., Ltd.	Provision of customer contact service	Cambodia	70.76	99.11
Subsidiaries held by Samart Inter Holding Co., Ltd.				
Cambodia Air Traffic Services Co., Ltd.	Provision of air traffic control services in Cambodia	Cambodia	100	100
Kampot Power Plant Co., Ltd.	Production and sale of electricity to Kampot Cement factory in Cambodia which produces cement, an affiliate of Siam Cement Group	Cambodia	100	100
Subsidiary held by The Samart Engineering Co., Ltd.				
Contact-In-One Co., Ltd.	Institute of telecommunication mechanic	Thailand	100	100
Subsidiary held by Samart U-Trans Co., Ltd.				
Teda Co., Ltd.	Engineering, procurement and construction (EPC) contractor and maintenance services for power substations and power transmission	Thailand	80	80

Company's name	Nature of business	Country of incorporation	Percentage of shareholding indirect	
			2014 Percent	2013 Percent
Subsidiary held by Teda Co., Ltd. Transec Power Services Co., Ltd.	Installation, commissioning and maintenance services for power substation and any high voltage systems	Thailand	80	80
Teda Construction Co., Ltd.	Civil construction and civil engineering services for power substation and power transmission projects	Thailand	80	80
Subsidiaries held by Samart Telcoms Public Co., Ltd. Samart Communication Services Co., Ltd.	Design and installation of communication network, public rural telephone project	Thailand	70.07	70.20
Posnet Co., Ltd.	Electronic fund transfer	Thailand	70.07	70.20
Thai Trade Net Co., Ltd.	Electronic data interchange	Thailand	70.07	70.20
Samart Broadband Services Co., Ltd.	Ceased its operation since 2008	Thailand	70.07	70.20
Samart Comtech Co., Ltd.	Design and installation of telecommunications network	Thailand	70.07	70.20
Smarterware Co., Ltd.	Manufacture production of software packages and provision of software development services	Thailand	70.07	70.20
Samart Telecommunication (Cambodia) Co., Ltd.	Ceased business in 2010, currently is in processing of liquidation	Cambodia	70.07	70.20
Samart Infonet Co., Ltd.	Provision for internet services	Thailand	70.07	70.20
Samart eD Tech Co., Ltd.	e-learning courseware development consultation	Thailand	70.07	70.20
Net Media Co., Ltd.	Distribution of information system and communications equipment	Thailand	70.07	70.20
Portalnet Co., Ltd.	Design and installation of Enterprise Resource Planning (ERP) system and fully integrate ERP solution for government and public sectors	Thailand	70.07	70.20
Subsidiary held by Samart Broadband Services Co., Ltd. IT Absolute Co., Ltd.	Distribution of information system and communications equipment	Thailand	70.07	70.20
Subsidiary held by Samart Comtech Co., Ltd. Net Service (Thailand) Co., Ltd.	Development of information technology system for government agencies and private companies	Thailand	42.04	-

In addition, these consolidated financial statements include transactions of the following consortium, in which Portalnet Co., Ltd is a participant:

Name	Objective	Consortium Type	Country of incorporation
Consortium SPIES	The leasing of an application software for core business operations to the Provincial Electricity Authority	Joint control	Thailand

Company's name	Nature of business	Country of incorporation	Percentage of shareholding indirect	
			2014 Percent	2013 Percent
Subsidiaries held by Samart I-Mobile Public Co., Ltd.				
Samart Mobile Services Co., Ltd.	Distribution of information technology devices	Thailand	69.61	57.21
Samart Multimedia Co., Ltd.	Provision content services via audiotext and call center	Thailand	71.47	58.74
I-Mobile International Co., Ltd.	Invest in distribution of mobile phones bundled with content business in overseas territories	Thailand	71.47	58.74
Brain Source Co., Ltd.	Research and development of mobile phone applications	Thailand	71.47	58.74
I-Mobile Plus Co., Ltd.	Provision of wireless telecommunication business	Thailand	71.47	58.74
Samart I-Mobile (Malaysia) Sdn. Bhd.	Distributor of mobile phones and provider of entertainment content	Malaysia	71.47	-
Teleconnex Co., Ltd.	Distributor of mobile phones and accessories	Hong Kong	71.47	-
I-Mobile Inter trade Co., Ltd.	Temporarily ceased its business (2013: Provision of mobile phone development services)	Thailand	71.47	-
Subsidiaries held by Samart Multimedia Co., Ltd.				
Samart Interactive Media Co., Ltd.	Distribution of goods and provision of services related to horoscopes and astrology	Thailand	71.47	58.74
I-Sport Co., Ltd.	Provision of information of sports via full option interactive multimedia	Thailand	35.74	29.37
Entertainment Tree Co., Ltd. (The Company has control and sets policies for operation and financial management over this company)	Production, sale and provision of all kinds of entertainment-related content through multiple channels	Thailand	32.16	26.43
Take A Look Co., Ltd.	Dissolution (2013: Provision of consulting services related to smart phone product design and development)	Thailand	-	58.74
Subsidiaries held by I-Mobile International Co., Ltd.				
Pt. Samart I-Mobile Indonesia	Distributor of mobile phones and accessories	Indonesia	71.47	58.74
I-Mobile (Cambodia) Co., Ltd.	Ceased business in 2006, currently is in process of liquidation	Cambodia	-	-
Samart I-Mobile (Malaysia) Sdn. Bhd.	Distributor of mobile phones and provider of entertainment content	Malaysia	-	58.74
Teleconnex Co., Ltd.	Distributor of mobile phones and accessories	Hong Kong	-	58.74
I-Mobile Inter trade Co., Ltd.	Temporarily ceased its business (2013: Provision of mobile phone development services)	Thailand	-	58.74
Investment through Samart I-Mobile (Malaysia) Sdn. Bhd.				
Pemata Benar Sdn. Bhd.	Not yet operational	Malaysia	71.47	58.74
Investment through I-Mobile Inter trade Co., Ltd.				
I-Mobile Direct Co., Ltd.	Distributor of mobile phones (2013: Temporarily ceased its business)	Thailand	71.47	58.74
Investment through I-Sport Co., Ltd.				
Siamsport Television Co., Ltd.	TV media, sport license and sport-related business	Thailand	35.74	-
I-Sport Media Co., Ltd.	Temporarily ceased its business	Thailand	35.74	29.37

- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - d) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currencies” in the statement of changes in shareholders’ equity.
 - e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
 - f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit and loss and within equity in the consolidated statement of financial position.
 - g) In recording the acquisition of additional shares of subsidiaries (repurchase of shares from non-controlling interests) when the fair value of the net assets acquired is lower than the cost of the investment the difference has been presented in other components of shareholders’ equity in the statement of financial position under the caption of “Difference on investments in subsidiaries arising from changes in shareholding percentage at higher than the book value of subsidiaries”. When the fair value of the net assets acquired is higher than the cost of the investment the difference has been presented in other components of shareholders’ equity in the statement of financial position under the caption of “Difference on investments in subsidiaries arising from changes in shareholding percentage at lower than the book value of subsidiaries”.
- 2.3 The separate financial statements, which present investments in subsidiaries under the cost method, have been prepared solely for the benefit of the public.

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

a. Financial reporting standards that became effective in the current accounting year

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Accounting Standard Interpretations:

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

These financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards. These financial reporting standards do not have any significant impact on the financial statements, except as follows.

TFRIC 4 Determining whether an Arrangement contains a Lease

This TFRIC requires an entity to determine whether an arrangement is, or contains, a lease, based on the substance of the arrangement. If an arrangement is, or contains, a lease, the payments for the lease should be separated from payments for any other elements in the arrangement. The cumulative effect of the adoption of this TFRIC is shown in Note 4 to the financial statements.

TFRIC 12 Service Concession Arrangements

This TFRIC gives guidance on the accounting by operators for recognising and measuring the obligations and related rights in public-to-private service concession arrangement. The operators shall recognise the consideration received or receivable at its fair value to be rights to a financial asset or to an intangible asset, depending on the conditions of service concession arrangement. The cumulative effect of the adoption of this TFRIC is shown in Note 4 to the financial statements.

b. Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Company believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these financial reporting standards involve changes to key principles, as discussed below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognize actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognised actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 Consolidated and Separate Financial Statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

The management of the Company and its subsidiaries believes that this standard will not have any significant impact on the Company and its subsidiaries' financial statements.

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 Interests in Joint Ventures. This standard requires an entity to account for an investment in a jointly controlled entity that meets the definition of a joint venture using the equity method, while TAS 31 allows the entity to apply either the proportionate consolidation method or the equity method to account for such an investment.

The management of the Company and its subsidiaries believes that this standard will not have any impact on the Company's and its subsidiaries' financial statements as the Company and its subsidiaries have already applied the equity method to an investment in a jointly controlled entity.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact to the financial statements of the Company and its subsidiaries.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the management of the Company and its subsidiaries believe that this standard will not have any significant impact on the Company's and its subsidiaries' financial statements.

4. Cumulative effect of the change in accounting policies

During the current year, the Company and its subsidiaries made the changes in accounting policy for cancellation of revaluation on building and building improvement to present as historical cost and the subsidiaries made the changes described in Note 3 to the financial statements to their significant accounting policies, as a result of the adoption of Thai Financial Reporting Standard Interpretation 4 Determining whether an Arrangement contains a Lease and Thai Financial Reporting Standard Interpretation 12 Service Concession Arrangements. The cumulative effect of the changes in the accounting policies has been separately presented in the statement of changes in shareholders' equity.

The amounts of adjustments affecting the consolidated statements of financial position, income and comprehensive income were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	31 December 2014	31 December 2013	1 January 2013	31 December 2014	31 December 2013	1 January 2013
Statement of financial position:						
Increase in current portion of finance lease receivable	18,225	15,924	13,048	-	-	-
Increase in finance lease receivable - net of current portion	32,204	50,201	61,727	-	-	-
Decrease in property, plant and equipment	(360,020)	(400,566)	(375,402)	(7,333)	(11,355)	(15,709)
Increase in intangible assets	640,720	653,898	579,031	-	-	-
Decrease in assets held for future projects	(152)	(188)	(225)	(152)	(188)	(225)
Increase (decrease) in deferred tax liabilities	77,029	74,807	57,474	(1,467)	(2,309)	(3,187)
Increase in unappropriated retained earnings	318,243	307,618	305,379	-	-	-
Decrease in other components of shareholder's equity	(52,628)	(57,290)	(81,258)	(5,866)	(9,234)	(12,747)
Decrease in non-controlling interests of the subsidiaries	(11,667)	(11,788)	(3,253)	-	-	-

(Unit: Thousand Baht)

	For the year ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Income statement				
Decrease in service income	(23,765)	(22,466)	-	-
Increase in other income	7,647	9,333	-	-
Decrease in cost of service	(20,741)	(24,629)	-	-
Decrease in administrative expenses	(5,236)	(6,292)	(4,022)	(4,391)
Increase (decrease) in income tax expenses	(645)	11,915	804	878
Increase in profit attributable to equity holders of the Company	10,504	5,873	3,218	3,513
Increase in diluted earnings per share (Baht)	0.01	0.01	-	0.01
Statement of comprehensive income				
Increase in exchange differences on translation of financial statements in foreign currencies	8,851	20,000	-	-
Increase in profit attributable to non-controlling interest of the subsidiaries	121	121	-	-

5. Significant accounting policies

5.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Facility rental service and customer service representative outsource are recognised as revenue on a monthly basis, as stipulated in the agreement.

Transponder rental income

Transponder rental income is recognised as revenue on a monthly accrual basis, in accordance with the payments due under the agreement.

Sales of equipment including designation and installation

Sales of equipment including designation and installation are recognised as income by reference to the stage of completion.

Selling support income

Selling support income is recognised as income on an accrual basis.

Advertising income

Advertising income is recognised upon the broadcasting of such programmes.

Entrance fee on franchise agreement

Entrance fee on franchise agreement is recognised on the term of agreement.

Unearned revenue from telephone service of prepaid phone cards

Unearned revenue from telephone service of prepaid system represents the unused portion of the face value of prepaid phone cards. It is deferred and recognised based on the actual usage or upon expiration of the usage as stated on card, depending on which comes first.

Revenue from telephone services

Revenue from telephone services is recognised when the telephone services have been rendered.

Revenue from sales of telephone sets and starter kits

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

In case of revenue arrangements with multiple deliverable, the revenue elements are recognised in proportion to the fair value of delivered items. The subsequent services are recorded at the normal selling price or at a discounted value, depending on the facts and circumstances.

Royalty and technical assistance fee

Royalty and technical assistance fee are recognised as income on an accrual basis.

Revenue from sales under finance leases agreements

Finance leases receivables have been recorded based on the contractual value. The difference between the contractual value and the value equivalent to the cash price of the asset is recognised as unearned interest income. Interest income on finance leases is recognised over the term of the lease using the effective interest rate.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

Dividends are recognised when the right to receive the dividends is established.

5.2 Cash and cash equivalents

Cash and cash equivalents consist cash in hand and at banks and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

5.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

5.4 Inventories

Finished goods and work in process are valued at the lower of cost (under the weighted average method) and net realisable value. The cost of inventories includes all production costs and attributable factory overheads.

Raw materials and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimate costs necessary to make the sale.

5.5 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- c) Investment in associate is accounted for in the consolidated financial statements using the equity method.
- d) Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year as quoted on the Stock Exchange. If the last bid price of the last working day of the year as quoted on the Stock Exchange is not available, the basis used by the Company and its subsidiaries to determine the fair value of marketable securities is the amount for which an asset can be exchanged or liability settled between knowledgeable, willing parties in an arm's length transaction.

The weighted average method is used for computation of the cost of investments.

In the event the Company and its subsidiaries reclassify investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of shareholders' equity, depending as the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gains or losses arising from changes in the value of investment properties are recognised in profit or loss when incurred.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

5.7 Property, plant and equipment and depreciation/Assets held for future projects

Land is stated at revalued amount. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Company and subsidiaries' asset, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Company and subsidiaries' asset, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus" in respect of the same asset.

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings and improvement	-	3 - 33 years
Office equipment	-	3 - 10 years
Machinery and equipment	-	2 - 15 years
Motor vehicles	-	5 - 7 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.8 Intangible assets

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to the profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	5 and 10 years and contract periods
Right under license agreement	
for audio-visual of football match	3 years
Right under license for provide	
communications via satellite	5 years
Air time	5 years

5.9 Service Concession Arrangements

The subsidiary determines conditions of an arrangement whereby a grantor, which is the Royal Government, controls or regulates what services the operator must provide using the assets and also controls any significant residual interest in the assets at the end of the term of the arrangement.

The subsidiary recognises and measures the consideration received depending on the conditions of service concession arrangement. An intangible asset is recognised to the extent that the subsidiary receives a right to charge users of the public service. A financial asset is recognised to the extent that an operator has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor.

The subsidiary recognises the consideration, based upon the conditions of service concession arrangement, received from the air traffic control service and system installation in Cambodia as an intangible asset because the subsidiary receives a right to charge users of the public service and amortises such intangible asset as expense in the profit or loss on a straight-line basis of the concession period of which expire in the year 2033.

5.10 Business combinations and goodwill

Business combinations are accounted for using the acquisition method with the cost of the acquisition being the fair value at the acquisition date of consideration transferred, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest, if any, in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are accounted for as expenses in the periods in which the costs are incurred and the services are received.

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in the profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company and its subsidiaries' cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company and its subsidiaries estimate the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

5.11 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include enterprises and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

5.12 Long-term leases

Finance leases

Leases of plant and equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets or the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance lease is depreciated over the useful life of the asset.

Operating leases

Leases of property, plant and equipments which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operation lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

5.13 Arrangement contains a Lease

The subsidiary determines whether an arrangement is, or contains, a lease, based on the substance of the arrangement as at the effective date of the arrangement. This is to conclude whether the arrangement meets the criteria pertaining to fulfilment of the arrangement depending upon a specific asset and the arrangement conveying a right to control the use of the underlying asset.

5.14 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

5.15 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carry out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. However in cases where land was previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

5.16 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Deferred contribution plans

The Company, its subsidiaries and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company and its subsidiaries' contributions are recognised as expenses when incurred.

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

The defined benefits liability comprises the present value of the defined benefit obligation less unrecognised past service cost and unrecognised actuarial gains or losses.

Provision for vacation

The Company and its subsidiaries have set up provision for vacation which is calculated in accordance with the Company and its subsidiaries' policy and formula, taking into consideration the employee's salary, the number of service years and the unused vacation days.

5.17 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.18 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current income tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.19 Derivatives

Forward exchange contracts

Forward exchange contracts are stated at fair value, which is calculated by reliable financial institutions. Gains or losses arising from changes in the fair value of the contracts are recognised in profit or loss.

6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Construction contracts

The Company and its subsidiaries recognise contract revenue by reference to the stage of completion of the contract activity, when the outcome of a construction contract can be estimated reliably. The stage of completion is measured by reference to the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Significant assumptions are required to estimate the total contract cost and the recoverable variation works that will affect the stage of completion. The management is required to make judgement and estimates based on past experience and knowledge of the project engineers.

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Reduction cost to net realisable value of inventories

Determining the reduction cost to net realisable value of inventories requires management to exercise judgement in term of estimating losses on outstanding inventories, based on the selling price expected in the ordinary course of business less the estimated costs to completion or estimated additional expenses to be incurred in preparing the inventory for sale, and reduction cost of inventories for obsolete, slow-moving and deteriorated inventories, and taking into account the approximate useful life of each type of inventory and current changes in technology.

Allowance for diminution in value of withholding tax deducted at sources

The Company and its subsidiaries regard withholding tax deducted at sources as an asset since they have the right to claim for a refund of it. The net realisable value of tax depends on the exercise of the right to claim it, and the results of any tax audit by the Revenue officials. However, the management has used judgement to assess the outcome of the refund claim and believes that the provision made as at the reporting period would be sufficient.

Impairment of equity investments

The subsidiaries treat available-for-sale investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

Investment property

The subsidiary companies present investment property at the fair value estimated by an independent appraiser, and recognise changes in the fair value in profit or loss. The fair value of investment properties are determined by the independent valuer using the market approach. The valuation involves certain assumptions and estimates.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Company and its subsidiaries measure land at revalued amounts. Such amounts are determined by the independent valuer using the market approach. The valuation involves certain assumptions and estimates.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying cost. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and other intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that the Company and its subsidiaries are probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The subsidiary company has contingent liabilities as a result of litigation. The subsidiary company's management has used judgement to assess the results of the litigation and believes that the provision made would be sufficient. However, actual results could differ from the estimates.

7. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties, principally in respect of the purchase and sales of goods, services and loans. Such transactions, which were summarised below, were concluded on terms and bases agreed upon between the Company and its related parties. The pricing policies with its related parties summarised as follows:

1. Sales prices are determined at market price, if there is unknown market price, sales price will be determined at cost plus a margin not over 15 percent. However, the pricing policy is subject to change depending on the type of business and market competition at the time being.
2. Management fees and rental income are charged at the amount stated in the agreement.
3. IT service fees income from subsidiary companies are charged at the amount stated in the agreement based on cost plus a margin not over five percent.
4. Other service income and expenses are charged at a mutually agreed price.
5. Interest on loans are charged at cost plus margin as follows:
 - 5.1 The Minimum Loan Rate (MLR) of a local commercial bank plus one percent per annum.
 - 5.2 Cost of fund plus 0.25 percent per annum.
 - 5.3 12-month fixed deposit rate of the commercial banks that frequently use.
 - 5.4 Average saving deposit rate of the big five commercial banks plus 0.25 percent per annum.
6. Fixed assets are sold and purchased at market price or their net book value plus a margin, depending on the condition of the fixed assets.
7. Guarantee fee is charged between the parties at a rate of 0.3 percent per annum.
8. Management benefit expenses are charged as approved by the shareholders' meeting or contractually agreed price.
9. Dividend income is recognised when declared and the right to receive the dividend is established.

Significant business transactions between the Company and its related parties were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Transactions with subsidiary companies				
(eliminated from the consolidated financial statements)				
Purchase of goods and services	-	-	375	152
Purchases of fixed assets	-	-	-	1
Management fee income	-	-	399	366
Guarantee fee income	-	-	3	2
IT Service fee income	-	-	96	96
Dividend income	-	-	660	513
Interest income	-	-	7	12
Other income	-	-	71	67
Other expenses	-	-	10	10
Interest expenses	-	-	12	9
Transactions with related companies				
Sales and service income	2	1	-	-
Purchase of goods and service	18	19	-	-
Purchases of fixed assets	-	6	-	-
Other expenses	90	91	52	55

As at 31 December 2014 and 2013, the balances of the account between the Company and those related parties were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade accounts receivable - related parties (Note 10)				
Related companies (related by shareholder)	803	920	-	-
Total trade accounts receivable - related parties	803	920	-	-
Amount due from and advance to related parties (Note 10)				
Subsidiary companies	-	-	47,581	47,438
Related companies (related by shareholder)	941	708	471	238
Total amount due from and advance to related parties	941	708	48,052	47,676
Trade accounts payable - related parties (Note 25)				
Subsidiary companies	-	-	196,341	56,852
Related companies (related by shareholder)	35	69	-	-
Total trade accounts payable - related parties	35	69	196,341	56,852
Other payables and accrued interest expenses - related parties (Note 25)				
Subsidiary companies	-	-	2,778	3,041
Related companies (related by shareholder)	5,393	6,606	943	1,147
Total other payables and accrued interest expenses - related parties	5,393	6,606	3,721	4,188

Loans to related parties and loans from related parties

As at 31 December 2014 and 2013, the balances of loans between the Company and those related parties and the movements were as follows:

Loans to subsidiary companies

(Unit: Thousand Baht)

Short-term loans to subsidiary companies	Separate financial statements			
	31 December 2013	During the year		31 December 2014
		Increase	Decrease	
Suvarnabhumi Environment Care Co., Ltd.	136,401	28,200	-	164,601
The Samart Engineering Co., Ltd.	-	143,400	-	143,400
Samart Digital TV Co., Ltd.	3,000	-	-	3,000
Samart Telcoms Public Co., Ltd.	93,000	-	(93,000)	-
Total	232,401	171,600	(93,000)	311,001

Loans from subsidiary companies

(Unit: Thousand Baht)

Short-term loans to subsidiary companies	Separate financial statements			
	31 December 2013	During the year		31 December 2014
		Increase	Decrease	
Samart U-Trans Co., Ltd.	367,000	-	-	367,000
The Samart Engineering Co., Ltd.	5,000	-	(5,000)	-
Total	372,000	-	(5,000)	367,000

(Unit: Thousand Baht)

Long-term loans from subsidiary companies	Separate financial statements			
	31 December 2013	During the year		31 December 2014
		Increase	Decrease	
Cambodia Air Traffic Services Co., Ltd.	442,000	100,000	-	542,000
Kampot Power Plant Co., Ltd.	186,000	-	-	186,000
Total	628,000	100,000	-	728,000

- a) On 27 November 2012, the Company obtained a Baht loan from Cambodia Air Traffic Services Co., Ltd., amounting to Baht 442 million which bears interest at the average saving deposit rate of the big five commercial banks plus 0.25 percent per annum. This loan will be mature in full in the fifth year (26 November 2017) from the date of first drawdown (27 November 2012).

In addition, on 3 February 2014, the Company obtained an additional Baht loan from Cambodia Air Traffic Services Co., Ltd., amounting to Baht 100 million which bears interest at the average saving deposit rate of the big five commercial banks plus 0.25 percent per annum. This loan will be mature in full in the fifth year from the date of first drawdown.

- b) On 7 December 2012, the Company obtained a Baht loan from Kampot Power Plant Co., Ltd., amounting to Baht 186 million which bears interest at the average saving deposit rate of the big five commercial banks plus 0.25 percent per annum. This loan will be mature in full in the fifth year (6 December 2017) from the date of first drawdown (7 December 2012).

Directors and management's benefits

During the year ended 31 December 2014 and 2013, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Short-term employee benefits	90.7	87.4	25.8	24.6
Post-employment benefits	1.1	0.7	0.4	0.3
Total	91.8	88.1	26.2	24.9

Significant agreements with related party

Long-term rental agreements

The Company and its subsidiary companies entered into a three-year office rental agreements with Vilailuck International Holding Co., Ltd., a related company, for use in their operations. The Company and its subsidiary companies have to pay a monthly rental fee approximately Baht 2 million (Separate financial statements: Baht 1 million).

The commitment under the operating lease agreements with the related party was disclosed in Note 44.2.1 to the financial statements.

Service agreement

The Company and its subsidiary companies entered into the three-year facility service agreements with Vilailuck International Holding Co., Ltd., a related company, under which they have to pay monthly facility service fees approximately Baht 5 million (Separate financial statements: Baht 3 million).

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 44.4.2 to the financial statements.

8. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash	2,559	2,702	20	20
Bank deposits	1,917,143	1,781,633	103,795	60,417
Restricted bank deposits	(287,618)	(130,894)	-	-
Total	1,632,084	1,653,441	103,815	60,437

As at 31 December 2014, bank deposits in saving accounts and fixed deposits carried interests at the rate between 0.01 and 6.00 percent per annum (2013: between 0.05 and 2.50 percent per annum).

9. Temporary investments

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trading securities (Note 9.1)	122,743	23,490	66,556	7,029
Fixed deposit with financial institution	9,015	23,783	-	-
Total	131,758	47,273	66,556	7,029

9.1 Temporary investments in trading securities

Movements of the temporary investments in trading securities account for the year ended 31 December 2014 and 2013 were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Balance at beginning of the year	23,490	26,885	7,029	9,221
Purchase during the year	373,209	157,228	164,393	22,832
Increase from purchase of investment in subsidiary (Note 18.1.2)	-	100	-	-
Disposals during the year				
Decrease in account receivable for sales	-	194	-	194
Proceed from sales	(280,344)	(55,405)	(108,564)	(26,319)
Gain on disposals (Note 34)	15,606	4,069	9,267	1,157
Total	(264,738)	(51,142)	(99,297)	(24,968)
Loss on change in value (Note 36)	(9,218)	(3,081)	(5,569)	(56)
Reclassification of investment (Note 16)	-	(106,500)	-	-
Balance as at end of the year	122,743	23,490	66,556	7,029

10. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade accounts receivable - related parties (Note 7)				
<i>Aged on the basis of due dates</i>				
Not yet due	639	715	-	-
Past due				
Up to 3 months	-	41	-	-
Over 12 months	473	473	-	-
Total	1,112	1,229	-	-
<u>Less:</u> Allowance for doubtful debts	(309)	(309)	-	-
Total trade accounts receivable - related parties, net	803	920	-	-

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade accounts receivable - unrelated parties				
<i>Aged on the basis of due dates</i>				
Not yet due	4,890,144	4,214,614	1,537	1,568
Past due				
Up to 3 months	2,252,015	2,586,764	117,810	4,642
3 - 6 months	1,010,480	319,234	4,634	4,172
6 - 12 months	81,712	132,791	9,667	8,388
Over 12 months	518,060	526,275	59,198	41,996
Total	8,752,411	7,779,678	192,846	60,766
<u>Less:</u> Allowance for doubtful debts	(106,834)	(111,312)	(588)	(588)
Total trade accounts receivable - unrelated parties, net	8,645,577	7,668,366	192,258	60,178
Total trade accounts receivable - net	8,646,380	7,669,286	192,258	60,178
Other receivables				
Amount due from and advance to related parties (Note 7)	941	708	48,052	47,676
Security business receivables	1,022,626	1,022,626	-	-
Other receivables - unrelated parties	107,898	175,494	413	2,644
Total	1,131,465	1,198,828	48,465	50,320
<u>Less:</u> Allowance for doubtful debts	(1,023,471)	(1,023,436)	(54)	(54)
Total other receivables - net	107,994	175,392	48,411	50,266
Total trade and other receivables - net	8,754,374	7,844,678	240,669	110,444

- a) The Company and five subsidiary companies (Samart I-Mobile Public Co., Ltd., Samart Telcoms Public Co., Ltd., Samart Communication Services Co., Ltd., Samart Comtech Co., Ltd. and Kampot Power Plant Co., Ltd.), have transferred their collection rights from projects and trade accounts receivable to banks as collateral for loans and credit facilities. As at 31 December 2014, the balance of the above trade accounts receivable included the receivables that were transferred their collection rights to banks totaling Baht 621 million (2013: Baht 2,263 million which included trade accounts receivable of One to One Contacts Public Co., Ltd.) (Separate financial statements: Baht 192 million (2013: Baht 60 million)).
- b) As at 31 December 2014, trade accounts receivable of Samart Telcoms Public Co., Ltd., a subsidiary company, included amounts of Baht 4 million (2013: Baht 4 million) receivable from financial institutions which were ordered to cease their operations by the authorities. The subsidiary company has already provided full allowance for doubtful accounts for these amounts.
- c) Securities business receivables

As at 31 December 2014, IT Absolute Co., Ltd., a subsidiary company (formerly operate securities business), had securities business receivables which are under legal proceedings, undergoing restructuring or being settled in installments, to Baht 1,023 million (2013: Baht 1,023 million), on which the subsidiary already fully set up allowance for doubtful account.

In addition during the year 2009, the subsidiary company has filed lawsuits with the Civil Court and the Bankruptcy Court, seeking to have the seven customers settled their total outstanding debts of Baht 978 million to the subsidiary company. The seven debtors are under absolute receivership by the Central Bankruptcy Court and these are being carried out in accordance with the process laid down under bankruptcy laws. The Civil Court dismissed the lawsuits of seven debtors so that the subsidiary company could receive settlement in the bankruptcy cases.

The share purchase agreement of shares in IT Absolute Co., Ltd., on 3 February 2012, states that if the company receives any repayment or benefit subsequent to share transfer date (all together called “repayment”) arising from obligation before or at share transfer date, the subsidiary (buyer) shall order the company to transfer the repayment made by the previous shareholder (a bank) at the rate of 99.7888 percent as formula which was described in the agreement.

- d) As at 31 December 2014, allowance for doubtful debts had not been set aside in full amount for the outstanding balances of the Company and its subsidiaries’ trade accounts receivable - unrelated parties that were aged more than 12 months past due totaling Baht 518 million (2013: Baht 526 million) and of the Company totaling Baht 59 million (2013: Baht 41 million). This is because such trade accounts receivable are government units and private companies, that obtained government projects, who have no uncollectable experience and the process of payment approval for such receivables normally take a long time. The management of the Company and its subsidiaries believe that the allowance for doubtful debts is adequate.

11. Short-term loans

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Short-term loans to related parties (Note 7)	-	-	311,001	232,401
Short-term loans to employees	253	47	5	-
Total short-term loans	253	47	311,006	232,401

12. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2014	2013	2014	2013	2014	2013
Finished goods	2,823,626	1,441,880	(71,862)	(115,469)	2,751,764	1,326,411
Work in process	253,279	324,403	(31,219)	(3,625)	222,060	320,778
Raw materials and supplies	432,375	286,854	(2,444)	(7,442)	429,931	279,412
Goods in transit	316,124	362,200	(8)	-	316,116	362,200
Total	3,825,404	2,415,337	(105,533)	(126,536)	3,719,871	2,288,801

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2014	2013	2014	2013	2014	2013
Finished goods	12,078	78,502	-	-	12,078	78,502
Work in process	379	56,051	-	-	379	56,051
Total	12,457	134,553	-	-	12,457	134,553

During the current year, subsidiary companies reversed the write-down of cost of inventories by Baht 21 million, and reduced the amount of inventories recognised as expenses during the year. In 2013, subsidiary companies reduced cost of inventories by Baht 45 million, to reflect the net realisable value. This was included in cost of sales.

In November 2013, a vessel transportation foundered, resulting in damage to inventories of Samart I-Mobile Public Co., Ltd., a subsidiary company, which were loaded in that vessel. The subsidiary company surveyed the damage and wrote off inventories of Baht 39 million.

However, the loss from this incident was covered by a subsidiary company's insurance. The subsidiary company had lodged an insurance claim and was virtually certain by received a confirmation letter from an insurance company to compensate this loss in respect of damaged inventories totaling a minimum of Baht 43 million. Therefore the subsidiary company recorded the insurance compensation in other receivable and recognised net compensation claim from the write down of damaged inventories of Baht 4 million in the income statement for the year ended 31 December 2013.

13. Finance lease receivable

(Unit: Thousand Baht)

	Consolidated financial statements	
	2014	2013
Finance lease receivable (contractual value)	214,086	341,202
<u>Less:</u> Receipts	(137,724)	(241,412)
Exchange differences on translation of financial statements in foreign currencies	(16,902)	(16,988)
Finance lease receivable	59,460	82,802
<u>Less:</u> Unearned interest income	(9,031)	(16,678)
Finance lease receivable - net of unearned interest income	50,429	66,124
<u>Less:</u> Current portion of finance lease receivable	(18,225)	(15,924)
Finance lease receivable - net of current portion	32,204	50,200

Kampot Power Plant Co., Ltd., a subsidiary company, has entered into an agreement to generate and supply electricity to Kampot Cement plant in Cambodia. The agreement is valid for a period of 10 years and expires within 2017. Considering conditions stipulated in the agreement, it was found that this agreement constitutes the lease agreement as all the risks and rewards of the assets have been transferred to Kampot Cement plant in Cambodia. Therefore, it is considered a finance lease and the Company recorded an initial finance lease receivable of USD 6 million, equivalent to Baht 214 million.

Vision and Security System Co., Ltd., a subsidiary company, entered into the finance lease agreement with Airports of Thailand Public Co., Ltd. (Suvarnabhumi Airport Branch) regarding rental of CCTV system for Baggage Handling System (BHS) operations, whereby it was entitled to receive rental on a monthly basis. The term of the agreement was three years and ended within March 2013. The subsidiary had assigned the right to receive collection from such finance leases to a bank as a loan guarantee. During 2013, the subsidiary had full repaid the loan.

During the year 2013, the subsidiary company transferred the CCTV system for the Baggage Handling System (BHS) to Airports of Thailand Public Co., Ltd. (Suvarnabhumi Airport Branch) in accordance with the terms of the agreement.

14. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Withholding tax and prepaid tax expenses	597,355	424,226	14,222	9,006
Prepaid expenses	447,918	410,254	14,340	14,669
Refundable value added tax	277,290	143,184	45,272	5,358
Advance for purchase of inventories and equipment	276,444	239,163	89,507	139,894
Advance payments	53,467	37,992	650	38
Others	102,542	154,540	5,552	5,228
<u>Less:</u> Allowance for diminution in value of advance for purchase of inventories	(11,904)	(15,080)	-	-
Total other current assets - net	1,743,112	1,394,279	169,543	174,193

During the year ended 31 December 2013, Teleconnext Company Limited, a subsidiary company, wrote down appropriately Baht 36 million of other current assets as it cancelled purchase orders of the former manufacturer and ordered from a new manufacturer instead. This expense was included in other expenses in the income statement for the year ended 31 December 2013.

15. Restricted bank deposits

These represent fixed deposits pledged by some subsidiaries with the banks to secure credit facilities, letter of guarantees obtained from the banks and certain bank deposits restricted to secure under debt settlement under domestic letters of credit.

16. Available-for-sale investments

As at 31 December 2014 and 2013, the subsidiary companies have available-for-sale investments as the followings:

(Unit: Thousand Baht)

Common stock/Warrant	Consolidated financial statements					
	2014			2013		
	No. of shares	Fair value as at the reclassification date	Fair value	No. of shares	Fair value as at the reclassification date	Fair value
	(Thousand shares)			(Thousand shares)		
Q Technology (Group) Co., Ltd. (a company listed in Hong Kong Stock Exchange)	14,000	167,182	129,967	-	-	-
M-Link Asia Corporation Public Co., Ltd.	25,000	106,500	79,000	25,000	106,500	69,000
Siam Sport Syndicate Public Co., Ltd.	27,213	77,829	57,691	27,213	77,829	99,600
Warrants No. 3 of Siam sport Syndicate Public Co., Ltd.	1,668	1,618	701	1,668	1,618	4,503
Total		353,129	267,359		185,947	173,103
Less: Change in value		(85,770)			(12,844)	
Total available-for-sale investments		267,359			173,103	

On 14 November 2013, a meeting of Board of Executive Directors of Samart I-Mobile Public Co., Ltd., a subsidiary company, passed a resolution approving the reclassification of investment in M-Link Asia Corporation Public Co., Ltd. from temporary investment to available-for-sale investment. The reclassification was made because the subsidiary company intends to invest for the long-term as business partnership and for commercial benefit. Therefore, the subsidiary company recorded the value of available-for-sale investments of fair value as at the reclassification date.

Movements of available-for-sale investments account during the years ended 31 December 2014 and 2013 were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	
	2014	2013
Net book value at beginning of the year	173,103	78,959
Purchase during the year	167,182	-
Reclassification of investments (fair value as reclassification date) (Note 9)	-	106,500
Loss on changes in value	(72,926)	(12,356)
Net book value at end of the year	267,359	173,103

17. Investment in associate

17.1 Detail of associate:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			2014 (%)	2013 (%)	2014	2013	2014	2013
Associate held by the subsidiary company								
SLA Asia Co., Ltd. (held by Samart Communication Services Co., Ltd.)	Operate an installation of telecommunication network project	Thailand	30	-	9,000	-	7,204	-
Total					9,000	-	7,204	-

17.2 Share of loss

During the year, the subsidiary company has recognised its share of loss from investment in associate company in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements	
	Share of loss from investment in associate during the year	
	2014	2013
Associate held by the subsidiary company		
SLA Asia Co., Ltd. (held by Samart Communication Services Co., Ltd.)	1,796	-
Total	1,796	-

17.3 Summarised financial information of associate

Financial information of the associate company was summarised below.

(Unit: Thousand Baht)

Company's name	Paid-up capital as at 31 December 2014	Total assets as at 31 December 2014	Total liabilities as at 31 December 2014	Total revenues for the period as from 26 February 2014 to 31 December 2014	Loss for the period as from 26 February 2014 to 31 December 2014
Associate held by the subsidiary company					
SLA Asia Co., Ltd. (held by Samart Communication Services Co., Ltd.)	30,000	24,408	236	1	5,988

On 17 December 2013, a meeting of the Samart Telcoms Public Co., Ltd.'s Board of Directors passed a resolution approving the joint establishment by Samart Communication Services Co., Ltd., another subsidiary company, of a new company named "SLA Asia Co., Ltd." to operate an installation of telecommunication network project, and import and distribute related equipment. The new company has a registered capital of 300,000 ordinary shares of Baht 100 each or a total of Baht 30 million which will be fully paid up, with the subsidiary to hold 30 percent, Loxley & AIT Holding Co., Ltd. to hold 60 percent and other shareholders to hold 10 percent. The associated company was registered with the Ministry of Commerce on 26 February 2014.

18. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Direct shareholding percentage		Cost		Dividend received during the year	
	2014 Million Baht	2013 Million Baht	2014 Percent	2013 Percent	2014 Thousand Baht	2013 Thousand Baht	2014 Thousand Baht	2013 Thousand Baht
The Samart Engineering Co., Ltd.	250	250	100	100	287,258	287,258	-	-
Samart U-Trans Co., Ltd.	500	500	100	100	500,135	500,135	-	-
Samart Research and Development Co., Ltd.*	20	20	100	100	20,936	20,936	-	-
Samart Telcoms Public Co., Ltd.	618	617	70.07	70.20	1,531,054	1,531,054	303,145	324,596
Samart I-Mobile Public Co., Ltd.	440	437	70.94	57.63	3,804,577	1,124,329	336,097	188,725
One to One Contacts Public Co., Ltd.	280	210	68.43	96	89,609	94,286	21,076	-
Samart RadiTech Co., Ltd.	46	46	100	100	46,000	46,000	-	-
Vision and Security System Co., Ltd.	20	20	70	70	14,000	14,000	-	-
Cambodia Samart Co., Ltd. (The Company has control over this company's operation)	USD 25,000	USD 25,000	49	49	24,244	24,244	-	-
Suvarnabhumi Environment Care Co., Ltd.	50	50	90	90	44,990	44,990	-	-
Suvarnabhumi Environment Services Co., Ltd.	0.25	0.25	90	90	225	225	-	-
Samart Inter Holding Co., Ltd.	USD 17 million	USD 17 million	100	100	583,829	583,829	-	-
Samart Digital TV Co., Ltd.	1	1	100	100	1,000	1,000	-	-
Total investments in subsidiaries					6,947,857	4,272,286	660,318	513,321
Less: Allowance for diminution in value of investments					(89,803)	(89,803)		
Total investments in subsidiaries - net					6,858,054	4,182,483		

* The subsidiary companies registered their liquidation during 2013.

18.1 Change in investments in subsidiaries held by the Company and subsidiary companies

18.1.1 Acquisition and disposal of investments

- a) During the years, the Company and its subsidiaries had acquisition and disposal transactions of investments in related parties as follows:

Acquisition of investments by the Company

Share's name	Number of shares		Purchase price	
	2014 (Million shares)	2013 (Million share)	2014 (Million Baht)	2013 (Million Baht)
Samart Telcoms Public Co., Ltd.	-	0.5	-	8.7
Samart I-Mobile Public Co., Ltd.	1,094.5	7.0	3,033.6	22.6

Acquisition of investment by the subsidiaries

Share's name	Number of shares		Purchase price	
	2014 (Million shares)	2013 (Million share)	2014 (Million Baht)	2013 (Million Baht)
Samart I-Mobile Public Co., Ltd.	16.7	5.0	61.0	15.1

Disposal of investments by the Company

Share's name	Number of shares		Selling price	
	2014 (Million shares)	2013 (Million share)	2014 (Million Baht)	2013 (Million Baht)
Samart I-Mobile Public Co., Ltd.	493.4	7.0	1,407.3	17.6
One to One Contacts Public Co., Ltd.	10.0	-	54.0	-

Disposal of investment by the subsidiary

Share's name	Number of shares		Selling price	
	2014 (Million shares)	2013 (Million share)	2014 (Million Baht)	2013 (Million Baht)
Samart I-Mobile Public Co., Ltd.	52.4	16.5	164.3	52.8

As a result of such addition and disposal of ordinary shares, the percentage of shareholding of the Company, both directly and indirectly, in Samart Telcoms Public Co., Ltd., Samart I-Mobile Public Co., Ltd. and One to One Contacts Public Co., Ltd. as at 31 December 2014 were 70.07 percent, 71.47 percent and 70.76 percent, respectively (2013: the percentage of shareholding of the Company, both directly and indirectly, in Samart Telcoms Public Co., Ltd. and Samart I-Mobile Public Co., Ltd. were 70.20 percent and 58.74 percent, respectively)

- b) On 20 June 2014, a meeting of the Board of Directors of the Company passed a resolution to approve the purchase of 1,053 million share of Samart I-Mobile Public Co., Ltd., a subsidiary company, at Baht 2.73 per share from Axiata Group Berhad, a shareholder of this subsidiary company. On 2 July 2014, the Company entered into a purchase and sale share agreement of this subsidiary company. On 4 August 2014, the Company has already fully paid, totaling approximately Baht 2,875 million.

Subsequently on 21 July 2014, a meeting of the Board of Directors of the Company passed a resolution to approve of the disposal of 180 million of the acquired shares to major dealers of Samart I-Mobile Public Co., Ltd. at Baht 2.80 per share. On 4 August 2014, the Company has already received the full payment, totaling approximately Baht 504 million.

18.1.2 Acquisition of investment

On 27 September 2012, the Board of Director's meeting of Samart U-Trans Co., Ltd., a subsidiary company, passed a resolution approving the acquisition of an investment and increase in share capital of Teda Co., Ltd. totalling approximately Baht 300 million. In this regard, the subsidiary holds 80 percent of all issued ordinary shares of Teda Co., Ltd. The purchasing price of the shares was based on the calculation formula as stated in the sales and purchase of shares agreement. On 2 December 2012, the subsidiary signed an agreement with the shareholders (sellers) of such company; and on 7 December 2012, the subsidiary transferred the first installment of 50 percent of the investment, or Baht 117 million to an escrow account. According to the sales and purchase of shares agreement, the seller shall manage in compliance with the conditions that had been agreed upon by both parties such as increasing the proportion of shares in the group subsidiaries (Transec Power Services Co., Ltd. and Teda Construction Co., Ltd.) of Teda Co., Ltd.

Later in February 2013, the Company's directors were appointed as authorised directors of Teda Co, Ltd. The change in the authorised directors was registered with the Ministry of Commerce on 4 February 2013 (the acquisition date which control exists). On 7 February 2013 and 20 March 2013, the subsidiary transferred the second and third installments of Baht 49 million and Baht 7 million, respectively to the seller, totalling purchase of investment in Teda Group is Baht 173 million, in accordance with the conditions under the sales and purchase of shares agreement.

As a result of the acquisition of investment in that company, under the acquisition method, the Company represents the excess of the cost of acquisition in the ordinary shares of the subsidiary over the fair value as goodwill amounting to approximately Baht 5 million in other non-current asset in the consolidated financial statements.

The fair value of the assets and liabilities of Teda Group acquired as at the acquisition date can be summarised as follows:

(Unit: Thousand Baht)

Cash and cash equivalents	63,962
Temporary investment	100
Trade and other receivables	144,669
Inventories - net	1,716
Other current assets	156,111
Restricted bank deposits	81,277
Deferred tax assets	7,252
Equipment - net	5,530
Other non-current assets	466
Trade and other payables	(144,575)
Accrued project cost and accrued expenses	(21,900)
Other current liabilities	(54,450)
Provision for long-term employee benefits	(13,278)
Other non-current liabilities	(16,956)
Net assets from acquisition of subsidiary company	209,924
Proportion of non-controlling interests in subsidiaries at 20 percent	(41,985)
Net assets from acquisition of subsidiary company in proportion of shareholding at 80 percent	167,939
Cash used in purchase of investment in subsidiary company	173,185
Goodwill	5,246

Net cash outflows from acquisition of ordinary shares of Teda Group were presented below.

(Unit: Thousand Baht)

	Consolidated financial statements
Cash used in acquisition of investment in subsidiary company	173,185
<u>Less:</u> Cash and cash equivalents of the subsidiary company	(63,962)
Net cash outflows from purchase of ordinary shares in subsidiary	109,223

For the period as from 1 February 2013 to 31 December 2013, Teda Group has contributed revenue and profit of approximately Baht 551.7 million and Baht 10.1 million, respectively, to the consolidated income statement. There is no significant difference had Teda Group been included in the consolidated financial statements from 4 February 2013 to 31 December 2013.

18.1.3 Change in share capital

- On 18 December 2013, the extraordinary meeting of the shareholders of Teda Construction Co., Ltd., a subsidiary passed a special resolution approving an increase in its registered capital from Baht 1 million (10,000 ordinary shares of Baht 100 each) to Baht 4 million (40,000 ordinary shares of Baht 100 each), through the issuance of 30,000 additional ordinary shares with a par value of Baht 100 each. Teda Construction Co., Ltd. registered the increase of its capital with the Ministry of Commerce on 24 December 2013.

Because the other shareholders of Teda Construction Co., Ltd. waived their rights to subscribe to this issue of additional shares, the extraordinary general meeting of the shareholders of Teda Construction Co., Ltd. also passed a resolution approving the allocation of all additional share capital to Teda Co., Ltd., (a subsidiary company) which is the major shareholder of Teda Construction Co., Ltd. Teda Co., Ltd. completed payment for the shares on 20 December 2013.

- b) On 22 February 2013, the extraordinary meeting of the shareholders of Teda Co., Ltd., a subsidiary company under Samart U-Trans Co., Ltd., another subsidiary company, passed a special resolution approving the increase in registered capital from Baht 163.0 million (16.30 million ordinary shares of Baht 10 each) to Baht 407.5 million (40.75 million ordinary shares of Baht 10 each), through the issuance of 24.45 million additional ordinary shares with a par value of Baht 10 each. Teda Co., Ltd. registered the increase of its share capital with the Ministry of Commerce on 1 March 2013.

Samart U-Trans Co., Ltd. received 19.56 million shares that were allocated according to the proportion of 80 percent shareholding or equivalent to Baht 195.6 million. Teda Co., Ltd. called up 25 percent of the shares, and Samart U-Trans Co., Ltd. made a payment on 28 February 2013. Subsequently, on 25 March 2013, Teda Co., Ltd. fully called up the shares, and Samart U-Trans Co., Ltd. made a full payment on 1 April 2013.

18.1.4 Establishment of new companies

- a) On 13 November 2014, a meeting of Board of Directors of the Company passed a resolution approving Samart U-Trans Co., Ltd., a subsidiary company, to establish three new subsidiaries as follows:

Company's name	Nature of business	Country of incorporation	Registered share capital	Percentage of shareholding
SAMART Waste2Power Co., Ltd.	To provide municipal Solid Waste and Landfill Waste management by collecting, separating, Refused Derived Fuel (RDF) producing and convert waste to be electricity.	Thailand	Baht 50 million	The subsidiary company holds 99.99%
Samart U-Trans (Lao) Co., Ltd.	To provide collection programming service, web design service, hardware and Information Technology software maintenance service; and repair, install, and develop any programs and websites relating to Information Technology system.	Lao	Lao Kip 1,000 million (or equivalent Baht 4 million)	The subsidiary company holds 99.99%
Samart U-Trans (Myanmar) Co., Ltd.	To provide services and consultations regarding trades in Myanmar including all related general proceedings	Myanmar	USD 50,000 (or equivalent Baht 1.6 million)	The subsidiary company holds 99.99%

As at 31 December 2014, the subsidiary company has not yet established such new companies.

- b) On 7 March 2013, a meeting of Board of Directors of the Company passed a resolution approving One to One Contacts Co., Ltd., a subsidiary company, to establish a new subsidiary in the Republic of the Union of Myanmar for expansion the business and customer to Asian with a registered capital of 50,000 US dollars. As at 31 December 2014, the subsidiary has not established such new company.

- c) On 12 June 2013, the meeting of Board of Executive Director of One to One Contacts Public Company Limited, a subsidiary company, passed a resolution approving the establishment of a new subsidiary in Cambodia named One to One (Cambodia) Company Limited to expand service provision of customer contact center to Cambodia. The new company has registered capital of 5,000 US dollars in with the subsidiary company holds 100 percent interest. The subsidiary registered the establishment on 13 September 2013. One to One (Cambodia) Company Limited called for the first capital payment at 25% of its registered share capital. As at 31 December 2013, a subsidiary company paid for such share subscription of 1,250 US dollars.

18.1.5 Convert into a Public Company Limited of One to One Contacts Company Limited

- a) On 27 March 2013, the Annual General Meeting of One to One Contacts Co., Ltd., a subsidiary company, passed resolutions as follows:
1. To approve the transformation of company into a public limited company and list the company on the MAI.
 2. To change the par value of the ordinary shares from Baht 10 per share to Baht 1 per share, resulting in an increase in the number of ordinary shares from 10 million shares to 100 million shares.

The subsidiary company registered its transformation to One to One Contacts Public Company Limited and change in the par value of its ordinary shares with the Ministry of Commerce on 26 April 2013.

- b) On 22 May 2013, the Extraordinary Meeting of One to One Contacts Public Co., Ltd., a subsidiary company, passed a resolution to approve the increase in its registered share capital from Baht 100 million (100 million ordinary shares of Baht 1 per share) after the par value is changed as discussed in Note 18.1.5 a 2) to Baht 280 million (280 million ordinary shares of Baht 1 per share) by issuing 180 million new ordinary shares with a par value of Baht 1 each to be reserved for a stock dividend payment and initial public offering as follows:
- 1) Allotment of 110 million ordinary shares of Baht 1 per share to be reserved for a stock dividend to the existing shareholders at the meeting date.
 - 2) Allotment of 70 million ordinary shares of Baht 1 per share to be reserved for initial public offering by considering granting the right to shareholders of the Company to subscribe the additional shares of the subsidiary company based on shareholding ratio of totaling not exceeding 20 million shares at a par value of Baht 1 each or equivalent to 28.57 percent of 70 million shares that are offered to the public and at the same price offered to the public.

The subsidiary company registered the increase of its registered share capital with the Ministry of Commerce on 27 May 2013.

Following the distribution of the above stock dividend payment, the subsidiary company registered the increase in its issued and fully paid up share capital to Baht 210 million (210 million ordinary shares of Baht 1 per share) with the Ministry of Commerce on 28 May 2013.

18.1.6 Change in investments in One to One Contacts Public Co., Ltd.

In 11 April 2014, One to One Contacts Public Co., Ltd., a subsidiary company, was approved by The Securities and Exchange Commission, Thailand, to be listed on the MAI and offered its 70 million ordinary shares to the public as follows:

- a) Approved the sale of not exceeding 20 million ordinary shares, at a par value of Baht 1 each, at the offering price of Baht 5.4 per share, to the shareholders of the subsidiary company, whose names appear on the register of shareholders as of 2 April 2014. The subscription period is from 28 April to 2 May 2014.
- b) Approved the sale of not less than 50 million ordinary shares, at a par value of Baht 1 each, at the offering price of Baht 5.4 per share, through the subscription period from 6 - 8 May 2014.

During 28 April - 2 May 2014, a subsidiary company offered 17.57 million new ordinary shares, with a par value of Baht 1 each, at a price of Baht 5.40 per share, to the existing shareholders of the Company, in proportion to their shareholding in the Company.

During 6 - 8 May 2014, the subsidiary company offered 52.43 million new ordinary shares, with a par value of Baht 1 each, at a price of Baht 5.40 per share, through the Initial Public Offering.

During such periods, the subsidiary company received share subscription amounting to Baht 378 million for 70 million additional issued shares. As a result, the issued and fully paid-up share capital increase from Baht 210 million (210 million ordinary shares with a par value of Baht 1 per share) to Baht 280 million (280 million ordinary shares with a par value of Baht 1 per share). The subsidiary company registered the increase in its paid up share capital with the Ministry of Commerce on 12 May 2014 and the Stock Exchange of Thailand approved the 280 million ordinary shares with a par value of Baht 1 each as listed securities for trading, effective from 15 May 2014.

18.1.7 Change in share capital of One to One (Cambodia) Company Limited

In March 2014, One to One (Cambodia) Company Limited, a subsidiary company of One to One Contacts Public Co., Ltd., has called up the remaining 75% of its registered capital, equivalent to USD 3,750. One to One Contacts Public Co., Ltd. paid for the share subscription for 750 shares at USD 5 each, totaling USD 3,750 (equivalent to approximately Baht 0.12 million).

In addition, on 13 February 2014, the meeting of the Board of Directors of One to One Contacts Public Co., Ltd. passed a resolution approving the increase of registered capital of One to One (Cambodia) Company Limited from the existing registered capital of USD 5,000 to the new registered capital of USD 200,000 by issuing new 39,000 ordinary shares at a par value of USD 5 each. One to One Contacts Public Co., Ltd. paid for the additional share subscription totaling USD 195,000 (equivalent to approximately Baht 6.3 million) in June 2014.

18.1.8 Call-up additional share capital of subsidiary company

On 9 April 2013, a meeting of the Board of Directors of Samart RadITech Co., Ltd., a subsidiary company, passed a resolution to call up the remaining uncalled portion of its registered capital of 8 million shares of Baht 0.75 per share, or equivalent to Baht 6 million, from its shareholders. The subsidiary company received the payment on 3 May 2013. As a result, the subsidiary company's paid up share capital is Baht 46 million, or 57.5 percent of the registered share capital.

18.1.9 Dissolution of subsidiary companies

- a) On 17 July 2013, an extraordinary meeting of Samart Research and Development Co., Ltd., a subsidiary company, passed a special resolution to dissolve the company. The subsidiary company registered its dissolution with the Ministry of Commerce on 30 July 2013 and is in process of liquidation.
- b) On 24 September 2013, an extraordinary meeting of a company incorporated in 2009, a subsidiary company, passed a special resolution to dissolve the Company. The subsidiary company registered its dissolution with the Ministry of Commerce on 26 September 2013 and approved its financial statements at the liquidation date on 28 November 2013.

18.2 Change in investments in subsidiaries held by Samart Telcoms Public Co., Ltd.

18.2.1 Establishment of new company

On 9 March 2006, a meeting of Board of Directors of Samart Telcoms Public Co., Ltd., a subsidiary company, passed a resolution to establish a new subsidiary named Telecom Clearing House Co., Ltd. to conduct telecommunications including network maintenance and satellite communications both domestically and overseas. This new subsidiary has an initial registered capital comprising 500,000

shares of Baht 100 per share, or a total of Baht 50 million which is 25 percent called up, with the subsidiary company to hold 99.99 percent. The new subsidiary may increase its capital or sell the shares held by the subsidiary company to other investors, but the subsidiary company must retain a holding of at least 40 percent.

As at 31 December 2014, the subsidiary company had not established such new subsidiary.

18.2.2 Change in share capital of subsidiary

On 17 February 2014, an Extraordinary General Meeting of the shareholders of Samart Broadband Services Co., Ltd., a subsidiary company, passed a special resolution to decrease its registered share capital from Baht 221 million (22.1 million ordinary shares of Baht 10 each) to Baht 55.3 million (5.5 million ordinary shares of Baht 10 each) by canceling 16.6 million ordinary shares of Baht 10 each. These share capital are 25 percent paid-up. This decrease in share capital is to be returned to the shareholders of Baht 41.4 million. The subsidiary company registered the decrease in share capital with the Ministry of Commerce on 28 April 2014.

18.2.3 Purchase of investments

On 17 December 2013, a meeting of Board of Directors of Samart Telcoms Public Co., Ltd., a subsidiary company, passed a resolution to approve the purchase by Samart Comtech Co., Ltd., another subsidiary company, of approximately 1.2 million ordinary shares with a par value of Baht 10 (50 percent called up) of Net Services (Thailand) Co., Ltd. from an existing shareholder, representing 60 percent interest in that company. This company is to be a developer of information technology systems for government agencies and private companies.

Subsequently, on 2 January 2014, Samart Comtech Co., Ltd. purchased that company's share with mutually agreed price as stipulated in a share transfer document at Baht 5.05 per share, totaling approximately Baht 6.1 million and entered into an agreement with the remaining shareholders, to jointly determine the company's management structure. As a result of the purchase of investment in the subsidiary, under the acquisition method, the subsidiary company recorded the excess of the cost of acquisition of the ordinary shares in the subsidiary over the fair value, amounting to approximately Baht 0.2 million as goodwill in non-current assets in the consolidated financial statements.

The fair value of the assets and liabilities of Net Services (Thailand) Co., Ltd. acquired as at the acquisition date can be summarised as follows:

(Unit: Thousand Baht)

Cash and cash equivalents	2,888
Unearned revenue	3,800
Intangible assets - net	5,329
Other non-current assets	366
Trade and other payables	(2,423)
Other current liabilities	(150)
Net assets from acquisition of subsidiary company	9,810
Proportion of non-controlling interests in subsidiary at 40 percent	(3,924)
Net assets from acquisition of subsidiary company in proportion of shareholding at 60 percent	5,886
Cash used in acquisition of investment in subsidiary company	6,060
Goodwill	174

Net cash outflows from acquisition of ordinary shares of Net Services (Thailand) Co., Ltd. were presented below.

(Unit: Thousand Baht)

	Consolidated financial statements
Cash used in acquisition of investment in subsidiary company	6,060
Less: Cash and cash equivalents of the subsidiary company	(2,888)
Net cash outflows from purchase of ordinary shares in subsidiary	3,172

On 13 January 2014, Samart Comtech Co., Ltd. fully paid to the former shareholder (the seller). In addition, this company called up the remaining 50 percent of shares in proportion to the subsidiary company's holding, and the subsidiary company has already paid up the full value of shares at a price of Baht 10 per share, totaling approximately Baht 6 million.

18.2.4 Liquidation

On 21 December 2009, a meeting of the Board of Directors of Samart Telecommunication (Cambodia) Co., Ltd., a subsidiary company, passed a resolution to dissolve the company. According to the subsidiary company had been established since 9 August 2007 and has not yet commenced its operation. In addition, the management considered that there would not be business opportunity in the near future. However, as at 31 December 2014, the process of deregistration and liquidation of the Company is in progress.

18.3 Change in investments in subsidiaries held by Samart I-Mobile Public Co., Ltd.

18.3.1 Establishment of new company

On 24 July 2013, a meeting of Board of Directors of I-Sport Co., Ltd., a subsidiary company, passed a resolution approving the establishment of a new company named "I-Sport Media Co., Ltd.". The business of the new company is to bid for and operate digital TV channels, with a registered capital of Baht 1 million. The subsidiary company has a 100 percent shareholding. The subsidiary company registered the establishment of this company with the Ministry of Commerce on 8 August 2013.

18.3.2 Purchase of additional ordinary shares of a subsidiary

On 26 February 2013, a meeting of the Board of Directors of Samart I-Mobile Public Co., Ltd., a subsidiary company, passed a resolution approving the purchase by Samart Multimedia Company Limited, an another subsidiary company, of 3,333,334 ordinary shares of Take A Look Company Limited, another subsidiary company, from a former shareholder at a price of Baht 0.03 each, for a total Baht 0.1 million which will increase the percentage of shareholding from 67% to 100% in Take A Look Co., Ltd.

Subsequently, on 1 April 2013, Samart Multimedia Company Limited entered into a share transfer agreement with the former shareholder of Take A Look Company Limited, and has paid for the shares in full.

18.3.3 Purchase of investment

- On 12 November 2014, a meeting of Board of Directors of Samart I-Mobile Public Co., Ltd., a subsidiary company, passed a resolution to approve the purchase by I-Sport Co., Ltd., an another subsidiary company, of approximately 6 million ordinary shares with a par value of Baht 10 each of Siam Sport Television Co., Ltd. from an existing shareholder, representing 100 percent interest in that company. This company operates in television media, sport license and sports-related business.

Subsequently, on 26 December 2014, I-Sport Co., Ltd. purchased that company's share with mutually agreed price as stipulated in a share transfer document at Baht 10 per share, totaling approximately Baht 60 million. As a result of the purchase of investment in the subsidiary, under the acquisition method, the subsidiary company recorded the excess of the cost of acquisition of the ordinary shares in the subsidiary over the fair value, amounting to approximately Baht 59 million as goodwill in non-current assets in the consolidated financial statements.

The fair value of the assets and liabilities of Siam Sport Television Co., Ltd. acquired as at the acquisition date can be summarised as follows:

(Unit: Thousand Baht)

Trade and other receivable	75,290
Equipment	173,532
Intangible assets	3,534
Deferred tax assets	10,040
Other non-current assets	16,458
Bank overdrafts	(13,635)
Trade and other payables	(29,710)
Other current liabilities	(204,453)
Other non-current liabilities	(30,105)
Net assets from acquisition of subsidiary company	951
Cash used in acquisition of investment in subsidiary company	60,000
Goodwill	59,049

Net cash outflows from acquisition of ordinary shares of Siam Sport Television Co., Ltd. were presented below.

(Unit: Thousand Baht)

	Consolidated financial statements
Cash used in acquisition of investment in subsidiary company	60,000
<u>Less:</u> Cash and cash equivalents of the subsidiary company	-
Net cash outflows from purchase of ordinary shares in subsidiary	60,000

On 26 December 2014, I-Sport Co., Ltd. fully paid to the former shareholder (the seller).

- b) On 12 November 2013, a meeting of the Board of Directors of Samart I-Mobile Public Co., Ltd., a subsidiary company, passed a resolution to approve the purchase by I-Mobile Inter trade Co., Ltd., an another subsidiary company, of approximately 90,000 ordinary shares of The Sky Place Co., Ltd. from existing shareholders, representing 100 percent of the issued and paid up share capital of this company. The purchase price will be Baht 5.56 per share, or a total of approximately Baht 0.5 million (as stipulated in the purchase and sale of share agreement).

Subsequently, on 13 November 2013, I-Mobile Inter trade Co., Ltd. entered into a share purchase and sale of share agreement of this company. As a result of the purchase of investment in that company, under the acquisition method, the subsidiary company recorded the excess of the cost of acquisition of the ordinary shares over the fair value, amounting to approximately Baht 0.5 million as goodwill in non-current asset in the consolidated financial statements.

Their fair value of liabilities were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements
Other payables	14
Total liabilities from acquisition of subsidiary company	14
Cash used in purchase of investment in subsidiary company	500
Goodwill	514

18.3.4 Change of name of subsidiary companies

- a) On 12 March 2013, the shareholder of Samart I-Mobile (Hong Kong) Limited, a subsidiary company, passed a written special resolution to change its name to “Teleconnex Company Limited”. The subsidiary company registered the change of its name with the Companies Registry on 21 March 2013.
- b) On 26 November 2013, the Extraordinary Meeting of the shareholders of The Sky Place Co., Ltd., a subsidiary company, passed a special resolution approving the change in its name to be “I-Mobile Direct Co., Ltd.”. It registered the change of its name with the Ministry of Commerce on 9 December 2013.

18.3.5 Change in share capital of subsidiary companies

Reduction of share capital

- a) On 26 April 2013, the Meeting of the shareholders of Take A Look Co., Ltd., a subsidiary company, passed a special resolution to reduce its share capital from Baht 100 million (10 million ordinary shares of Baht 10 each) to Baht 50 million (5 million ordinary shares of Baht 10 each) by canceling 5 million ordinary shares of Baht 10 each. The subsidiary company registered the reduction in its share capital with the Ministry of Commerce on 11 June 2013.
- b) On 26 November 2013, the Extraordinary Meeting of the shareholders of I-Mobile Direct Co., Ltd., a subsidiary company, passed a special resolution to reduce its share capital from Baht 9 million (90,000 ordinary shares of Baht 100 each) to Baht 2.25 million (22,500 ordinary shares of Baht 100 each) by canceling 67,500 ordinary shares of Baht 100 each. The subsidiary company registered the reduction in its share capital with the Ministry of Commerce on 14 January 2014.

On 4 February 2014, the Extraordinary Meeting of the shareholders of I-Mobile Direct Co., Ltd., a subsidiary company, passed a special resolution to reduce its share capital from Baht 2.25 million (22,500 ordinary shares of Baht 100 each) to Baht 0.6 million (6,000 ordinary shares of Baht 100 each) by canceling 16,500 ordinary shares of Baht 100 each. The subsidiary company registered the reduction in its share capital with the Ministry of Commerce on 13 March 2014.

Increment of registered share capital

- a) On 3 December 2014, an Extraordinary Meeting of the shareholders of I-Sport Co., Ltd., a subsidiary company, passed the following resolution:
 - 1) Approving to call-up a further Baht 10 million of the uncalled portion of its capital, or equivalent to 25% of its registered share capital. The subsidiary received payment on 26 December 2014 as a result its paid-up share capital amounts to Baht 40 million, or 100% of the registered share capital.
 - 2) Approving the increment of its registered share capital from Baht 40 million (4 million ordinary shares of Baht 10 each) to Baht 120 million (12 million ordinary shares of Baht 10 each) by issuing 80 million ordinary shares with a par value of Baht 10 each. The subsidiary company registered the increase of share capital on 11 December 2014 with the Ministry of Commerce.

- b) On 11 July 2013, a meeting of the shareholders of Pt. Samart I-Mobile Indonesia, a subsidiary company, passed a resolution approving the increment of its registered share capital from 0.50 million US dollars (0.5 million ordinary shares of 1 US dollar each) to 6.42 million US dollars (6.42 million ordinary shares of 1 US dollar each) by issuing 5.92 million ordinary shares with a par value of 1 US dollar each. The subsidiary company registered the increase of share capital on 2 August 2013 with Capital Investment Coordination Board and is waiting for the approval from Minister of Law and Human Rights of the Republic of Indonesia.

18.3.6 Additionally call-up share capital of subsidiary

- a) On 12 December 2013, a meeting of the Board of Directors of I-Mobile International Co., Ltd., a subsidiary company, passed a resolution to call-up a further Baht 60 million of the uncalled portion of its capital, or equivalent to 30% of its registered share capital. The subsidiary received payment on 24 December 2013 and as a result its paid-up share capital amounts to Baht 185 million, or 92.5% of the registered share capital.

18.3.7 Disposal of investments in subsidiaries and restructuring of overseas business

On 13 August 2013, the Board of Directors of Samart I-Mobile Public Co., Ltd., a subsidiary company, passed the following resolutions:

1. Approving the sale by I-Mobile International Co., Ltd., a subsidiary company, of an investment in Pt. Samart I-Mobile Indonesia, another subsidiary company, to a third party at a price not lower than the book value of that another subsidiary company.
2. Approving the acquisition of three subsidiary companies, consisting of I-Mobile Inter trade Co., Ltd., Teleconnext Co., Ltd. and Samart I-Mobile (Malaysia) Sdn. Bhd. from I-Mobile International Co., Ltd., another subsidiary company, at a price not lower than the book values of the subsidiaries.
3. Approving the disposal of an investment in I-Mobile International Co., Ltd., a subsidiary company, to a third party at a price not lower than the book value of that subsidiary company.

Subsequent, on 12 December 2013, a meeting of the Board of Directors of I-Mobile International Co., Ltd., a subsidiary company, passed a resolution approving the sale of investments in I-Mobile Inter trade Co., Ltd., Teleconnext Co., Ltd., and Samart I-Mobile (Malaysia) Sdn. Bhd. to the Samart I-Mobile Public Co., Ltd., a subsidiary company, at a price based on each company's estimated book value as at 31 December 2013, as follows:

Company	No. of sharer (shares)	Agreed price per share	Amount
I-Mobile Inter trade Co., Ltd.	499,993	Baht 0.20 million	Baht 0.10 million
Teleconnext Co., Ltd.	5,000,000	US dollars 0.33 million	US dollars 1.65 million
Samart I-Mobile (Malaysia) Sdn. Bhd.	2,000,000	Malaysian Ringgit 0.05 million	Malaysian Ringgit 0.10 million

Samart I-Mobile Public Co., Ltd. made full payment of Baht 55 million for the acquisition of these companies to I-Mobile International Co., Ltd. on 31 January 2014.

As at 31 December 2014, Samart I-Mobile Public Co., Ltd. is currently in the process of disposal of investment in I-Mobile International Co., Ltd. and I-Mobile International Co., Ltd., a subsidiary company, is currently in the process of disposal of investment in Pt. Samart I-Mobile Indonesia.

18.3.8 Liquidation of subsidiaries

- a) On 11 October 2006, an extraordinary meeting of the shareholders of I-Mobile (Cambodia) Co., Ltd., a subsidiary company, passed a resolution to liquidate the company. The process of registering that company's dissolution and its subsequent liquidation are in progress.

- b) On 27 March 2014, a General Meeting of the shareholders of Take A Look Co., Ltd., a subsidiary company, passed a special resolution to dissolve the company. The subsidiary company registered its dissolution with the Ministry of Commerce on 9 April 2014 and registered the completion of liquidation with the Ministry of Commerce on 20 June 2014.

18.4 The offering of warrants of subsidiary companies

18.4.1 The offering of warrants of Samart Telcoms Public Co., Ltd.

On 24 April 2008, the Annual General Meeting of Samart Telcoms Public Co., Ltd., a subsidiary company, passed a resolution to issue 18 million warrants, the offering price per unit is Baht 0 to the directors and the employee of Samart Telcoms Public Co., Ltd. and its subsidiaries. The exercise ratio is 1:1 and the exercise price is Baht 7.50 per 1 ordinary share. Warrants to be allocated to the directors of Samart Telcoms Public Co., Ltd., and the employees of Samart Telcoms Public Co., Ltd., and its subsidiaries will be divided into 5 certificates with 5 years maturity from the issuance date. Each certificate will have the same date of issuance, offering and expiration with different exercise period as shown in the following detail. Each warrant holders can split exercise or fully exercise their right of the amount allocated for each certificate.

- | | |
|-------------------|--|
| Certificate No. 1 | will represent 10% of total number of warrants allocated which is entitled to exercise since the first day of the exercise period until the expired date of warrants. |
| Certificate No. 2 | will represent 15% of total number of warrants allocated which is entitled to exercise after the end of the first year that the warrants are issued until the expired date of warrants. |
| Certificate No. 3 | will represent 20% of total number of warrants allocated which is entitled to exercise after the end of the second year that the warrants are issued until the expired date of warrants. |
| Certificate No. 4 | will represent 25% of total number of warrants allocated which is entitled to exercise after the end of the third year that the warrants are issued until the expired date of warrants. |
| Certificate No. 5 | will represent 30% of total number of warrants allocated which is entitled to exercise after the end of the fourth year that the warrants are issued until the expired date of warrants. |

On 27 April 2009, the Annual General Meeting of Samart Telcoms Public Co., Ltd., passed a resolution approve the revision of the exercise price of the warrants offering to the directors of Samart Telcoms Public Co., Ltd., and the employees of Samart Telcoms Public Co., Ltd. and its subsidiaries from Baht 7.5 per share to be Baht 6.75 per share.

On 29 May 2009, Samart Telcoms Public Co., Ltd. has issued and offered 18,000,000 warrants to the directors of Samart Telcoms Public Co., Ltd., and the employees of Samart Telcoms Public Co., Ltd. and its subsidiaries at Baht 0 per unit. The exercise ratio is 1:1 and exercisable at a price of Baht 6.75 per share. The warrants have five years period as from the issuance date which will be expired on 28 May 2014. The warrants are exercisable on every 15th of the last month of each quarter throughout the terms of the warrants commencing 15 June 2009 to 28 May 2014.

Movement of warrants for the year ended 31 December 2014 was summarised below.

(Number of unit: Thousand Units)

Warrants issuance to	Balance as at 31 December 2013	Exercised during the year	Balance as at 31 December 2014
Directors	475	(475)	-
Employees	589	(589)	-
Total	1,064	(1,064)	-

18.4.2 The offering of warrants of Samart I-Mobile Public Co., Ltd.

On 24 April 2008, the Annual General Meeting of Samart I-Mobile Public Co., Ltd., a subsidiary company, passed a resolution to issue 140 million warrants, the offering price per unit is Baht 0, to the directors of Samart I-Mobile Public Co., Ltd., and the employees of Samart I-Mobile Public Co., Ltd., and its subsidiaries. The exercise ratio is 1:1 and the exercise price is Baht 2 per 1 ordinary share. Warrants to be allocated to the directors of Samart I-Mobile Public Co., Ltd., and the employee of Samart I-Mobile Public Co., Ltd., and its subsidiaries will be divided into 5 certificates with 5 years maturity from the issuance date. Each certificate will have the same date of issuance, offering and expiration with different exercise period as shown in the following detail. Each warrant holders can split exercise or fully exercise their right of the amount allocated for each certificate.

- Certificate No. 1 will represent 10% of total number of allocated warrants which is entitled to exercise since the first day of the exercise period until the expired date of warrants.
- Certificate No. 2 will represent 15% of total number of warrants allocated which is entitled to exercise after the end of the first year that the warrants are issued until the expired date of warrants.
- Certificate No. 3 will represent 20% of total number of warrants allocated which is entitled to exercise after the end of the second year that the warrants are issued until the expired date of warrants.
- Certificate No. 4 will represent 25% of total number of warrants allocated which is entitled to exercise after the end of the third year that the warrants are issued until the expired date of warrants.
- Certificate No. 5 will represent 30% of total number of warrants allocated which is entitled to exercise after the end of the fourth year that the warrants are issued until the expired date of warrants.

On 27 April 2009, the Annual General Meeting of shareholders of Samart I-Mobile Public Co., Ltd., passed a resolution to approve the revision of the exercise price of the warrants offering to directors of Samart I-Mobile Public Co., Ltd. and the employees of Samart I-Mobile Public Co., Ltd. and its subsidiaries from Baht 2 per share to be Baht 1.7 per share.

On 29 May 2009, Samart I-Mobile Public Co., Ltd. issued 100,250,000 warrants to directors of Samart I-Mobile Public Co., Ltd. and the employees of Samart I-Mobile Public Co., Ltd. and its subsidiaries at Baht 0 per unit, 39,750,000 warrants being cancelled as conditions of the warrant issue. The warrants have an exercise ratio of 1:1, are exercisable at a price of Baht 1.7 per share and have exercise period of five years period from the issue date, expiring on 28 May 2014. The warrants are exercisable on every 15th of the last month of each quarter throughout the terms from 15 June 2009 to 28 May 2014.

Movement of warrants for the year ended 31 December 2014 was summarised below.

(Number of unit: Thousand Units)

Warrants issuance to	Balance as at 31 December 2013	Transfer during the year	Exercised during the year	Balance as at 31 December 2014
Directors	18,560	(11,750)	(6,810)	-
Employees	8,220	11,750	(19,970)	-
Total	26,780	-	(26,780)	-

18.5 The Company and its subsidiaries pledged some of the shares they hold in some subsidiary companies to secure payment under long-term loans of the Company and its subsidiary as discussed in Note 28 to the financial statements. However, during the year the Company redeemed some pledged shares in some subsidiary companies from bank since it already paid long-term loans in whole.

19. Investment properties

(Unit: Thousand Baht)

	Consolidated financial statements	
	2014	2013
Balance at beginning of year	-	-
Transfer in (fair value at transfer date)	57,462	-
Gain from a fair value adjustment	17,211	-
Balance at end of year	74,673	-

During the year 2014, the management of Samart RadiTech Co., Ltd. and The Samart Engineering Co., Ltd. have to change the objective to use their owner-occupation to be owner-occupied property for investment property. Therefore they have been transferred and classified these assets to investment properties.

The investment properties of subsidiary companies represent land. Their fair values have been determined based on the valuation performed by an independent professional valuer, using the market comparison approach.

20. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	Revaluation basis	Cost basis					Total
	Land	Buildings and improvement	Office equipment	Machinery and equipment	Motor vehicles	Assets under installation	
Cost/Revalued amount:							
31 December 2012 - as previously reported	518,007	612,200	2,051,784	11,606,456	189,773	225,371	15,203,591
Cumulative effect of change in accounting policy (note 4)	-	(236,554)	-	(780,854)	-	-	(1,017,408)
31 December 2012 - as restated	518,007	375,646	2,051,784	10,825,602	189,773	225,371	14,186,183
Additions	-	13,714	35,986	645,242	31,936	173,173	900,051
Transfer in/(transfer out)	-	972	4,006	103,656	(3)	(66,435)	42,196
Disposals	-	-	(43,224)	(8,301)	(29,579)	-	(81,104)
Acquisitions of subsidiaries during the year	-	-	33,474	84,741	16,662	-	134,877
Translation adjustments	211	917	2,752	35,771	947	213	40,811

(Unit: Thousand Baht)

	Consolidated financial statements						
	Revaluation basis	Cost basis					Total
	Land	Buildings and improvement	Office equipment	Machinery and equipment	Motor vehicles	Assets under installation	
31 December 2013	518,218	391,249	2,084,778	11,686,711	209,736	332,322	15,223,014
Additions	-	3,892	145,085	857,607	21,933	149,556	1,178,073
Transfer in/(transfer out)	-	(1,611)	205,942	(130,902)	(252)	(342,602)	(269,425)
Transfer to investment property	(38,762)	-	-	-	-	-	(38,762)
Disposals	-	-	(26,305)	(30,857)	(22,549)	-	(79,711)
Revaluations	81,731	-	-	-	-	-	81,731
Acquisitions of subsidiaries during the year	-	-	52,154	198,991	18,345	-	269,490
Translation adjustments	14	40	(1,053)	2,513	45	49	1,608
31 December 2014	561,201	393,570	2,460,601	12,584,063	227,258	139,325	16,366,018

(Unit: Thousand Baht)

	Consolidated financial statements						
	Revaluation basis	Cost basis					Total
	Land	Buildings and improvement	Office equipment	Machinery and equipment	Motor vehicles	Assets under installation	
Accumulated depreciation:							
31 December 2012 - as previously reported	-	357,107	1,691,687	5,177,423	120,027	-	7,346,244
Cumulative effect of change in accounting policy (note 4)	-	(98,277)	-	(543,730)	-	-	(642,007)
31 December 2012 - as restated	-	258,830	1,691,687	4,633,693	120,027	-	6,704,237
Depreciation for the year	-	24,010	136,790	1,013,114	24,574	-	1,198,488
Transfer in/(transfer out)	-	-	(2,493)	(619)	(29)	-	(3,141)
Accumulated depreciation on disposals	-	-	(43,076)	(8,158)	(26,723)	-	(77,957)
Acquisitions of subsidiaries during the year	-	-	32,853	82,955	13,539	-	129,347
Translation adjustments	-	(410)	2,054	16,605	713	-	18,962
31 December 2013	-	282,430	1,817,815	5,737,590	132,101	-	7,969,936
Depreciation for the year	-	20,474	153,059	1,144,287	25,874	-	1,343,694
Transfer in/(transfer out)	-	-	(939)	(139,099)	(229)	-	(140,267)
Accumulated depreciation on disposals	-	-	(25,185)	(30,072)	(19,228)	-	(74,485)
Acquisitions of subsidiaries during the year	-	-	30,627	55,185	10,146	-	95,958
Translation adjustments	-	37	(1,010)	1,683	38	-	748
31 December 2014	-	302,941	1,974,367	6,769,574	148,702	-	9,195,584
Allowance for impairment loss:							
31 December 2012	-	7,680	8,717	2,662,952	-	13,068	2,692,417
Decrease during the year	-	-	-	(1,298)	-	-	(1,298)
31 December 2013	-	7,680	8,717	2,661,654	-	13,068	2,691,119
Decrease during the year	-	-	(454)	(164,661)	-	-	(165,115)
31 December 2014	-	7,680	8,263	2,496,993	-	13,068	2,526,004
Net book value:							
31 December 2013	518,218	101,139	258,246	3,287,467	77,635	319,254	4,561,959
31 December 2014	561,201	82,949	477,971	3,317,496	78,556	126,257	4,644,430
Depreciation for the year:							
2013 (Baht 1,044 million included in cost of sales and services, and the balance in selling expenses and administrative expenses)							1,198,488
2014 (Baht 1,172 million included in cost of sales and services, and the balance in selling expenses and administrative expenses)							1,343,694

(Unit: Thousand Baht)

	Separate financial statements						
	Revaluation basis	Cost basis					Total
		Buildings and improvement	Office equipment	Machinery and equipment	Motor vehicles	Assets under installation	
	Land						
Cost/Revalued amount:							
As at 31 December 2012 - as previously reported	193,983	288,080	500,050	112,798	34,538	-	1,129,449
Cumulative effect on change in accounting policy (Note 4)	-	(65,857)	-	-	-	-	(65,857)
31 December 2012 - as restated	193,983	222,223	500,050	112,798	34,538	-	1,063,592
Additions	-	210	1,410	827	3,404	349	6,200
Transfer in/(transfer out)	-	256	-	93	-	(349)	-
Disposals	-	-	(6,059)	(88)	-	-	(6,147)
31 December 2013	193,983	222,689	495,401	113,630	37,942	-	1,063,645
Additions	-	111	1,660	563	1,237	2,099	5,670
Transfer in/(transfer out)	-	-	1,581	-	-	(1,581)	-
Disposals	-	-	(3,141)	-	-	-	(3,141)
Revaluations	24,320	-	-	-	-	-	24,320
31 December 2014	218,303	222,800	495,501	114,193	39,179	518	1,090,494
Accumulated depreciation:							
As at 31 December 2012 - as previously reported	-	217,887	444,325	110,460	22,061	-	794,733
Cumulative effect on change in accounting policy (Note 4)	-	(50,148)	-	-	-	-	(50,148)
31 December 2012 - as restated	-	167,739	444,325	110,460	22,061	-	744,585
Depreciation for the year	-	11,572	17,264	809	4,117	-	33,762
Accumulated depreciation on disposals	-	-	(6,039)	(88)	-	-	(6,127)
31 December 2013	-	179,311	455,550	111,181	26,178	-	772,220
Depreciation for the year	-	10,992	17,584	877	4,546	-	33,999
Accumulated depreciation on disposals	-	-	(3,081)	-	-	-	(3,081)
31 December 2014	-	190,303	470,053	112,058	30,724	-	803,138
Net book value:							
As at 31 December 2013	193,983	43,378	39,851	2,449	11,764	-	291,425
As at 31 December 2014	218,303	32,497	25,448	2,135	8,455	518	287,356
Depreciation for the year:							
2013 (All depreciation included in administrative expenses)							33,762
2014 (All depreciation included in administrative expenses)							33,999

- As at 31 December 2014, the Company and its subsidiaries had machinery, vehicles and equipment under finance lease agreements with net book values of Baht 57 million and Separate financial statements: Baht 4 million (2013: Baht 36 million and Separate financial statements: Baht 6 million).
- As at 31 December 2014, certain items of building and equipment of the Company and its subsidiaries were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 5,440 million and Separate financial statements: Baht 586 million (2013: Baht 4,971 million and Separate financial statements: Baht 578 million).
- The Company and subsidiaries arranged for the independent professional valuer to appraise the value of land during the fourth quarter of 2014, using the basis of the market comparison approach. As a result of the reappraisal, the carrying amounts of land and surplus on revaluation of land increased by approximately Baht 82 million (Separate financial statements: Baht 24 million).

Had the land carried in the financial statements based on historical cost basis, their net book value as of 31 December 2014 and 2013 would have been as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Land	97,738	97,738	62,701	62,701

- d) Cambodia Air Traffic Services Co., Ltd., a subsidiary company, received some of the equipment transferred from The Cambodian State Secretariat of Civil Aviation (“SSCA”) under a Build Cooperate and Transfer contract with Government of Cambodia. The subsidiary company must return all equipment to SSCA at the end of the contract. Currently the above equipment are transferred to intangible assets (service concession) in accordance with TFRIC 12 Service Concession Arrangements, as described in Note 44.5 a) to the financial statements.
- e) As at 31 December 2013, the Company and its subsidiary companies mortgaged assets with total net book value amounting to approximately Baht 33 million (separate financial statements: Baht 12 million) as collateral against long-term loans received from a bank. During the current year, the Company and its subsidiary companies redeemed the above assets, since the Company and its subsidiary companies repaid the above loans in full.

As at 31 December 2014, Siam Sport Television Co., Ltd., the subsidiary company has mortgaged of assets with total net book value amounting to approximately Baht 59 million as collateral against credit facilities received from the financial institutions.

21. Prepaid rental to a related company

(Unit: Thousand Baht)

	Consolidated financial statements/Separate financial statements	
	2014	2013
Prepaid rental	375,669	375,669
<u>Less:</u> Accumulated amortisation	(196,183)	(183,660)
Prepaid rental - net	179,486	192,009

The Company has leased an office building from a related company for a period of 30 years, for which it paid full rental in advance. The payment was recorded as prepaid rental in the statement of financial position and amortised over the rental period.

22. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements							
	Service concession	Computer software	Right under license for provide communications via satellite	Air time	Right under the advertising agreement	Right under the distribution agreement	Right under license agreement for audit-visual of football match	Total
Cost								
31 December 2012 - as previously reported	-	253,361	235,499	-	27,500	4,530	8,587	529,477
Cumulative effect on change in accounting policy (Note 4)	830,174	(10,545)	-	-	-	-	-	819,629
31 December 2012 - as restated	830,174	242,816	235,499	-	27,500	4,530	8,587	1,349,106
Addition during the year	39,270	33,707	-	-	-	-	-	72,977
Transfer in	8,658	21,258	-	-	-	-	-	29,916
Translation adjustment	70,175	8,834	-	-	-	-	-	79,009
31 December 2013	948,277	306,615	235,499	-	27,500	4,530	8,587	1,531,008
Addition during the year	4,754	36,394	-	-	-	-	-	41,148
Acquisition of subsidiary during the year	-	5,641	-	3,534	-	-	-	9,175
Transfer in/Transfer out	11,890	(17)	-	-	-	-	-	11,873
Disposal/write-off	(15)	(647)	-	-	-	-	-	(662)
Translation adjustment	4,617	(140)	-	-	-	-	-	4,477
31 December 2014	969,523	347,846	235,499	3,534	27,500	4,530	8,587	1,597,019

(Unit: Thousand Baht)

	Consolidated financial statements							
	Service concession	Computer software	Right under license for provide communications via satellite	Air time	Right under the advertising agreement	Right under the distribution agreement	Right under license agreement for audit-visual of football match	Total
Accumulated amortisation								
31 December 2012 - as previously reported	-	123,853	62,520	-	27,500	4,530	5,725	224,128
Cumulative effect on change in accounting policy (Note 4)	246,219	(5,621)	-	-	-	-	-	240,598
31 December 2012 - as restated	246,219	118,232	62,520	-	27,500	4,530	5,725	464,726
Amortisation during the year	30,626	43,414	47,940	-	-	-	2,862	124,842
Transfer in	-	5,624	-	-	-	-	-	5,624
Translation adjustment	17,533	7,423	-	-	-	-	-	24,956
31 December 2013	294,378	174,693	110,460	-	27,500	4,530	8,587	620,148
Amortisation during the year	32,593	63,885	47,940	-	-	-	-	144,418
Transfer out	-	(6)	-	-	-	-	-	(6)
Accumulated amortisation for disposal/write-off of intangible asset	(14)	(344)	-	-	-	-	-	(358)
Translation adjustment	1,847	543	-	-	-	-	-	2,390
31 December 2014	328,804	238,771	158,400	-	27,500	4,530	8,587	766,592
Net book value								
31 December 2013	653,899	131,922	125,039	-	-	-	-	910,860
31 December 2014	640,719	109,075	77,099	3,534	-	-	-	830,427

Movements of the intangible assets account during the year ended 31 December 2014 were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements
Net book value as at 31 December 2013 - as previously reported	256,963
Cumulative effect of change in accounting policy (Note 4)	653,897
Net book value as at 31 December 2013 - as restated	910,860
Acquisition during the period - at cost	41,148
Acquisition subsidiary during the year	9,175
Transfer-in from property, plant and equipment	11,940
Amortisation for the period	(144,418)
Disposal during the period	(304)
Transfer intangible assets to cost of services	(61)
Exchange differences on translation of financial statements in foreign currencies	2,087
Net book value as at 31 December 2014	830,427

Service concession

Cambodia Air Traffic Services Co., Ltd., a subsidiary company, has service concession arrangement which can be summarised as follows:

Name of concession:	Contract to build, cooperate and transfer on air traffic control system (BCT contract)
Description of arrangement:	To develop and sole operate of the civil air traffic control and navigation system of Cambodia
Period of concession:	32 years expire in the year 2033
Significant conditions:	The subsidiary company is obliged to pay a fee to the Royal Government of the Kingdom of Cambodia based on its revenue. In addition, the subsidiary company has to transfer the ownership of the civil air traffic control, navigation system and all equipment to the Kingdom of Cambodia at the end of concession period without charge.

Right under license for provide communications via satellite

On 10 August 2011, the Board of the National Broadcasting and Telecommunications Commission passed a resolution approving the issue to Samart Telcoms Public Co., Ltd., a subsidiary company, of a 5-year, Type two telecommunication business license without own telecommunications network (Very Small Aperture Terminal (VSAT) service). The license is effective from the date of termination of the old contract to provide local audio and visual data communications via satellite services (13 September 2011). The subsidiary company is obliged to comply with various conditions, which included a commitment to hand over the telecommunications equipment used in provision of the data communication via satellite service to the National Broadcasting and Telecommunications Commission within 11 December 2011, and to pay an annual service fee. Although, as at 31 December 2014, the subsidiary company is still in the process of handing over the telecommunications equipment, the subsidiary company's management believes that no penalty will be charged for late delivery, and so no provision for such a penalty has been recorded in the books of account. In addition, the subsidiary company is negotiating to purchase back equipment after completing of hand over the above equipment.

The subsidiary company assessed the impairment of licenses by determining the present value of projected future cash inflows on the basis of certain assumptions and operations plans prepared by the subsidiary company's management. Based on such information, as at 31 December 2014, such assets have not been impairment. However, future changes in market competition and changing technology in the industry are significant factors that could further reduce the value of projected future cash inflows below the book values as stated in the statement of financial position.

Right under license agreement for audio-visual of football match

On 4 January 2011, I-Sport Co., Ltd., a subsidiary company, entered into an agreement with an overseas company to acquire a football broadcast license for a period of three years, commencing on 4 January 2011. The subsidiary company is obliged to comply with conditions as stated in the agreement.

23. Assets held for future projects

(Unit: Thousand Baht)

	Consolidated financial statements			
	Revaluation basis	Cost basis		Total
	Land	Building and improvement	Machinery and equipment	
Cost/Revalued amount:				
31 December 2012 - as previously report	60,696	4,923	11,478	77,097
Cumulative effect of change in accounting policies (Note 4)	-	(728)	-	(728)
31 December 2012 - as restated	60,696	4,195	11,478	76,369
31 December 2013	60,696	4,195	11,478	76,369
Transfer to investment property	(18,700)	-	-	(18,700)
Decrease in revaluation during the year	(18,748)	-	-	(18,748)
31 December 2014	23,248	4,195	11,478	38,921
Accumulated depreciation:				
31 December 2012 - as previously report	-	3,405	11,478	14,883
Cumulative effect of change in accounting policy (Note 4)	-	(503)	-	(503)
31 December 2012 - as restated	-	2,902	11,478	14,380
Depreciation for the year	-	210	-	210
31 December 2013	-	3,112	11,478	14,590
Depreciation for the year	-	210	-	210
31 December 2014	-	3,322	11,478	14,800
Net book value:				
1 January 2013	60,696	1,293	-	61,989
31 December 2013	60,696	1,083	-	61,779
31 December 2014	23,248	873	-	24,121
Depreciation for the years:				
2013 (All depreciation included in administrative expenses)				210
2014 (All depreciation included in administrative expenses)				210

(Unit: Thousand Baht)

	Separate financial statements			
	Revaluation basis	Cost basis		Total
	Land	Building and improvement	Machinery and equipment	
Cost/Revalued amount:				
31 December 2012 - as previously report	41,996	4,923	11,478	58,397
Cumulative effect of change in accounting policies (Note 4)	-	(728)	-	(728)
31 December 2012 - as restated	41,996	4,195	11,478	57,669
31 December 2013	41,996	4,195	11,478	57,669
Decrease in revaluation during the year	(18,748)	-	-	(18,748)
31 December 2014	23,248	4,195	11,478	38,921
Accumulated depreciation:				
31 December 2012 - as previously report	-	3,405	11,478	14,883
Cumulative effect of change in accounting policies (Note 4)	-	(503)	-	(503)
31 December 2012 - as restated	-	2,902	11,478	14,380
Depreciation for the year	-	210	-	210
31 December 2013	-	3,112	11,478	14,590
Depreciation for the year	-	210	-	210
31 December 2014	-	3,322	11,478	14,800

(Unit: Thousand Baht)

	Separate financial statements			
	Revaluation basis	Cost basis		Total
	Land	Building and improvement	Machinery and equipment	
Net book value:				
1 January 2013	41,996	1,293	-	43,289
31 December 2013	41,996	1,083	-	43,079
31 December 2014	23,248	873	-	24,121
Depreciation for the years:				
2013 (All depreciation included in administrative expenses)				210
2014 (All depreciation included in administrative expenses)				210

The Company and subsidiaries arranged for the independent professional valuers to appraise the value of land during the fourth quarter of 2014, using the market comparison approach. As a result of the reappraisal, the carrying amounts of total assets and surplus on revaluation of land decreased by approximately Baht 19 million (Separate financial statement: decreased Baht 19 million).

Had the land been carried in the financial statements based on historical cost basis, their net book value as at 31 December 2014 and 2013 would have been as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Land	24,948	73,823	24,948	24,948

24. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)		Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013	2014	2013
Bank overdrafts	7.13 - 7.78	6.88 - 7.78	70,468	83,129	-	-
Short-term loans from financial institutions	3.30 - 6.63	3.77 - 6.75	6,416,252	3,074,436	2,700,550	195,597
Bill of exchange	2.95 - 3.40	-	300,000	-	100,000	-
Trust receipts						
Baht	1.53 - 4.45	2.10 - 5.50	4,438,578	3,019,141	-	-
US dollars	1.53 - 1.55	1.49 - 1.64	50,290	134,932	-	-
Total			11,275,588	6,311,638	2,800,550	195,597

Short-term loan from financial institutions of the Company are secured by the pledge of shares it holds in some subsidiaries.

Bank overdrafts, short-term loans from financial institutions and trust receipts of subsidiaries are secured by the pledge of the subsidiaries' some bank deposits, cross-guarantee by the Company and its subsidiaries, transfer and assign of right over collection of any contract/ project as specified in loan agreements, and is guaranteed by the Company and its subsidiaries, Siam Sport Syndicate Public Co., Ltd., and two individual persons.

In addition, short-term loan agreements with banks of the Company and its subsidiaries contain certain conditions as specified in the agreements that require the Company and its subsidiaries to comply.

25. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade accounts payable - related parties (Note 7)	35	69	196,341	56,852
Trade accounts payable - unrelated parties	2,301,230	3,505,116	247,579	-
Other payables - related parties	5,393	6,606	1,876	2,609
Accrued interest expenses to related parties	-	-	1,845	1,579
Total other payables and accrued interest expenses - related parties (Note 7)	5,393	6,606	3,721	4,188
Other payables - unrelated parties	254,669	206,169	37,989	18,801
Other payables for purchase of machinery and equipment	14,288	2,992	651	243
Accrued expenses	355,090	403,882	41,096	23,447
Accrued interest expenses to unrelated parties	30,757	22,567	747	402
Total trade and other payables	2,961,462	4,147,401	528,124	103,933

26. Short-term loan

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Short-term loans from related parties (Note 7)	-	-	367,000	372,000
Short-term loans from unrelated party	18,294	-	-	-
Total short-term loans	18,294	-	367,000	372,000

Short-term loans from unrelated party

This represents short-term loan from Siam Sport Syndicate Public Co., Ltd. which carries interest at a rate of 5% per annum.

27. Short-term debentures

Debentures as at 31 December 2014 and 2013, which are unsubordinated, unsecured debentures with registered name, were summarised below.

Name of debenture	Fixed interest rate	Period	Maturity date	Consolidated financial statements / Separate financial statements			
				Unit		Amount	
				2014 (Thousand units)	2013 (Thousand units)	2014 (Thousand Baht)	2013 (Thousand Baht)
SAMTEL14220A	4.20% p.a.	265 days	20 February 2014	-	100	-	100,000
SAMTEL14403A	4.20% p.a.	266 days	3 April 2014	-	200	-	200,000
SAMTEL14219A	3.45% p.a.	188 days	19 February 2014	-	200	-	200,000
SAMTEL14612A	4.20% p.a.	267 days	12 June 2014	-	200	-	200,000
SAMTEL14403B	3.45% p.a.	190 days	3 April 2014	-	100	-	100,000
SAMTEL14612B	4.20% p.a.	260 days	12 June 2014	-	100	-	100,000
SAMTEL14724A	4.20% p.a.	265 days	24 July 2014	-	200	-	200,000
SAMTEL14507A	3.45% p.a.	182 days	7 May 2014	-	150	-	150,000
SAMTEL14514A	3.45% p.a.	181 days	14 May 2014	-	150	-	150,000
SAMTEL14807A	4.40% p.a.	266 days	7 August 2014	-	60	-	60,000

Name of debenture	Fixed interest rate	Period	Maturity date	Consolidated financial statements / Separate financial statements			
				Unit		Amount	
				2014 (Thousand units)	2013 (Thousand units)	2014 (Thousand Baht)	2013 (Thousand Baht)
SAMTEL15227A	3.70% p.a.	260 days	27 February 2015	300	-	300,000	-
SAMTEL15219A	3.60% p.a.	210 days	19 February 2015	150	-	150,000	-
SAMTEL15128A	3.03% p.a.	182 days	28 January 2015	50	-	50,000	-
SAMTEL15521A	3.70% p.a.	268 days	21 May 2015	200	-	200,000	-
SAMTEL15504A	3.60% p.a.	215 days	4 May 2015	100	-	100,000	-
SAMTEL15507A	2.99% p.a.	183 days	7 May 2015	100	-	100,000	-
SAMTEL15803A	3.50% p.a.	183 days	3 August 2015	100	-	100,000	-
SAMTEL15807A	3.80% p.a.	268 days	7 August 2015	100	-	100,000	-
SAMTEL15807B	3.80% p.a.	266 days	7 August 2015	50	-	50,000	-
SAMTEL15807C	3.50% p.a.	268 days	7 August 2015	100	-	100,000	-
SAMTEL15NA	3.35% p.a.	363 days	17 November 2015	310	-	310,000	-
Total short-term debentures						1,560,000	1,460,000

Movements in the short-term debenture account for the year ended 31 December 2014 were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements
Balance as at 31 December 2013	1,460,000
<u>Add:</u> Debentures issued during the year	2,420,000
<u>Less:</u> Redemption of debentures during the year	(2,320,000)
Balance as at 31 December 2014	1,560,000

28. Long-term loans from financial institutions

The detail of long-term loans from financial institutions as at 31 December 2014 and 2013 are summarised below:

(Unit: Thousand Baht)

No.	Lender	Credit facilities	Significant terms and conditions of loan agreements			Consolidated financial statements		Separate financial statements	
			Repayment term	Collateral	Interest rate	2014	2013	2014	2013
		(Million Baht)			(percent per annum)				
The Company									
1.	Bank	15	Monthly installment within 10 years (from April 2010 to March 2020)	Mortgage the construction and acquire insurance for it. Assign the beneficiary rights under such insurance policy. However, during 2014, the Company redeemed and does not have pledge any assets to the bank.	MLR-1.25	-	10,791	-	10,791
2.	Bank	400	Monthly installment within 7 years and 9 months, from June 2014 to September 2018 with a grace period of 3 years and 5 months.	Pledge some of subsidiaries' shares hold by the Company. However, during 2014, the Company redeemed the pledge of subsidiaries' shares.	MLR-1	-	400,000	-	400,000

(Unit: Thousand Baht)

No.	Lender	Credit facilities	Significant terms and conditions of loan agreements			Consolidated financial statements		Separate financial statements	
			Repayment term	Collateral	Interest rate	2014	2013	2014	2013
		(Million Baht)			(percent per annum)				
Subsidiaries									
Kampot Power Plant Co., Ltd.									
1.	Bank	USD 17 million	Quarterly installment within 8 years (from May 2008 to February 2015).	Assign the right to receive the payment for electricity and guaranteed by the Company. On 1 June 2012, the Company cancelled the guarantee in accordance with the conditions in the loan agreement.	LIBOR+1	24,570	122,900	-	-

(Unit: Thousand Baht)

No.	Lender	Credit facilities	Significant terms and conditions of loan agreements			Consolidated financial statements		Separate financial statements	
			Repayment term	Collateral	Interest rate (percent per annum)	2014	2013	2014	2013
Cambodia Air Traffic Services Co., Ltd.									
2.	Bank	USD 14 million	Quarterly installment within 5 years and 3 months, from August 2008 to August 2013. Subsequently, during August 2013 the subsidiary has signed the amendment to extend period for a period of 2 years and 9 months effective from August 2013 and the principal is to be repaid on quarterly basis by installments of USD 0.5 million. The final payment is due in May 2016.	An assignment of right under the Contract to Build Cooperate and Transfer of Air Traffic Control System between the Royal Government of Cambodia and is guaranteed by the Company (until the outstanding loan reduces to 60 percent of total loan amount), issue a negative pledge letter to confirm that assets of subsidiaries will not be pledged with other financial institutions to secure loans. On 30 November 2011, the Company cancelled the pledge made by the Company.	LIBOR+2.75	94,595	159,793	-	-
Samart Telcoms Public Co., Ltd.									
3.	Financial institution	15	Monthly installments of Baht 0.2 million from April 2010 to April 2020. Full loan repayment must be made within 10 years.	Land with structures thereon. However, during 2014, a subsidiary company redeemed and does not have pledge any assets to the bank.	MLR-1.25	-	8,513	-	-
4.	Bank	1,552	For the loan facility amount of Baht 600 million Quarterly installments of Baht 150 million. Full loan repayment must be made within 18 months. The first installment will be paid on 31 March 2013 For the loan facility amount of Baht 952 million Monthly installments of Baht 17.6 million. The first installment will be paid on 31 January 2013.	Samart Communication Services Co., Ltd and shares of Portalnet Co., Ltd.	MLR-1.75	260,880	740,440	-	-

(Unit: Thousand Baht)

No.	Lender	Credit facilities	Significant terms and conditions of loan agreements			Consolidated financial statements		Separate financial statements	
			Repayment term	Collateral	Interest rate	2014	2013	2014	2013
		(Million Baht)			(percent per annum)				
Samart Communications Services Co., Ltd.									
5.	Bank	755	Monthly installments of Baht 23.7 million, from December 2011 with a grace period of 3 months. Full loan repayment must be made within 5 years.	Assign the right over collection of 60% of services fee but not less than Baht 19 million under a service agreement regarding the efficiency enhancement of MOENet project and it shall be guaranteed by Samart Telcoms Plc.	MLR-1.25	-	235,576	-	-
6.	Bank	190	Monthly installments of Baht 3.4 million from August 2011. Full loan repayment must be made within 5 years and 3 months.	Assign the right over collection of 70% of service fee under a lease agreement regarding safety network system of Mabtapud Industrial Estate and it shall be guaranteed by Samart Telcoms Plc.	MLR-1	-	68,252	-	-
7.	Bank	75	Monthly installments of Baht 1.8 million from June 2012. Full loan repayment must be made within 42 months.	Assign the right over collection of Baht 1.8 million of monthly service fee under a lease agreement a hotline news distribution center and it shall be guaranteed by Samart Telcoms Plc.	MLR-1	-	34,600	-	-
Samart I-Mobile Public Co., Ltd.									
8.	Bank	12	Repayable in 120 monthly installments, with the first of these due in April 2010 and is to be repaid in full within March 2020.	Mortgage of a condominium unit and the transfer of the beneficiary rights under insurance policy for a condominium unit to the bank. Subsequently, in August 2014, the subsidiary redeemed the mortgage asset security.	MLR-1.25	-	7,665	-	-

(Unit: Thousand Baht)

No.	Lender	Credit facilities (Million Baht)	Significant terms and conditions of loan agreements			Consolidated financial statements		Separate financial statements	
			Repayment term	Collateral	Interest rate (percent per annum)	2014	2013	2014	2013
Siam Sport Television Co., Ltd.									
9.	Bank	57	<div>- The 1st to the 3rd periods payment interest of loans withdrawn with the installment at the end of month.</div> <div>- From the 4th period, the principal and interest payment not less than Baht 1.14 million per month, which have to be paid within 5 years.</div>	1. Siam Sport Syndicate Public Company Limited (The former shareholder) 2. Two individual persons 3. Motor vehicles with transmission tools and equipment	MLR-0.50 for the first year MLR-0.25 for the 2 nd year until the last payment date	18,662	-	-	-
10.	Bank	30	The principal and interest will be monthly repaid at Baht 0.55 million with the first installment on 20 August 2012, which have to be paid within 5 years.	1. Siam Sport Syndicate Public Company Limited (The former shareholder) 2. Two individual persons 3. Motor vehicles with transmission tools and equipment	3	15,632	-	-	-
11.	Bank	30	<div>- The 1st to the 3rd periods payment interest of loans withdrawn at 25th of each month.</div> <div>- From the 4th period, the principal and interest payment not less than Baht 1.35 million per month with the first installment on 25 October 2014, which have to be paid within 2 years.</div>	1. Siam Sport Syndicate Public Company Limited (The former shareholder) 2. Two individual persons	MLR-0.50	26,430	-	-	-
Total loans from financial institutions						440,769	1,788,530	-	410,791
Less: Current portion						(337,491)	(730,549)	-	(53,839)
Long-term loans - net of current portion						103,278	1,057,981	-	356,952

29. Liabilities under finance lease agreements

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Liabilities under finance lease agreements	60,183	47,665	6,583	8,561
Less: Deferred interest expenses	(4,460)	(4,240)	(379)	(714)
Total	55,723	43,425	6,204	7,847
Less: Portion due within one year	(18,344)	(9,028)	(1,721)	(1,642)
Liabilities under finance lease agreements - net of current portion	37,379	34,397	4,483	6,205

The Company and subsidiaries have entered into the finance lease agreements with leasing companies for rental of equipment and motor vehicles for use in their operation, whereby they are committed to pay rental on a monthly basis. The terms of the agreements are generally between 3 and 5 years.

Future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Less than 1 year		1 - 5 years		Total	
	2014	2013	2014	2013	2014	2013
Future minimum lease payments	20,946	10,818	39,237	36,847	60,183	47,665
Deferred interest expenses	(2,602)	(1,790)	(1,858)	(2,450)	(4,460)	(4,240)
Present value of future minimum lease payments	18,344	9,028	37,379	34,397	55,723	43,425

(Unit: Thousand Baht)

	Separate financial statements					
	Less than 1 year		1 - 5 years		Total	
	2014	2013	2014	2013	2014	2013
Future minimum lease payments	1,977	1,977	4,606	6,584	6,583	8,561
Deferred interest expenses	(256)	(335)	(123)	(379)	(379)	(714)
Present value of future minimum lease payments	1,721	1,642	4,483	6,205	6,204	7,847

30. Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Undue output tax	86,218	125,999	-	-
Deposits	133,424	260,557	65,330	241,266
Value added tax payable	49,296	6,439	-	-
Others	241,769	310,878	1,927	1,927
Total	510,707	703,873	67,257	243,193

31. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Provision for long-term employee benefits at beginning of year	113,733	91,662	20,112	19,372
Current service cost	18,521	7,654	1,707	1,467
Interest cost	5,220	3,587	943	809
Benefits paid during the year	(4,356)	(2,984)	-	(1,536)
Actuarial loss	11,751	536	1,806	-
Increase in provision for long-term employee benefit from acquisition of subsidiaries	3,153	13,278	-	-
Provision for long-term employee benefits at end of year	148,022	113,733	24,568	20,112

Long-term employee benefit expenses included in the profit or loss was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Current service cost	18,521	7,654	1,707	1,467
Interest cost	5,220	3,587	943	809
Total expenses recognised in profit or loss	23,741	11,241	2,650	2,276
Line items under which such expenses are included in profit or loss				
Cost of services	3,216	2,244	-	-
Selling expenses	3,798	2,079	-	-
Administrative expenses	16,727	6,918	2,650	2,276

As at 31 December 2014 and 2013, the cumulative actuarial losses, which were recognised in other comprehensive income of the Company and its subsidiaries, amounted to Baht 15.7 million and Baht 3.9 million (Separate financial statements: Baht 2.5 million and Baht 0.7 million), respectively.

Key actuarial assumptions used for the valuation are as follows:

	Consolidated financial statements		Separate financial statements	
	2014 (%per annum)	2013 (%per annum)	2014 (%per annum)	2013 (%per annum)
Discount rate	4.3	4.1	4.3	4.1
Future salary increase rate	2.5 - 7.0	4.0 - 6.0	4.0 - 7.0	4.0 - 6.0
Staff turnover rate (depending on age)	0 - 24	0 - 20	0 - 24	0 - 20

The amounts of defined benefit obligation and experience adjustments for the current year and the past four years are as follows:

(Unit: Thousand Baht)

	Defined benefit obligation		Experience adjustments on benefit obligation	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Year 2014	148,022	24,569	13,091	1,941
Year 2013	113,733	20,112	-	-
Year 2012	91,662	19,372	-	-
Year 2011	89,819	20,217	-	-
Year 2010	81,716	22,126	-	-

32. Warrants

On 24 April 2008, the Annual General Meeting of the Company passed a resolution to issue 30 million warrants, the offering price per unit is Baht 0, to the Company's directors and the employee of the Company and its non-listed direct subsidiaries. The exercise ratio is 1:1 and the exercise price is Baht 7.75 per 1 ordinary share. Warrants to be allocated to the Company's directors and the employee of the Company and its non-listed direct subsidiaries will be divided into 5 certificates with 5 years maturity from the issuance date. Each certificate will have the same date of issuance, offering and expiration with different exercise period as shown in the following detail. Each warrant holders can split exercise or fully exercise their right of the amount allocated for each certificate.

- Certificate No. 1 will represent 10% of total number of allocated warrants which is entitled to exercise since the first day of the exercise period until the expired date of warrants.
- Certificate No. 2 will represent 15% of total number of allocated warrants which is entitled to exercise after the end of the first year that the warrants are issued until the expired date of warrants.
- Certificate No. 3 will represent 20% of total number of allocated warrants which is entitled to exercise after the end of the second year that the warrants are issued until the expired date of warrants.
- Certificate No. 4 will represent 25% of total number of allocated warrants which is entitled to exercise after the end of the third year that the warrants are issued until the expired date of warrants.
- Certificate No. 5 will represent 30% of total number of allocated warrants which is entitled to exercise after the end of the fourth year that the warrants are issued until the expired date of warrants.

On 27 April 2009, the Annual General Meeting of the Company passed a resolution to approve the revision of the exercise price of the warrants offering to the Company's directors and the employees of the Company and its subsidiaries from Baht 7.75 per share to be Baht 5.45 per share.

On 29 May 2009, the Company has issued and offered 30 million warrants of the second project to the Company's directors and the employees of the Company and its non-listed direct subsidiaries. The warrants will be expired on 28 May 2014. The warrants are exercisable on every 15th of the last month of each quarter throughout the terms of the warrants commencing 15 June 2009 to 28 May 2014.

On 15 May 2012, the Board of the Nomination and Remuneration Committee of the Company passed a resolution granting the Directors' approval of transfer the rights to 1,100,000 warrants to employees.

Up to 31 December 2014, the Company's directors, the Company and subsidiaries' employees had exercised their rights of the second project to convert 30,000,000 warrants (2013: 25,592,000 warrants) as summarised below.

Exercise date	Number of exercised warrants	Ordinary shares from exercise of warrants		Premium on share capital from exercise of warrants	Cash receipts from warrants exercised	Registration date with the Ministry of Commerce
	(Thousand Units)	(Thousand shares)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	
Total for the second quarter of 2009 to the fourth quarter of 2012	14,144	14,144	14,144	62,938	77,082	15 March 2013 18 June 2013 17 September 2013 17 December 2013 18 March 2014 29 May 2014
The first quarter of 2013	4,698	4,698	4,698	20,906	25,604	
The second quarter of 2013	6,405	6,405	6,405	28,505	34,910	
The third quarter of 2013	300	300	300	1,335	1,635	
The fourth quarter of 2013	45	45	45	200	245	
The first quarter of 2014	4,234	4,234	4,234	18,842	23,076	
The second quarter of 2014	174	174	174	774	948	
Total	30,000	30,000	30,000	133,500	163,500	

Movements of warrants for the year ended 31 December 2014 are summarised below.

(Number of unit: Thousand units)

Warrants issuance to	Balance as at 31 December 2013	Exercised the year	Balance as at 31 December 2014
Directors	2,900	(2,900)	-
Employees	1,508	(1,508)	-
Total	4,408	(4,408)	-

33. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside as a statutory reserve at least 5 percent of its net profit for the year after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered share capital. The statutory reserve could not be used for dividend payment. At present, the statutory reserve has fully been set aside.

34. Other income

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
		(Restated)		
Management fee income	-	-	399,374	365,724
Income from debt reduction from suppliers	2,000	295	-	-
Selling support income	29,421	18,630	-	-
Interest income	19,520	9,099	8,899	12,386
Gain on exchange	52,176	-	9,589	2,545
Gain on revaluation of investment property	17,211	-	-	-
Gain on disposal of equipments and intangible assets	8,478	14,191	-	47
Gain on disposal of investment in subsidiaries	-	-	1,102,109	14,552
Gain on disposal of temporary investment in trading securities (Note 9)	15,606	4,069	9,267	1,157
Dividend income	7,096	389	661,556	513,493
Gain from compensation receipt from insurance	60,036	-	-	-
IT service fee from subsidiary companies	-	-	96,404	96,404
Others	104,574	80,914	76,253	78,356
Total	316,118	127,587	2,363,451	1,084,664

Compensation received from insurance - Fire

On 29 March 2014, there was fire at a backup site used to provide computer software services for the core business operations of Portalnet Co., Ltd., a subsidiary company. The fire caused damage to fixed assets of the subsidiary with net book values totaling Baht 54 million. However, the subsidiary company had insurance coverage for direct damage to most of these assets, with net book values totaling Baht 45 million, while assets with net book values amounting to Baht 10 million did not have insurance coverage.

Subsequently, on 30 June 2014, the subsidiary company received a letter from the insurance company confirming that it would receive compensation for these losses of approximately Baht 104 million and the subsidiary company recorded the insurance compensation claim received net of the losses from the fire incident, amounting to Baht 60 million, as other income in the income statement for the year ended 31 December 2014. The subsidiary company has already received the full amount of insurance compensation in August 2014.

35. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
		(Restated)		(Restated)
Salaries, wages and other employee benefits	2,032,130	1,748,640	153,362	145,212
Promotion and advertising expenses	998,241	1,049,715	19,706	6,084
Changes in inventories of finished goods and work in progress - (increase) decrease	(1,295,518)	(802,170)	122,095	(134,553)
Depreciation	1,343,902	1,252,442	34,209	38,364
Rental expenses from operating lease agreements	268,127	247,610	46,986	46,444
Raw materials and consumables used	630,895	29,962	-	-
Loss on change in value of temporary investments in trading securities	9,218	3,081	5,570	56
Amortisation expenses	156,940	135,522	12,522	12,522
Raw materials, equipment and cost of projects used	4,875,383	4,806,112	1,055,271	1,341
Purchase finished goods for sales	10,022,805	11,857,310	-	-

36. Other expenses

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Loss on exchange	-	31,439	-	-
Loss on change in value of temporary investments in trading securities (Note 9)	9,218	3,081	5,569	56
Loss on impairment of investments in subsidiary companies	-	-	-	19,572
Loss on write-off equipments	9,580	54	-	-
Provision for doubtful debts and diminution in value of assets	9,044	47,202	5,567	-
Others	302	5,250	31	1,616
Total other expenses	28,144	87,026	11,167	21,244

37. Finance cost

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Interest expense on:				
Bank loans, overdrafts and trust receipts	417,298	475,801	67,565	33,489
Loans from related parties	-	-	11,561	8,507
Liabilities under finance lease agreements	1,824	2,209	335	411
Total interest expenses	419,122	478,010	79,461	42,407
Bank charges	32,852	31,702	507	225
Total finance cost	451,974	509,712	79,968	42,632

38. Income tax

Income tax expenses for the years ended 31 December 2014 and 2013 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Current income tax:		(Restated)		(Restated)
Current income tax charge	274,291	259,064	159,738	40,886
Adjustment in respect of current income tax of previous year	683	439	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	29,643	33,294	(1,336)	5,184
Income tax expense reported in the income statement	304,617	292,797	158,402	46,070

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2014 and 2013 were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Deferred tax relating to loss on change in value of available-for-sale investments	14,585	2,471	-	-
Deferred tax relating to loss on actuarial losses	2,350	107	361	-
Deferred tax relating to revaluation of land	(13,494)	-	(1,809)	-
Total	3,441	2,578	(1,448)	-

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2014 and 2013 was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
		(Restated)		(Restated)
Accounting profit before tax	2,298,445	2,338,249	2,002,835	712,767
Applicable tax rate	16.5 - 25%	0% - 25%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	456,920	460,804	400,567	142,553
Adjustment in respect of current income tax of previous year	683	439	-	-
Effects of:				
Promotional privileges (Note 42)	(116,852)	(122,221)	-	-
Utilisation of tax loss carry forward	(40,725)	(8,240)	-	-
Non-deductible expenses	55,567	37,616	7,326	8,011
Additional expense deductions allowed	(62,348)	(56,037)	(180)	(427)
Income not subject to tax	(4,886)	(456)	(249,311)	(104,067)
Others	1,150	501	-	-
Total	(168,094)	(148,837)	(242,150)	(96,483)
Income tax on loss carry forwards from acquisition of subsidiary company during the year	-	(41,470)	-	-
Deferred tax assets not recognised	15,108	21,861	-	-
Income tax expenses reported in income statement	304,617	292,797	158,402	46,070

The components of deferred tax assets and deferred tax liabilities were as follows:

(Unit: Thousand Baht)

	Statements of financial position					
	Consolidated financial statements			Separate financial statements		
	31 December 2014	31 December 2013	1 January 2013	31 December 2014	31 December 2013	1 January 2013
		(Restated)			(Restated)	
Deferred tax assets						
Loss on changes in value of available-for-sale investments	17,154	2,569	98	-	-	-
Allowance for doubtful accounts	5,451	6,737	6,406	-	-	-
Allowance for diminution in value of inventories	20,799	24,858	15,777	-	-	-
Allowance for asset impairment	6,574	10,439	13,536	490	71	3,497
Accumulated depreciation - Equipment	41,328	31,327	18,421	2,634	4,740	6,958
Provision for long-term employee benefits	30,051	23,522	19,028	5,074	4,144	4,002
Unused tax loss	37,091	63,645	113,326	-	-	-
Others	31,088	26,036	31,082	3,023	569	251
Total	189,536	189,133	217,674	11,221	9,524	14,708
Deferred tax liabilities						
Accumulated amortisation - License	15,420	23,404	33,478	-	-	-
Accumulated amortisation - Intangible assets	119,201	107,963	100,314	-	-	-
Surplus on revaluation of land	87,941	73,067	73,067	31,475	29,666	29,666
Others	4,593	6,086	1,113	-	-	-
Total	227,155	210,520	207,972	31,475	29,666	29,666
Deferred tax, net	(37,619)	(21,387)	9,702	(20,254)	(20,142)	(14,958)

Deferred tax assets and liabilities in statement of financial position were as follows:

(Unit: Thousand Baht)

	Statements of financial position					
	Consolidated financial statements			Separate financial statements		
	31 December 2014	31 December 2013	1 January 2013	31 December 2014	31 December 2013	1 January 2013
Deferred tax assets	122,752	(Restated) 124,231	153,442	-	(Restated) -	-
Deferred tax liabilities	(160,371)	(145,618)	(148,740)	(20,254)	(20,142)	(14,958)
Deferred tax, net	(37,619)	(21,387)	9,702	(20,254)	(20,142)	(14,958)

As at 31 December 2014 the subsidiary companies has deductible temporary differences and unused tax losses totaling Baht 189 million and Indonesian Rupiah 3,512 million (2013: Baht 179 million and Indonesian Rupiah 4,352 million), on which deferred tax assets have not been recognised as the Company believes that the subsidiaries' future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

39. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the total sum of the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued according to the portion of warrant exercise.

39.1 Weighted average number of ordinary shares

(Unit: Thousand Shares)

	Consolidated financial statements/Separate financial statements	
	2014	2013
Balance brought forward	1,002,096	990,647
Add: Weighted average number of ordinary shares in issue during the year	3,468	7,323
Weighted average number of ordinary shares	1,005,564	997,970

39.2 Reconciliation of basic and diluted earnings per share

	Consolidated financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2014 (Thousand Baht)	2013 (Thousand Baht)	2014 (Thousand Shares)	2013 (Thousand Shares)	2014 (Baht)	2013 (Baht)
Basic earnings per share		(Restated)				(Restated)
Profit attributable to equity holders of the Company	1,484,139	1,473,899	1,005,564	997,970	1.48	1.48
Effect of dilutive potential ordinary shares						
Warrants to the directors of the Company and employees of the Company and subsidiaries : Nil (2013: 4,408,000 warrants)			719	6,232		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares	1,484,139	1,473,899	1,006,283	1,004,202	1.47	1.47

	Separate financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2014 (Thousand Baht)	2013 (Thousand Baht)	2014 (Thousand Shares)	2013 (Thousand Shares)	2014 (Baht)	2013 (Baht)
Basic earnings per share		(Restated)				(Restated)
Profit attributable to equity holders of the Company	1,844,433	666,697	1,005,564	997,970	1.83	0.67
Effect of dilutive potential ordinary shares						
Warrants to the directors of the Company and employees of the Company and subsidiaries : Nil (2013: 4,408,000 warrants)			719	6,232		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares	1,844,433	666,697	1,006,283	1,004,202	1.83	0.66

40. Dividends

	Approved by	Total dividends	Dividend per share	Paid on
		(Million Baht)	(Baht)	
2014				
Dividends from 2013 income	Annual General Meeting of the shareholders on 29 April 2014	804	0.80	
<u>Less:</u> Interim dividend on income for the six-month period ended 30 June 2013	A meeting of Board of Directors on 14 August 2013	(351)	(0.35)	12 September 2013
Dividends from income for the year 2013 paid in 2014		453	0.45	19 May 2014
Interim dividend on income for the six-month period ended 30 June 2014	A meeting of Board of Directors on 8 August 2014	422	0.42	5 September 2014
Total dividend payment for the year ended 31 December 2014		875	0.87	
2013				
Dividends from 2012 income	Annual General Meeting of the shareholders on 25 April 2013	596	0.60	
<u>Less:</u> Interim dividends from income for the six-month period ended 30 June 2012	A meeting of Board of Directors on 14 August 2012	(198)	(0.20)	12 September 2012
Dividends from income for the year 2012 paid in 2013		398	0.40	10 May 2013
Interim dividend from income for the six-month period ended 30 June 2013	A meeting of Board of Directors on 14 August 2013	351	0.35	12 September 2013
Total dividend payment for the year ended 31 December 2013		749	0.75	

41. Provident fund

The Company, subsidiaries companies and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company subsidiary companies and their employees contributed to the fund monthly at the rate of 3 percent to 10 percent of basic salary. The fund, which is managed by Bangkok Bank Public Company Limited, will be paid to the employees upon termination in accordance with the fund rules.

During the year 2014, the Company and its subsidiary companies contributed amounted to approximately Baht 51 million (2013: Baht 46 million) (Separate financial statement: Baht 7 million (2013: Baht 6 million)) to the fund.

42. Promotional privileges

Subsidiaries have been granted promotional privileges under the Investment Promotion Act B.E. 2520 by the Board of Investment under certain significant conditions. Significant privileges are as follows:

Details	Brain Source Co., Ltd.	Smarterware Co., Ltd.	Samart eD Tech Co., Ltd.
1. Certificate No.	1690(7)/2550	1152(7)/2551	1713(7)/2553
2. Promotional privileges for	Research and development Software	Research and development Software	Research and development Software
3. The significant privileges are:			
3.1 Exemption from corporate income tax on net income from promoted operations for a period of 8 years commencing as from the date of first earning operating income. Furthermore, accumulated losses incurred during the corporate income tax exemption period, the subsidiary is allowed to utilise the losses as a deduction against net income for a period of 5 years after the expiry of the tax exemption period, whether from any one year or from several years.	Commencing until 31 July 2015	Commencing until 29 April 2017	Commencing until 21 June 2019
3.2 Exemption from income tax on dividends paid from the income of the promoted operations for which corporate income tax is exempted, throughout the corporate income tax exemption.	Granted	Granted	Granted
3.3 Exemption from import duty on imported machinery for use in production as approved by the Board.	Ended on 20 January 2010	Ended on 19 August 2010	Throughout the period of promoted
4. Date of first earning operating income	1 August 2007	30 April 2009	22 June 2011

Revenues of those subsidiary companies for the years ended 31 December 2014 and 2013 could be divided between BOI promoted activities and Non-BOI promoted activities as follows:

(Unit: Thousand Baht)

	2014	2013
BOI promoted	672,815	667,451
Non-BOI promoted	4,755	5,435
Total service income	677,570	672,886

43. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organised into business segments as follows:

1. **ICT Solutions and Services**

Provide telecommunication system service through a range of telecommunication networks and also serves the market with total ICT solution system design for both government agencies and private sector.

2. **Mobile Multimedia**

Integrated mobile and interactive media business including infotainment service provider via advanced media and also provide media and multimedia equipment for local and international including MVNO virtual network operator.

3. **Call Center**

Total Customer Management Solutions both turnkey implementation as well as outsourced contact center management for government agencies and private sector.

4. **Utilities and Transportations**

Provide air traffic control services in Cambodia, electric generating supply to Kampot Cement factory in Cambodia and also provide the design and installation of electrical engineering works.

5. **Technology Related Services**

Manufacture and distribution of television and radio antennas and satellite dishes, Distribution, installation and maintenance of Communication and Security Systems including Total Waste Management Solution in Suvarnabhumi Airport.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements. However, the Company and its subsidiaries' financing activities (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

The basis of accounting for any transactions between reportable segments is set out in Note 7 to the financial statement.

The following tables present revenue and profit and total assets/total liabilities information regarding the Company's and its subsidiaries' operating segments for the year ended 31 December 2014 and 2013, respectively.

(Unit: Million Baht)

For the years ended 31 December														
ICT Solutions and Services		Mobile Multimedia		Call Center		Utilities and Transportations		Technology Related		Adjustments and eliminating		Consolidation		
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	
													(Restated)	
	6,523	9,226	12,354	10,217	669	630	2,413	1,823	1,919	396	-	23,878	22,292	
	75	25	16	21	105	54	326	137	211	545	(731)	2	1	
	6,598	9,251	12,370	10,238	774	684	2,739	1,960	2,130	941	(731)	23,880	22,293	
	5,266	7,459	9,744	7,693	639	518	1,833	1,156	1,885	837	(714)	18,653	16,909	
	1,332	1,792	2,626	2,545	135	166	906	804	245	104	(17)	5,227	5,384	
												316	128	
												(1,500)	(1,372)	
												(1,262)	(1,205)	
												(28)	(87)	
												(2)	-	
												(452)	(510)	
												(305)	(293)	
												(510)	(571)	
												1,484	1,474	
	1,737	3,469	5,941	3,652	209	162	352	286	801	645	(395)	8,645	7,669	
	353	341	2,516	1,670	18	6	70	16	764	272	(2)	3,719	2,288	
	-	-	-	-	-	-	-	-	75	-	-	75	-	
	2,746	2,849	760	615	236	123	285	314	628	660	(10)	4,645	4,561	
	127	156	22	43	20	26	667	686	-	-	(4)	832	911	
	3,900	5,502	1,399	1,302	418	175	2,046	1,941	10,291	8,403	(9,834)	8,220	8,652	
	8,863	12,317	10,638	7,282	901	492	3,420	3,243	12,559	9,980	(10,245)	26,136	24,081	
	5,460	9,280	7,218	4,094	98	95	945	1,058	6,121	2,943	1,967	17,875	15,550	
	(143)	(170)	351	73	72	(35)	(130)	(161)	1,887	907	(2,068)	(31)	(345)	

Geographic information

Revenue from external customers is based on locations of the customers.

(Unit: Thousand Baht)

	2014	2013
Revenue from external customers		(Restated)
Thailand	21,913,177	20,607,759
Cambodia	1,394,570	1,258,466
Others	571,944	426,617
Total	23,879,691	22,292,842
Non-current assets (other than financial instruments and deferred tax assets)		
Thailand	4,517,529	4,432,008
Cambodia	942,245	993,252
Others	15,083	47,559
Total	5,474,857	5,472,819

Major customers

For the year 2014, its subsidiaries had revenue from one major customer in amount of Baht 1,953 million, arising from sales by Mobile Multimedia segment (2013: Baht 2,433 million and Baht 1,131 million derived from two major customers, arising from sales by ICT Solutions and Services segment) which amount to 10 percent or more of a group's revenues.

44. Commitments and contingent liabilities

The Company and its subsidiaries have commitments and contingent liabilities other than those disclosed in other notes as follows:

44.1 Capital commitments

As at 31 December 2014, Cambodia Air Traffic Services Co., Ltd., a subsidiary company, has no capital commitments (2013: USD 0.02 million), relating to the purchase of system and major maintenance service.

44.2 Operating lease commitments

44.2.1 The Company and its subsidiaries have entered into several lease agreements in respect of the lease of land, office building space, motor vehicles and equipment. The terms of the agreements are generally between 1 and 12 years.

Future minimum lease payments required under these operating leases contracts were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Payable:				
In up to 1 year	71	83	4	9
In over 1 and up to 5 years	22	46	-	11

44.2.2 As at 31 December 2014, Samart I-Mobile Public Co., Ltd., a subsidiary company, has future minimum sublease payments expected to be received under non-cancellable totaled approximately Baht 12 million (2013: Baht 14 million). During 2014, the subsidiary company recognised rental expenses of Baht 5 million (2013: Baht 5 million) and subleasing revenue of Baht 5 million (2013: Baht 5 million).

44.2.3 Samart Communication Services Co., Ltd., a subsidiary company, entered into a rental agreement to sublet space from a private company for a period of 3 years from the date that each site is handed over. The space is to be used for installation of stanchions, advertising banners and 3G and/or 4G network equipment, and the subsidiary company is committed to pay rental of approximately Baht 5 million per month, totaling approximately Baht 78 million (2013: Baht 5 million per month, totaling approximately Baht 141 million).

44.3 Commitments in uncalled portions of investments

The subsidiaries are committed to pay the uncalled portions of their investments as follows:

	Amount	
	2014	2013
The local subsidiary companies	Baht 106 million	Baht 235 million
The overseas subsidiary companies	Malaysian	Malaysian
	Ringgit 3 million	Ringgit 3 million
	USD 3 million	USD 3 million

44.4 Guarantees

44.4.1 Bank guarantees

There were outstanding bank guarantees issued by the banks on behalf of the Company and its subsidiaries, in respect of certain performance bonds as required in the normal course of business. The details of bank guarantees are as follows:

(Unit: Million)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Baht				
Performance guarantees	3,560	4,356	549	430
Guarantee electricity use and others	378	210	1	1
Yen				
Performance guarantees	55	2	-	-
Euro				
Performance guarantees	2	2	-	-
Swiss franc				
Performance guarantees	2	2	-	-

44.4.2 Related parties guarantees

Generally, these guarantees are effective for guarantor as long as the underlying obligations have not been discharged by the guaranteed party. Guarantee fees are charged by the Company and subsidiaries. Related parties guarantees are summarised below.

- a) The Company has contingent liabilities in respect of the guarantees of subsidiaries' loans and credit facilities provided to banks and financial institutions, as follows:

(Unit: Million)

	Guaranteed facilities	
	2014	2013
Baht		
The Samart Engineering Co., Ltd.	2,362	832
Teda Co., Ltd.	703	60
Vision and Security System Co., Ltd.	344	900
Samart U-Trans Co., Ltd.	101	5
Transec Power Services Co., Ltd.	80	80
Suvarnabhumi Environment Care Co., Ltd.	72	72
Samart RadiTech Co., Ltd.	60	95
	3,722	2,044
US Dollar		
The Samart Engineering Co., Ltd.	6	-
	6	-
Japanese Yen		
Teda Co., Ltd.	4	-
	4	-

- b) Samart I-Mobile Public Co., Ltd., a subsidiary company, has contingent liabilities in respect of the guarantees of subsidiaries' credit facilities provided to banks as follows:

(Unit: Million Baht)

	Guaranteed facilities	
	2014	2013
Samart I-Mobile (Malaysia) Sdn. Bhd.	96	101
Samart Mobile Services Co., Ltd.	55	55
Samart Multimedia Co., Ltd.	116	116
I-Mobile Inter trade Co., Ltd.	10	20
Pt. Samart I-Mobile Indonesia	166	165
Samart Multimedia Co., Ltd. and Samart Interactive Media Co., Ltd. (joint use the same facilities with Samart I-Mobile Public Co., Ltd.)	-	10
Samart Mobile Services Co., Ltd., I-Mobile International Co., Ltd., I-Mobile Inter trade Co., Ltd. and Teleconnext Co., Ltd. (joint use the same facilities with Samart I-Mobile Public Co., Ltd.)	1,798	1,794
Teleconnext Co., Ltd. (joint use the same facilities with Samart I-Mobile Public Co., Ltd.)	-	2,985
Teleconnext Co., Ltd. and I-Mobile Plus Co., Ltd. (joint use the same facilities with Samart I-Mobile Public Co., Ltd. which Samart I-Mobile Public Co., Ltd. guarantees credit facilities to I-Mobile Plus Co., Ltd. of Baht 200 million)	700	700

(Unit: Million Baht)

	Guaranteed facilities	
	2014	2013
I-Mobile International Co., Ltd. (joint use the same facilities with Samart I-Mobile Public Co., Ltd.)	200	200
Brain Source Co., Ltd. (joint use the same facilities with Samart I-Mobile Public Co., Ltd.)	-	150
Samart Multimedia Co., Ltd. (joint use the same facilities with Samart I-Mobile Public Co., Ltd.)	-	140
I-Mobile Plus Co., Ltd.	20	20
I-Sport Co., Ltd.	5	5
I-Mobile Plus Co., Ltd. (joint use the same facilities with Samart I-Mobile Public Co., Ltd.)	105	105
Samart Multimedia Co., Ltd., Teleconnex Co., Ltd., I-Mobile International Co., Ltd., I-Mobile Plus Co., Ltd. and I-Mobile Direct Co., Ltd. (joint use the same facilities with Samart I-Mobile Public Co., Ltd.)	1,500	1,000

- c) Samart I-Mobile Public Co., Ltd. and its subsidiaries have cross-guaranteed credit facilities granted by the commercial banks to Samart I-Mobile Public Co., Ltd. and its subsidiaries as follows:

(Unit: Million Baht)

	Cross - guaranteed credit facilities		Facilities used	
	2014	2013	2014	2013
Samart I-Mobile Public Co., Ltd., I-Mobile International Co., Ltd. and Samart Mobile Services Co., Ltd.	-	2,985	-	1,106
Samart I-Mobile Public Co., Ltd. and I-Mobile Inter trade Co., Ltd. (This is part of the credit facilities of Baht 2,985 million)	-	2,000	-	-
Samart I-Mobile Public Co., Ltd., I-Mobile International Co., Ltd., Samart Mobile Services Co., Ltd. and Teleconnex Co., Ltd.	-	1,000	-	500
Samart I-Mobile Public Co., Ltd. and I-Mobile Plus Co., Ltd.	-	6	-	6

For the year 2013, the credit facility of Baht 2,985 million as mentioned above in Note 44.4.2 b), which Samart I-Mobile Public Co., Ltd. had guaranteed for its subsidiaries, was part of the credit facilities of Baht 2,985 million, jointly used by Samart I-Mobile Public Co., Ltd. and its subsidiaries.

- d) Samart Telcoms Public Co., Ltd. and its subsidiaries have the following commitments to banks and leasing companies as a result of their guarantees of credit facilities and rental of equipment.
1. Samart Telcoms Public Co., Ltd. is guarantor of credit facilities of its subsidiary company from banks and a leasing company amounting to Baht 23,729 million (2013: Baht 21,061 million).
 2. Samart Communication Services Co., Ltd., a subsidiary company, is guarantor of credit facilities of Samart Telcoms Public Co., Ltd. from banks amounting to Baht 261 million (2013: Baht 740 million).

- e) The Company and The Samart Engineering Co., Ltd., a subsidiary company, have cross-guaranteed credit facilities of Baht 30 million granted by a commercial bank to the Company and The Samart Engineering Co., Ltd. (2013: Baht 30 million). In addition, the Company and another two subsidiaries, Vision and Security System Co., Ltd. and Samart U-Trans Co., Ltd., also have cross-guaranteed credit facilities of Baht 20 million and Baht 10 million, respectively (2013: Baht 20 million and Baht 10 million, respectively).
- f) The Company and The Samart Engineering Co., Ltd., a subsidiary company, have cross-guaranteed the credit facility of Baht 65 million (2013: Baht 65 million) granted by a commercial bank to the Company and such subsidiary.
- g) The Company and Suvarnabhumi Environment Care Co., Ltd., a subsidiary company, have cross-guaranteed the credit facility of Baht 20 million (2013: Baht 20 million) granted by a commercial bank to such subsidiary.
- h) Siam Sport Television Co., Ltd., a subsidiary company, had guaranteed facilities with Siam Sport Syndicate Public Co., Ltd., Siam Sport Books Co., Ltd. and Siam Sport Syndicate Public Co., Ltd.'s director relating to bank guarantee for cash management of the credit facilities of Baht 25 million.

44.5 Other commitments

- a) The Company has entered into the Contract to build, cooperate and transfer an air traffic control system ("BCT Contract") with the Royal Government of the Kingdom of Cambodia. Under this agreement, the Company has had to establish a limited liability company under the laws of the Kingdom of Cambodia to be responsible for development and sole operation of the civil air traffic control and navigation system of Cambodia for a period of 15 years with an option to extend for another 7 years in consideration of The State Secretariat of Civil Aviation of Cambodia ("SSCA") granting the air traffic license to the Company. On 18 June 2001, the Company entered into the assignment of "BCT Contract" with Cambodia Air Traffic Services Co., Ltd., a subsidiary company, to transfer of all the Company's rights and obligations under the "BCT Contract" to that subsidiary company pursuant to Article 2.2 of "BCT Contract" without charge. On 27 September 2007, the subsidiary requested extension to another 10 years commencing from the year 2024 to expire in the year 2033. Under the agreement, the subsidiary company is obliged to comply with certain conditions, including that the ownership of the civil air traffic control and navigation system and all equipment, which currently transferred to intangible assets (service concession) in accordance with TFRIC 12 Service Concession Arrangements, is to be transferred to the Kingdom of Cambodia at the end of concession period, without charge.
- b) On 11 May 2006, the Company has entered into SPS Consortium Agreement with Professional Waste Technology (1999) Plc. and Siam Waste Management Consultant Co., Ltd. ("SPS Group") with percentage of investment at 60 percent, 30 percent and 10 percent, respectively. Total Waste Management Solution in the area of Suvarnabhumi Airport will be managed by SPS Group for the period of 10 years from commencement date on 15 September 2006 as stipulated in contract signing on 11 September 2006 for Total Waste Management Solution in Suvarnabhumi Airport with Airports of Thailand Plc. ("AOT"). The management has been arranged under Suvarnabhumi Environment Care Co., Ltd. Under the agreement, SPS Group is obliged to comply with certain conditions, including that the ownership of building, premise and equipment for waste management process will be transferred to AOT after the expiry date of contract, without charge.
- c) The Samart Engineering Co., Ltd, a subsidiary company, has entered into 23 satellite channels rental service agreements with two private companies. The 13 agreements will expire in the year 2017. As at 31 December 2014, the subsidiary company is obliged to pay the service fee of USD 1 million and Baht 74 million (2013: USD 0.3 million and Baht 108 million).
- d) On 15 February 2011, the Company entered into a life maintenance service agreement with a domestic contractual partner. Under the agreement, the Company had commitment to pay service fees to its contractual partner by quarterly installments, totaling approximately Baht 1 million per quarter (2013: Baht 1 million per quarter). The agreement is expiring in 2020.

- e) The Company and Samart U-Tran Co., Ltd., subsidiary companies, entered into purchase and installment contract with various local and foreign companies for “Contract for the supply and delivery of TMCS project”. The Company and its subsidiary company obligated to comply with certain condition and to make the payments for equipment and services of approximately AUD 1 million and Baht 255 million (2013: AUD 16 million and Baht 3 million).
- f) Teda Co., Ltd. and Transec Power Services Co., Ltd., subsidiary companies, entered into general contractors and equipment and service purchase agreements with various local and foreign companies in order to operate their construction of electrical stations and installation of electrical systems business. The subsidiary companies are obligated to comply with certain conditions and to make the following payments for equipment and services.

(Unit: Million)

Currency	2014	2013
Baht	451.8	247.7
US dollar	0.1	0.5
Euro	0.2	0.7
Swiss franc	-	7.3

Other commitments of Samart Telcoms Public Co., Ltd. group

- g) Samart Telcoms Public Co., Ltd., a subsidiary company, entered into transponder lease agreements with domestic and foreign contractual partners. Under the agreements, the subsidiary company had commitment to pay rental fees to its contractual partners in monthly installments, totaling approximately USD 0.2 million per month (2013: USD 0.5 million per month). The agreements are expiring in 2015.
- h) On 10 August 2011, the Board of the National Broadcasting and Telecommunications Commission passed a resolution approving the issue to Samart Telcoms Public Co., Ltd., a subsidiary company, of a 5-year, Type two telecommunication business license without own telecommunications network (Very Small Aperture Terminal (VSAT) service). The license is effective from the date of termination of the old contract to provide local audio and visual data communications via satellite services (13 September 2011). The subsidiary company is obliged to comply with various conditions, which included a commitment to hand over the telecommunications equipment used in provision of the data communication via satellite service to the National Broadcasting and Telecommunications Commission within 11 December 2011, and to pay an annual service fee. Although, as at 31 December 2014, the subsidiary company is still in the process of handing over the telecommunications equipment, the subsidiary company’s management believes that no penalty will be charged for late delivery, and so no provision for such a penalty has been recorded in the books of account. However, the subsidiary company is still in the process of purchase back of the telecommunications equipment.
- i) On 26 October 2006, Samart Communication Services Co., Ltd., a subsidiary company, entered into an agreement with a company (formerly a state enterprise), whereby they would provide an information technology network to The Department of Local Administration for a period of 1 year. The subsidiary company is obliged to make the network available at not less than 1,000 sites within 120 days from the contract date and guarantee this minimum number of users throughout the contract period. If the subsidiary company is unable to do so within the delivery period (22 February 2007), the counterparty will charge a penalty for any delays in the subsidiary company’s work. However, as at 22 February 2007 the subsidiary company could not make the network available at 1,000 sites because such subsidiary company has not yet to receive the equipment from the counterparty and Bandwidth received is not adequate for actual usage. Since the subsidiary company could not accomplish the number of guaranteed users. The counterparty therefore could charge a penalty for delay work. However, the subsidiary company’s management and legal counsel are of the opinion that the subsidiary company is not obligated to pay any fine to the counterparty as the delay of such project is not the subsidiary company’s fault. In addition, the subsidiary company’s management believes that the negotiation with the counterparty will be successful therefore as at 31 December 2014 the subsidiary company has not set up provision for fine from the project delay.

- j) Samart Communication Services Co. Ltd., a subsidiary company, entered into equipment and service purchase agreement with many local companies for TOT 3G nationwide Network project. The subsidiary company is obligated to comply with the conditions and pay for equipment and service fee totaling approximately Baht 40 million (2013: Baht 41 million).
- k) Samart Infonet Co. Ltd., a subsidiary company, entered into a contract with True International Gateway Co. Ltd. related to the provision of services to an international internet exchange center. This contract will expire on 16 April 2015. The subsidiary company is obliged to comply with the conditions stipulated in the contract and pay a service fee totaling approximately Baht 0.2 million per month (2013: Baht 0.3 million per month).
- l) Portalnet Company Limited, a subsidiary company, entered into a contract to use computer software application services with SAP (Thailand) Co., Ltd, effective until terminated by the subsidiary company. The subsidiary company is obligated to comply with the conditions stipulated in the contract and pay a service fee of approximately Baht 6 million per month (2013: Baht 6 million per month).
- m) On 3 November 2009, Samart Comtech Co., Ltd., a subsidiary company, entered into an agreement with government agency, whereby to provide development of information systems. The subsidiary is obliged to install and deliver of hardware equipments and application software within the contract period. However, the subsidiary is unable to do so within the delivery period (2 November 2012), the government contractor will charge a penalty for any delays in each period of delivery or the date that has been extended until entire of work delivered and completed workability. Subsequently, during May 2013, the subsidiary company has already delivered all systems to the government agency and inspection process for work delivered was completed on 26 November 2014 in which the subsidiary company now is a waiting for formal letter of work delivered. As at 31 December 2014, the subsidiary set up a provision for penalty from the delayed project of Baht 5 million in the subsidiary's account.
- n) Portalnet Co., Ltd., a subsidiary company, entered into a contract with SAP (Thailand) Co., Ltd. to provide system maintenance services for computer software applications for core business operation. The subsidiary is obligated to comply with the conditions stipulated in the contract and pay service fee of approximately between Baht 5 million and Baht 8 million per quarter (2013: Baht 5 million and Baht 8 million per quarter).
- o) Portalnet Co., Ltd., a subsidiary company, entered into a contract with Let Systems Ltd. to provide system maintenance services for computer software applications for core business operation by transferring the assignment to provide maintenance services from Siemens AG. The subsidiary is obligated to comply with the conditions stipulated in the contract and pay service fee of approximately Euro 0.01 million per month (2013: Euro 0.05 million per month).

Other commitments of Samart I-Mobile Public Co., Ltd. group

- p) On 27 November 2009, Samart I-Mobile Public Co., Ltd., a subsidiary company, entered into a memorandum of understanding relating to the project for 3G mobile phone network services testing with TOT Public Co., Ltd. in support of the objective of providing wholesale and retail 3G mobile phone network services through the Wideband Code-Division Multiple Access (WCDMA) system.

During the year 2011 the subsidiary company transferred the right and duties under a memorandum of understanding to I-Mobile Plus Co., Ltd., another subsidiary company. I-Mobile Plus Co., Ltd. is obliged to comply with certain conditions and pay fees for the testing project as stated in the memorandum of understanding.

In addition, the subsidiary receiving the licenses from the National Broadcasting and Telecommunications Commission (NBTC) has obligations to comply with certain conditions as state in the licenses, and to pay annual license fees, together with a fee for the Universal Service Obligation (USO) in accordance with conditions and requirements stipulated by the NBTC.

- q) On 4 May 2012, Samart I-Mobile Public Co., Ltd., a subsidiary company, entered into an agreement with TOT Public Co. Ltd. to together provide International Roaming service on TOT's 3G network for a

period of 2 years and 10 months, with the term of the agreement to begin on the date that the service is ready to be launched (at present, the service has yet to be launched). The Company is obliged to comply with certain conditions as stated in the agreement and to pay fees at the rates stated in the agreement.

- r) Samart Multimedia Co., Ltd., a subsidiary company, entered into an agreement with the TOT Public Co., Ltd. to provide an Audiotext System for a period of 15 years, commencing 29 September 1999. The subsidiary company is obliged to comply with certain conditions as stated in the agreement and has to pay a network connection fee of Baht 1 million per annum.

44.6 Litigation

- a) In the third quarter of 2009, The Samart Engineering Co., Ltd., a subsidiary company, had entered into sale and purchase agreement with Super Cheng Co., Ltd. (“the Buyer”), to sell satellite receivers with the total contract value of Baht 40 million. Income was recognised when the Buyer paid Baht 26 million for the aforementioned product of this agreement to the subsidiary company. Subsequently, in the fourth quarter of 2009, the authorised lawyer of the buyer gave a written notice to terminate such agreement to the subsidiary company on behalf of the Buyer and requested a refund of Baht 26 million. The Legal Department of the Company viewed that the execution of such agreement was not a result of deliberate misrepresentation of the substance of the agreement, as claimed by the buyer, and the subsidiary company had not breached any provision to cause termination of the agreement. The sale and purchase agreement dated 22 July 2009 is still valid and binding the parties and the Buyer has no right to terminate such agreement. The management of subsidiary company believes that the subsidiary company has no obligation to reimburse the amount of Baht 26 million to the Buyer and there is no contingent liability.

On 19 March 2010, the subsidiary company brought a criminal charge against the Buyer for the offences related to misuse of cheques in the amount of Baht 14 million. Subsequently, on 24 October 2012, the Court of First Instance ruled that Super Cheng Co., Ltd. and associates, as the Buyer, had committed an offence under the Act promulgating liability for misuse of cheques. Subsequently, on 28 May 2013, the Appeal Court reversed the Court of First Instance’s verdict and ruled that Super Cheng Co., Ltd. and associates had not committed any offences under the Act promulgating liability for misuse of cheques. However, on 28 October 2013, the Legal Department of the Company filed a petition to the Supreme Court, seeking a judgement that Super Cheng Co., Ltd. and associates had committed an offence, in accordance with the decision of Court of First Instance. Subsequently, on 14 October 2014, the judgement of the Court of First Instance was overruled by the Supreme Court because the Court of First Instance’s judgement was not rendered in accordance with the stipulated rules and regulations and the Court of First Instance was ordered to reconsider and reissue its judgement on the case. The new judgement of the Court of First Instance found against the Buyer for the offences related to misuse of cheques. In this regard, Super Cheng Co., Ltd. and associates, as the Buyer, have the right to lodge an appeal against the verdict of the Court of First Instance. On 8 December 2014, Super Cheng Co., Ltd., file an appeal and subsidiary company is preparing a counter-statement to be filed against the appeal within the specified time of 5 March 2015.

In addition, on 18 July 2014, the subsidiary company filed a civil charge against the Buyer with the Pattaya Provincial Court, demanding the Buyer to settle outstanding payment for goods amounting to Baht 18 million (Baht 14 million plus interest thereon). The Company’s Legal Department is of the opinion that the court will judge in favor of the subsidiary company. The Pattaya Provincial Court has scheduled the hearing for the preliminary examination of the petition to be on 12 May 2015.

On 15 December 2014, Super Cheng Co., Ltd., the buyer, file the civil lawsuit against the subsidiary company claiming that the subsidiary company breached the contract and request for the repayment the paid amount Baht 50 million (principal Baht 26 million plus interest and remedies from marketing expenses and lack of income). In this case, the Legal Department of the Company has opinion that the buyer filed the lawsuit after the statute of limitations has already expired.

- b) The Company had been involved in provision of financial support and installation of telecommunication network system to the 13th the Bangkok - Asian Games Organizing Committee (BAGOC) in 1997, for instance by supporting on installation design of telecommunication network system including its equipment and providing financial support at Baht 190 million. However, the Company had encountered with financial difficulties during the massive economic downturn of the country in 1997 which had long term and continuous impacts to the Company. Therefore, the Company has negotiated to cancel such financial support because the Company has waived its rights to use many benefits made under the agreements during the competition games and the Committee further provided such benefits to other sponsors already. Hence, the Company was not liable for such financial support any longer.

During the fourth quarter of 2010, BAGOC has submitted the matter in dispute to the Arbitration Institute requesting the Company to make payment of approximately Baht 332 million (Baht 190 million plus interest).

The law firm that was hired by the Company as legal consultant with responsibility for this case is of the opinion that the Company is not responsible for the damages claimed since the claimant submitted the matter in dispute to the Arbitration Institution more than 10 years later, and so the statute of limitations has already expired.

Subsequently, the Arbitration Institution completed examination of the evidence of both the Company and the Organizing Committee and on 22 August 2013 found in favour of the Company, on the grounds that the Organizing Committee and the Sports Authority of Thailand had submitted the matter in dispute more than 10 years after the dispute arose, meaning that the statute of limitations had already expired. However, on 27 November 2013, the Competition Management Committee and Sports Authority of Thailand submitted a petition to the Civil Court for the revocation of the arbitral award. The law firm of the Company in this case was of the opinion that the court was likely to dismiss the petition because there were no legal grounds for the court to revoke the arbitral award and order the Company to make the payment. The Civil Court scheduled a hearing for the preliminary examination of the petition in May 2014.

On 29 August 2014, the Civil Court rescinded the Arbitration award, without ruling that the Company is obligated to make any payment to the Organizing Committee and the Sports Authority of Thailand. The Company filed an appeal on 28 November 2014, against the Civil Court's judgement to the Supreme Court to overrule that the Civil Court had no authority to rescind the Arbitration award. At the present, the Supreme Court is considering the appeal.

- c) In 2010, One To One Contacts Public Co., Ltd., a subsidiary company, was sued by a private company for payment of an equipment and call center system installation fee amounting to approximately Baht 1.3 million, together with interest at the rate of 7.5% per annum. Subsequently, on 11 August 2011, the court ordered the subsidiary company shall make such payment and pay for charges and lawyer fees to that company. The subsidiary company lodged an appeal with the Court of Appeal, but the Appeal Court upheld the verdict of the Court of First Instance. The subsidiary company lodged an appeal with the Supreme Court. Subsequently on 6 August 2014, Supreme Court upheld the verdict of the Court of Appeal and ruled that the subsidiary company shall settle the compensation payment with interest totaling approximately Baht 2.1 million. The subsidiary company already made such payment on 11 September 2014.
- d) On 23 January 2007, Vision and Security System Co., Ltd., a subsidiary company, was sued by an individual (plaintiff) for compensation of Baht 28 million on the grounds that the subsidiary company had violated the "I-Vision" trademark. The court dismissed the case on 29 January 2010. However during the year 2010, the plaintiff had filed an appeal with the Supreme Court for a final judgment. The case is currently being considered by the Supreme Court. The Company's Legal Department strongly believe that there is no significant loss incurred in this lawsuit. No provision has therefore been made against the contingent liability in the financial statements.

- e) On 5 January 2004 a civil lawsuit was filed against IT Absolute Co., Ltd., a subsidiary company, with the plaintiff lodging a claim for the return of assets and compensation totaling Baht 15.6 million. The subsidiary company was accused of failure to comply with the terms and conditions of a share sale agreement executed with a customer (the plaintiff). The alleged failure occurred while the subsidiary company was operating under its former name, Yuanta Securities (Thailand) Company Limited.

The share purchase and sale agreement dated 7 January 2003 between the subsidiary company's former shareholders (the seller) and a bank (the purchaser), states that if any liabilities attributable to the activities of the seller occurred within two years after the shares were transferred to the purchaser and were not presented in the statement of financial position as at 31 December 2002, the seller would, if the case was finalised and the Court ordered the subsidiary company to settle such liabilities, pay compensation to the subsidiary company at a rate of 92.7329 percent of such liabilities.

On 29 September 2005, the Civil Court ordered the subsidiary company to return the securities to the plaintiff or pay Baht 8.4 million if the subsidiary company was unable to do so. Subsequently, the subsidiary company lodged an appeal with the Appeal Court, and on 16 March 2011 the Appeal Court affirmed the judgment of the Court of First Instance. The subsidiary company then lodged an appeal with the Supreme Court on 12 May 2011 and this case is in the process of being considered by the Supreme Court. However, as at 31 December 2014, the subsidiary company estimated its contingent liabilities at Baht 0.6 million (2013: Baht 0.6 million) and recorded this under the caption of "other non-current liabilities" in the statement of financial position.

45. Financial instruments

45.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, debentures, short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable, loans and other accounts receivable. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the majority of sales and services of the Company and its subsidiaries are supplied to creditworthy customers such as state enterprises and government agencies. In addition, they have a large customer base. The Company and its subsidiaries do not anticipate material losses from their debt collection. The maximum exposure to credit risk is limited to the carrying amount of receivables, loans and other receivables as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk related primarily to its cash at banks, bank overdrafts, short-term debentures, short-term loans and long-term borrowings. However, since most of their financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rates are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date or the repricing date if this occurs before the maturity date.

(Units: Million Baht)

	Consolidated financial statements											
	Fixed interest rates			Floating interest rate		Non-interest bearing		Total		Effective interest rate (% p.a.)		
	Within 1 year		Over 1 - 5 years									
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Financial Assets												
Cash and cash equivalents	-	30	-	-	1,565	1,422	67	225	1,632	1,677	0.01 - 6.00	0.05 - 2.50
Temporary investments	-	-	-	-	9	-	123	23	132	23	1.38	-
Trade and other accounts receivable	-	-	-	-	-	-	8,754	7,845	8,754	7,845	-	-
Finance leases receivable	18	16	32	50	-	-	-	-	50	66	1.09	1.09
Restricted bank deposits	105	105	-	-	18	26	164	-	287	131	1.63 - 1.75	0.10 - 1.75
Available-for-sale investments	-	-	-	-	-	-	267	173	267	173	-	-
Total	123	151	32	50	1,592	1,448	9,375	8,266	11,122	9,915		
Financial liabilities												
Bank overdrafts	-	-	-	-	70	83	-	-	70	83	7.13 - 7.78	6.88 - 7.78
Short-term loans from financial institutions	4,895	196	-	-	1,521	2,879	-	-	6,416	3,075	3.30 - 6.63	3.77 - 6.75
Bill of exchange	300	-	-	-	-	-	-	-	300	-	2.95 - 3.40	-
Trust receipt												
- Baht	3,578	2,177	-	-	861	842	-	-	4,439	3,019	1.53 - 4.45	2.10 - 5.50
- US Dollar	50	135	-	-	-	-	-	-	50	135	1.53 - 1.55	1.49 - 1.64
Trade and other accounts payable	-	-	-	-	-	-	2,961	3,967	2,961	3,967	-	-
Short-term loans from unrelated parties	18	-	-	-	-	-	-	-	18	-	5.00	-
Short-term debentures	1,560	1,460	-	-	-	-	-	-	1,560	1,460	2.97 - 4.10	3.45 - 4.40
Long-term loans from financial institutions	-	-	-	-	441	1,789	-	-	441	1,789	1.56 - 7.13	5.13 - 6.00
Liabilities under finance lease agreements	18	8	37	35	-	-	-	-	55	43	2.70 - 5.35	4.63 - 4.75
Total	10,419	3,976	37	35	2,893	5,593	2,961	3,967	16,310	13,571		

(Units: Million Baht)

Separate financial statements											
Fixed interest rates				Floating interest rate		Non-interest bearing		Total		Effective interest rate (% p.a.)	
Within 1 year		Over 1 - 5 years		2014		2013		2014		2013	
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Financial Assets											
Cash and cash equivalents	-	-	-	104	60	-	-	104	60	0.10 - 1.50	0.05 - 1.5
Temporary investments	-	-	-	-	-	67	7	67	7	-	-
Trade and other accounts receivable	-	-	-	-	-	241	110	241	110	-	-
Short-term loans	-	-	-	311	232	-	-	311	232	3.80	4,030, 7,875
Total	-	-	-	415	292	308	117	723	409		
Financial liabilities											
Short-term loans from financial institution	196	-	-	-	-	-	-	2,801	196	3.30 - 5.50	3.77 - 4.20
Trade and other accounts payable	-	-	-	-	-	528	104	528	104	-	-
Short-term loans from related parties	-	-	-	367	372	-	-	367	372	1.75	0.73 - 7,096
Long-term loans from related parties	-	-	-	728	628	-	-	728	628	0.63	0.730
Long-term loans from financial institutions	-	-	-	-	411	-	-	-	411	-	5,875, 6.00
Liabilities under finance lease agreements	2	2	4	-	-	-	-	6	8	4.75	4.75
Total	2,803	198	4	1,095	1,411	528	104	4,430	1,719		

Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arises mainly from trading transactions and loans that are denominated in foreign currencies. They seek to reduce this risk by entering into forward exchange contracts when they consider appropriate. Generally, the forward contracts mature within one year.

The Company and its subsidiaries have significant foreign currency assets and liabilities that were unhedged against foreign exchange risk, as summarised below.

Foreign currency	Consolidated financial statements		Separate financial statements		Exchange rate as at 31 December	
	2014	2013	2014	2013	2014	2013
	(Million)		(Million)		(Baht per 1 foreign currency unit)	
Financial assets						
US dollar	18	14	1	1	32.7241	32.6778
Euro	1	-	-	-	39.6482	-
Financial liabilities						
US dollar	66	57	-	-	33.1132	32.9494
Australian dollar	9	-	9	-	27.0788	-
Euro	1	2	-	-	40.3552	45.3223
Swiss franc	1	1	-	-	33.5627	36.9930
Yen	1	-	-	-	0.2765	-

Forward exchange contracts

The outstanding balance of forward exchange contracts of the Company and subsidiaries are summarised below.

Foreign currency	Consolidated financial statements	Separate financial statements	Contractual exchange rate	Contractual maturity date
			(Baht per 1 foreign currency unit)	
	(Million)	(Million)		
<u>As at 31 December 2014</u>				
Bought amount				
US dollar	45	-	32.0627 - 33.3175	January - July 2015
Australian dollar	15	15	28.4263 - 30.1099	March - October 2015
Sold amount				
US dollar	8	-	32.4325 - 33.2875	January - July 2015
<u>As at 31 December 2013</u>				
Bought amount				
US dollar	43	-	31.3096 - 33.1552	January - July 2014
Euro	2	-	42.7924 - 44.0182	January - April 2014
Sold amount				
US dollar	3	-	31.7550 - 33.0725	March - June 2014

45.2 Fair values of financial instruments

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature or bear floating interest rate, their fair value is not expected to be materially different from the amount presented in the statement of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

46. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2014, the Group's debt-to-equity ratio was 2.16:1 (2013: 1.82:1) and the Company's was 1.03:1 (2013: 0.59:1).

47. Events after the reporting period

On 5 February 2015, an Extraordinary Meeting of the Company passed the following resolutions:

- 1) Approving the issuance of warrants ("SAMART W WARRANT") not over 201,300,782 warrants, the offering price per unit is Baht 0, to the shareholders. The exercise ratio is 5:1. The warrants have 3 years maturity from the issuance date and the exercise price is Baht 45.

The Company fixed the Record Date on 13 February 2015 for determining the shareholders for entitlement to receive warrants and 16 February 2015 as the share register book closing date.

- 2) Approving the issuance of the Company's registered share capital from Baht 1,007 million (1,006,503,910 ordinary shares of Baht 1 each) to Baht 1,208 million (1,207,804,692 ordinary shares of Baht 1 each) by issuing 201,300,782 ordinary shares with a par value of Baht 1 each. The Company registered the increase of share capital on 9 February 2015 with the Ministry of Commerce.

48. Reclassification

Certain amounts in the financial statements of subsidiary company have been reclassified to conform to the current year's classification.

(Unit: Thousand Baht)

	Consolidated financial statements	
	31 December 2013	
	As reclassified	As previously reported
Cash and cash equivalents	1,653,441	1,677,224
Temporary investments	47,273	23,490

The reclassification had no effect to previously reported profit or shareholders' equity.

49. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised Directors on 23 February 2015.

Remuneration of the Auditors

1) Audit Fee

Audit Fee in 2014 comprised of following details:

- Audit Fee for accounting period ended December 31, 2014 of the Company was Baht 2,200,000 of which excluded other miscellaneous payment of Baht 79,576 (i.e. auditors' traveling expenses, photo copy expenses).
- Audit Fee for accounting period ended December 31, 2014 of the subsidiaries pay to audit firm or other persons or firms that related to the audit firm were Baht 11,125,000 of which excluded other miscellaneous payment of Baht 750,765 (i.e. auditors' traveling expenses, photo copy expenses).

2) Non-Audit Fee

Non-Audit Fee in 2014 comprised of following details:

- Brain Source Co., Ltd., an indirect subsidiary with stakeholding 71.44%, paid professional fee to EY Office Limited for the review of compliance conditions stipulated in the investment promotion certificate submitted to BOI for the period ended December 31, 2014 at Baht 120,000.
- Smarterware Co., Ltd., an indirect subsidiary with stakeholding 70.07%, paid professional fee to EY Office Limited for the review of compliance conditions stipulated in the investment promotion certificate submitted to BOI for the period ended December 31, 2014 at Baht 70,000.
- Samart Ed-Tech Co., Ltd., an indirect subsidiary with stakeholding 70.07%, paid professional fee to EY Office Limited for the review of compliance conditions stipulated in the investment promotion certificate submitted to BOI for the period ended December 31, 2014 at Baht 70,000.

The Board of Directors, Managements and Company Secretary of Smart Corporation Public Company Limited

- The Board of Directors of Smart Corporation Public Company Limited as of December 31, 2014

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in Company ⁽¹⁾ (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
1. Dr. Tongchat Hongladaromp - Chairman - Independent Director - Audit Committee Member - Chairman of the Nominating & Compensation Committee <i>(To be appointed as a director on Apr. 25, 2008)</i>	76	- Ph.D (Civil Eng.), Northwestern University, Chicago, USA - M.Eng. (Civil), Asian Institute of Technology Bangkok - B.Eng.(Civil), Chulalongkorn University, Bangkok - National Defence course (Class 32), National Defence College of Thailand in 1989 Training courses from Thai Institute of Directors Association (IOD) : - Director Accreditation Program (DAP) in 2005 - Finance for Non-Finance Director Program in 2005	0.005% 50,000 shares	-	2008-Present	Chairman/ Independent Director/ Audit Committee Member	Smart Corporation Pcl.
					2008-Present	Chairman of the Nominating & Compensation Committee	Smart Corporation Pcl.
					Position in other listed companies		
					2007-Present	Chairman	Linde (Thailand) Plc.
					1994-Present	Independent Director	Sahaviriya Steel Industries Pcl.
					2007-Present	Chairman of the Risk Management Committee	Sahaviriya Steel Industries Pcl.
					2003-Present	Senior Advisor	PTT Pcl.
					Present	Senior Advisor	PTT Global Chemical Pcl.
					Present	Advisor to the Board of Directors	PTT Exploration and Production Pcl.
					2004-2010	Independent Director	Bangkok Polyethylene Pcl.
					Position in non-listed companies		
					2007-Present	Chairman	Chuchawal-Royal has Koning Co., Ltd.
					2006-Present	Chairman	C. T. Land Co., Ltd.
					2002-Present	Chairman	The University Council King Mongkut's University of Technology Thonburi
					1999-Present	Director	West Coast Engineering Co., Ltd.
					2005-2011	Director, Assessment Committee	The Comptroller General's Department, Ministry of Finance

Remark : ⁽¹⁾ Includes holding by spouse and minor children (See the securities holding information in the topic of the "Corporate Governance" under the item of the "4. Disclosure and Transparency")
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in Company ⁽¹⁾ (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
2. Mr. Pradang Prichayangkun - Vice Chairman - Independent Director - Chairman of the Audit Committee - Corporate Governance Committee Member - Nominating & Compensation Committee Member <i>(To be appointed as a director on Apr. 25, 2008)</i>	80	- Bachelor Degree in Law, Thammasat University - National Defence course (Class 31), National Defence College of Thailand - Financial reporting to comply with new accounting standard, The Stock Exchange of Thailand Training courses from Thai Institute of Directors Association (IOD) : - Director Certification Program (DCP) in 2004 - Audit Certification Program (ACP) in 2005	0.05% 500,000 shares	-	2008-Present	Vice Chairman / Independent Director / Chairman of the Audit Committee	Samart Corporation Pcl.
					2008-Present	Corporate Governance Committee Member / Nominating & Compensation Committee Member	Samart Corporation Pcl.
					-	Position in other listed companies	
					-	Position in non-listed companies	
3. Mr. Seri Suksathaporn - Independent Director - Audit Committee Member - Nominating & Compensation Committee Member - Chairman of the Corporate Governance Committee <i>(To be appointed as a director on Feb. 12, 1999)</i>	78	- Master of Public Finance Administration (MPA), University of Southern California, USA - Bachelor Degree in Political Science, Chulalongkorn University Director Certification Program (DCP), Thai Institute of Directors Association (IOD) in 2003	0.09% 927,750 shares	-	1999-Present	Independent Director / Audit Committee Member	Samart Corporation Pcl.
					2008- Present	Nominating & Compensation Committee Member	Samart Corporation Pcl.
					2008-Present	Chairman of the Corporate Governance Committee	Samart Corporation Pcl.
					-	Position in other listed companies	
					-	Position in non-listed companies	
					Former	Budget Director Level 11	Bureau of the Budget Thailand
					Former	Budget Director for Security Affairs	Bureau of the Budget Thailand
					Former	Budget Analyst Level 7	Bureau of the Budget Thailand
					Former	First Grade Budget Officer Public Service Division	Bureau of the Budget Thailand

Remark : ⁽¹⁾ Includes holding by spouse and minor children (See the securities holding information in the topic of the "Corporate Governance" under the item of the "4. Disclosure and Transparency")
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in Company ⁽¹⁾ (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
4. Mr. Prinya Waiwatana - Independent Director - Corporate Governance Committee Member <i>(To be appointed as a director on Apr. 27, 2010)</i>	67	- Bachelor Degree in Accounting, Chulalongkorn University Training courses from Thai Institute of Directors Association (IOD) : - Director Accreditation Program (DAP) in 2005 - Audit Committee Program (ACP) in 2005 - Director Certification Program (DCP) in 2006 - Monitoring the System of Internal Control and Risk Management (MIR) in 2008 - Role of Compensation Committee (RCC) in 2010	0.01% 150,000 shares	-	2010-Present	Independent Director / Corporate Governance Committee Member	Samart Corporation Pcl.
					2010-Present	<u>Position in other listed companies</u> Independent Director / Investment Committee Member / Nominating & Compensation Committee Member / Chairman of the Risk Management Committee	Ira Capital Pcl.
					2005-Present	Independent Director / Audit Committee Member / Compensation Committee Member / Corporate Governance Committee Member	Thai Steel Cable Pcl.
						<u>Position in non-listed companies</u> -	
5. Mrs. Siripen Vialluck - Director <i>(To be appointed as a director on Feb. 25, 1993)</i>	75	- Director Certification Program (DCP), Thai Institute of Directors Association (IOD) in 2004	0.59% 5,960,250 shares	Mr. Charoenrath's Mr. Watchai's and Mr. Thananan's mother	1993-Present	Director	Samart Corporation Pcl.
						<u>Position in other listed companies</u> -	
					1975-Present 1993-Present	<u>Position in non-listed companies</u> Director Director	Samart Engineering Co., Ltd. Vialluck International Holding Co., Ltd.

Remark : ⁽¹⁾ Includes holding by spouse and minor children (See the securities holding information in the topic of the "4. Disclosure and Transparency")
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in Company ⁽¹⁾ (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
6. Mr. Charoenrath Vialluck - Authorized Director - Executive Chairman & CEO - Chairman of the Risk Management Committee <i>(To be appointed as a director on Feb. 25, 1993)</i>	55	- Bachelor Degree in Engineering (Electrical Engineering). The University of Newcastle, Australia - National Defence course for the joint State-Private Sectors (Class 18). National Defence College of Thailand in 2005-2006 - Chief Executive Course for Urban Development Management, class 1, Urban Green Development Institute Bangkok in 2012 Training courses from Thai Institute of Directors Association (IOD) : - Director Certification Program (DCP) in 2004 - Director Accreditation Program (DAP) in 2004	12.09% 121,734,960 shares	Mrs. Sirpen's son and Mr. Watchai's and Mr. Thananan's elder brother	1995-Present	Executive Chairman & CEO	Samart Corporation Pcl.
					1993-Present	Director	Samart Corporation Pcl.
					2008-Present	Chairman of the Risk Management Committee	Samart Corporation Pcl.
					Position in other listed companies		
					2003-Present	Director	Samart I-Mobile Pcl.
					1996-Present	Director / Executive Directors	Samart Telecoms Pcl.
					2013-Present	Director	One To One Contacts Pcl.
					2013-Present	Executive Director / Risk Management Committee Member	One To One Contacts Pcl.
					Position in non-listed companies		
					1993-Present	Director	Vialluck International Holding Co., Ltd.
					Present	Director	Subsidiaries and Affiliated Companies (as details in Directors and Management in subsidiaries and affiliated companies)
					2000-2013	Director	One To One Contacts Co., Ltd.

Remark : ⁽¹⁾ Includes holding by spouse and minor children (See the securities holding information in the topic of the "Corporate Governance" under the item of the "4. Disclosure and Transparency")
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in Company ⁽¹⁾ (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
7. Mr. Watchai Vilailuck - Authorized Director - President - Chief Operating Member of the Risk Management Committee - Chairman of the Sustainable Development Committee - Acting Chief Operating Officer of Call Center LOB - Acting Chief Operating Officer of Utilities and Transportations LOB and Technology Related Services LOB <i>(To be appointed as a director on Feb. 25, 1993)</i>	52	- Bachelor Degree in Accounting, Faculty of Commerce and Accounting, Thammasat University - Certificate of Management Program, United Kingdom in 1985 - Certificate of Strategic Planning & Implementation, University of Michigan Business School, Singapore in 2000 - Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD) in 2004 - Diploma in National Defence for The Joint State-Private Sector Course (Class 21), National Defence College of Thailand in 2008-2009 - Leadership Program (Class 11), Capital Market Academy (CMA) in 2010-2011 - The Programme for Senior Executives on Justice Administration Batch 15, National Justice Academy, Office of Judiciary in 2011-2012 - ASEAN Executive Management Programme (Class 2), The Secretariat of the Prime Minister, Office of the Civil Service Commission (OCSC), Office of the National Economic and Social Development Board, Ministry of Foreign Affairs and Sasin Graduate Institute of Business Administration, Chulalongkorn University in 2013 - The 5 th Training Course on Administrative Justice for Executives, Institute of Administrative Justice, The Office of the Administrative Courts of Thailand in 2013-Aug. 2014	13.11% 131,905,535 shares	Mrs. Siripen's son and Mr. Charoenrath's younger brother and Mr. Thananan's elder brother	2000-Present	President	Samart Corporation Pcl.
					1993-Present	Director	Samart Corporation Pcl.
					2004-Present	Chief Operating Member of the Risk Management Committee	Samart Corporation Pcl.
					2013-Present	Chairman of the Sustainable Development Committee	Samart Corporation Pcl.
					May 2014-Present	Acting Chief Operating Officer of Call Center LOB	Samart Corporation Pcl.
					Present	Acting Chief Operating Officer of Utilities and Transportations LOB and Technology Related Services LOB	Samart Corporation Pcl.
						Position in other listed companies	
					2003-Present	Director and CEO	Samart I-Mobile Pcl.
					2005-Present	Chairman of the Risk Management Committee	Samart I-Mobile Pcl.
					2000-Present	Executive Chairman & CEO	Samart Telecoms Pcl.
					1996-Present	Director	Samart Telecoms Pcl.
					2013-Present	Director	One To One Contacts Pcl.
					2013-Present	Executive Chairman / Chairman of the Risk Management Committee	One To One Contacts Pcl.
						Position in non-listed companies	
					1993-Present	Director	Vilailuck International Holding Co., Ltd.
					Present	Director	Subsidiaries and Affiliated Companies (as details in Directors and Managements in subsidiaries and affiliated companies)
					2000-2013	Director	One To One Contacts Co., Ltd.

Remark : ⁽¹⁾ Includes holding by spouse and minor children (See the securities holding information in the topic of the "Corporate Governance" under the item of the "4. Disclosure and Transparency")
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in Company ⁽¹⁾ (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
8. Mr. Sirichai Rasameechan - Authorized Director - Executive Vice Chairman - Risk Management Committee Member - Corporate Governance Committee Member - Vice Chairman of the Sustainable Development Committee <i>(To be appointed as a director on Feb. 20, 1996)</i>	64	- Master of Accounting, Thammasat University - Bachelor Degree in Accounting, Thammasat University Training courses from Thai Institute of Directors Association (IOD) : - Director Certification Program (DCP) in 2000 - Finance for Non-Finance Director Program in 2000	-	-	2000-Present	Executive Vice Chairman	Samart Corporation Pcl.
					1996-Present	Director	Samart Corporation Pcl.
					2005-Present	Corporate Governance Committee Member	Samart Corporation Pcl.
					2004-Present	Risk Management Committee Member	Samart Corporation Pcl.
					2013-Present	Vice Chairman of the Sustainable Development Committee	Samart Corporation Pcl.
					Position in other listed companies		
					Aug. 2014-Present	Director	Samart I-Mobile Pcl.
					2005-Present	Risk Management Committee Member	Samart I-Mobile Pcl.
					2008-Present	Nominating & Compensation Committee Member	Samart I-Mobile Pcl.
					1998-Present	Director / Executive Director	Samart Telecoms Pcl.
					2013-Present	Director	One To One Contacts Pcl.
					2013-Present	Executive Director / Risk Management Committee Member / Corporate Governance Committee Member	One To One Contacts Pcl.
					Position in non-listed companies		
					Present	Director	Subsidiaries and Affiliated Companies (as details in Directors and Managements in subsidiaries and affiliated companies)
					Present	Speaker	Thai Institute of Directors Association (IOD)
					2000-2013	Director	One To One Contacts Co., Ltd.

Remark : ⁽¹⁾ Includes holding by spouse and minor children (See the securities holding information in the topic of the “Corporate Governance” under the item of the “4. Disclosure and Transparency”) % of total number of voting rights

● Executives & Managements of Samart Corporation Public Company Limited as of December 31, 2014

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in Company ⁽¹⁾ (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
1. Mr. Charoenrath Viailuck <i>(To be appointed as an executive director on Feb. 25, 1993)</i>						- See details in "The Board of Directors of Samart Corporation Pcl." -	
2. Mr. Watchai Viailuck <i>(To be appointed as an executive director on Feb. 25, 1993)</i>						- See details in "The Board of Directors of Samart Corporation Pcl." -	
3. Mr. Sirichai Rasameechan <i>(To be appointed as an executive director on Feb. 20, 1996)</i>						- See details in "The Board of Directors of Samart Corporation Pcl." -	

Remark : ⁽¹⁾ Includes holding by spouse and minor children (See the securities holding information in the topic of the "Corporate Governance" under the item of the "4. Disclosure and Transparency")
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in Company ⁽¹⁾ (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
4. Mr. Thananan Vilailuck - Executive Director - Risk Management Committee Member - Sustainable Development Committee Member - President of Mobile Multimedia LOB <i>(To be appointed as an executive director on Feb. 28, 2007)</i>	48	- Master of Engineering, University of Florida, USA - Bachelor Degree in Engineering, Kasetsart University - Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD) in 2004	1.31% 13,212,100 shares	Mrs. Sirpen's son and Mr. Charoenrath's and Mr. Watchai's younger brother	2007-Present	Executive Director	Samart Corporation Pcl.
					2009-Present	Risk Management Committee Member	Samart Corporation Pcl.
					2013-Present	Sustainable Development Committee Member	Samart Corporation Pcl.
					2006-Present	President of Mobile Multimedia LOB	Samart Corporation Pcl.
					Position in other listed companies		
					2006-Present	President	Samart I-Mobile Pcl.
					2003-Present	Director / Executive Director	Samart I-Mobile Pcl.
					2005-Present	Risk Management Committee Member	Samart I-Mobile Pcl.
					2013-present	Chairman of the Sustainable Development Committee	Samart I-Mobile Pcl.
					2013-Present	Director	One To One Contacts Pcl.
					2013-Present	Risk Management Committee Member	One To One Contacts Pcl.
					2011-Present	Director	Siam Sport Syndicate Pcl.
					Position in non-listed companies		
					1993-Present	Director	Vilailuck International Holding Co., Ltd.
					Present	Director	Subsidiaries and Affiliated Companies (as details in Directors and Management in subsidiaries and affiliated companies)

Remark : ⁽¹⁾ Includes holding by spouse and minor children (See the securities holding information in the topic of the "Corporate Governance" under the item of the "4. Disclosure and Transparency")
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in Company ⁽¹⁾ (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
5. Mr. Jong Diloksombat - Executive Director - Risk Management Committee Member - Sustainable Development Committee Member - President of ICT Solutions and Services LOB <i>(To be appointed as an on Mar. 19, 2012) executive director</i>	55	- Master of System Science, University of Louisville, USA - Bachelor Degree in Electrical Engineering, Chulalongkorn University - Certificate of Strategic Planning & Implementation, University of Michigan Business School, Singapore in 2000 - Certificate of Crisis Management Master Class, VMAC Business Group (M) Sdn Bhd Premier Provider of Business Intelligence - Certificate of Executive Development program, Faculty of Commerce and Accountancy, Thammasat University - Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD) in 2004 - Capital Market Leader Program, The Securities and Exchange Commission and Sasin Graduate Institute of Business Administration of Chulalongkorn University in 2014	-	-	2012-Present	Executive Director	Samart Corporation Pcl.
					2009-Present	Risk Management Committee Member	Samart Corporation Pcl.
					2013-Present	Sustainable Development Committee Member	Samart Corporation Pcl.
					2012-Present	President of ICT Solutions and Services LOB	Samart Corporation Pcl.
					Position in other listed companies		
					2012-Present	President / Corporate Governance Director / Executive Director / Committee Member	Samart Telecoms Pcl.
					2012-Present	Chairman of the Risk Management Committee	Samart Telecoms Pcl.
					2013-Present	Chairman of the Sustainable Development Committee	Samart Telecoms Pcl.
					2005-Present	Corporate Governance Committee Member / Risk Management Committee Member	Samart I-Mobile Pcl.
					2003-Present 2003-2012	Director / Executive Director Chief Operating Officer	Samart I-Mobile Pcl. Samart I-Mobile Pcl.
					Present	Position in non-listed companies Director	Subsidiaries and Affiliated Companies (as details in Directors and Managements in subsidiaries and affiliated companies)

Remark : ⁽¹⁾ Includes holding by spouse and minor children (See the securities holding information in the topic of the "Corporate Governance" under the item of the "4. Disclosure and Transparency")
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in Company ⁽¹⁾ (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
6. Mr. Pracha Phathayakorn - Executive Vice President (Finance and Accounting) - Risk Management Committee Member - Sustainable Development Committee Member (To be appointed as an executive director on May 1, 2011)	51	- Master of Business Administration with major in Finance and International Business, Sasin Graduate Institute of Business Administration, Chulalongkorn University - Bachelor Degree in Accounting, Chulalongkorn University - Investment Banking License, Association of Securities Companies Training courses from Thai Institute of Directors Association (IOD) : - Director Certification Program (DCP) in 2009 - Monitoring the System of Internal Control and Risk Management (MIR) in 2008 - Monitoring the Internal Audit Function (MIA) in 2008 - Monitoring the Quality of Financial Reporting (MFR) in 2007 - Audit Committee Program (ACP) in 2006 - Director Accreditation Program (DAP) in 2005	0.03% 310,000 shares	-	2012-Present	Risk Management Committee Member	Samart Corporation Pcl.
					2011-Present	Executive Vice President (Finance and Accounting)	Samart Corporation Pcl.
					2013-Present	Sustainable Development Committee Member	Samart Corporation Pcl.
						Position in other listed companies	
					2012-Present	Executive Vice President	Samart I-Mobile Pcl.
					2013-Present	Sustainable Development Committee Member	Samart I-Mobile Pcl.
					2013-Present	Director	One To One Contacts Pcl.
					2013-Present	Executive Director / Risk Management Committee Member	One To One Contacts Pcl.
					2005-2011	Independent Director and Audit Committee Member	Eternity Grand Logistics Plc.
						Position in non-listed companies	
					2013-Present	Director	Subsidiaries and Affiliated Companies (as details in Directors and Managements in subsidiaries and affiliated companies)
					2005-2011	President	Paresa Corporation Co., Ltd.

Remark : ⁽¹⁾ Includes holding by spouse and minor children (See the securities holding information in the topic of the "Corporate Governance" under the item of the "4. Disclosure and Transparency")
 % of total number of voting rights

● Company Secretary of Samart Corporation Public Company Limited as of December 31, 2014

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in Company ⁽¹⁾ (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
Mrs. Jirawan Rujisonthi ^(*) - Company Secretary <i>(To be appointed as the Company Secretary on Dec. 19, 2014)</i>	40	- Master of Business Administration (MBA), Kasetsart University - Bachelor Degree in Business Administration, Rajamangala University of Technology Thanyaburi - Effective Minute Taking, Board of Trade of Thailand in 2006 - Fundamental Practice for Corporate Secretary (FPCS - Class 18), Thai Listed Companies Association in 2008 - Operation Excellent Program, Faculty of Commerce and Accountancy, Thammasart University in 2008 - Effective Minute Taking (EMT-Class 14), Thai Institute of Directors Association (IOD) in 2002	0.001% 6,400 shares	-	Dec. 2014-Present	Company Secretary	Samart Corporation Pcl.
					2000-Nov. 2014	Assistant Company Secretary	Samart Corporation Pcl.
						Position in other listed companies - Position in non-listed companies -	

Remark : ⁽¹⁾ Includes holding by spouse and minor children

% of total number of voting rights

^(*) To be appointed as the Company Secretary in replacement of Mrs. Vorapin Isaradtharm on December 19, 2014.

Company Secretary's Role and Responsibilities

The Board of Directors has appointed Mrs. Jirawan Rujisonthi as the Company Secretary.

Roles and responsibilities of the appointed Company Secretary are as follows:

1. Perform her duty with responsibility, due care and royalty as well as has to comply by laws and any other related regulations;
2. Support the Board of Directors for their activities including provide consultation with related to Company's Articles of Association, and any other regulations from related authorities;
3. Arrange meetings for Board of Directors, Committees and Shareholders as well as coordinate to ensure all resolutions have been implemented complying with Company's Objectives, Articles of Association, laws and related regulations;
4. Preparing and keeping important documents of the Company, i.e. a register of directors, notices calling directors' and shareholders' meetings as well as the reports of such meeting and the annual report, etc;
5. Keeping the report on interest filed by Directors and executives as well as submit a copy of such report to the Chairman and the Chairman of Audit Committee within 7 business days from the date on which the Company has received the report.

In case where the Company Secretary vacates her position or is incapable of performing her duty, the Nominating & Compensation Committee shall select a new Company Secretary to propose for consideration and approval of the Board of Directors to appoint the new Company Secretary within 90 days from the date on which the Company Secretary has vacated her position or has been incapable of performing her duty; in this regards the Board of Directors shall be empowered to assign any director to perform the duty as the substitutes during such period.

The Company has specified the qualifications of the Company Secretary as follows:

1. Having well-rounded knowledge and understanding of the Company's businesses;
2. Understand roles and duties of the Company Secretary;
3. Having knowledge and understanding concerning legal matters, regulations of the Office of SEC and the Stock Exchange of Thailand;
4. Do not exploit the Company's business opportunity for personal benefits as well as preserve the confidential information of the Company;
5. Having good human relationship and can coordinate and contact with other agencies inside and outside the Company;
6. Possess English proficiency;
7. Having working experiences on the Company Secretary at least 3-5 years.

During the past year, the Company Secretary has attended the training courses and seminars to strengthen knowledge as follows:

- Smart Disclosure Program (SDP) from SET;
- Disclosure of annual information disclosure form (56-1 form) from SEC;
- Smart - Listing from SET;
- E - Filing by XBRL Technology from SET;
- CSR To Corporate Sustainability, Class 8 from Corporate Social Responsibility Institute (CSRI) and Sustainable Business Development Institute (SBDI).

SAMART's Directors and Managements in Subsidiaries, Affiliated and Related Companies as of December 31, 2014

[illegible]

Remarks : 1) x = Chairman, / = Director, // = Executive Director, /// = Managements

2) Companies Symbol;

- | | | | | | | | | | | | |
|-----|---------|---------------------------------------|------|--------------|--|-------------|------|---|------|--------------|--|
| 1. | SC | = Samart Corporation Pcl. | 2. | SIM | = Samart I-Mobile Pcl. | 3. | SMS | = Samart Mobile Services Co., Ltd. | 4. | BUG | = Samart Multimedia Co., Ltd. |
| 5. | SIAM | = Samart Interactive Media Co., Ltd. | 6. | IMI | = I-Mobile International Co., Ltd. | 7. | SIMM | = Samart I-Mobile (Malaysia) Sdn. Bhd. | 8. | SIMI | = PT. Samart I-Mobile Indonesia |
| 9. | TCN | = Teleconnect Co., Ltd. | 10. | BS | = Brain Source Co., Ltd. | 11. | IMP | = I-Mobile Plus Co., Ltd. | 12. | IMIT | = I-Mobile Inter Trade Co., Ltd. |
| 13. | IMD | = I-Mobile Direct Co., Ltd. | 14. | STC | = Samart Telecoms Pcl. | 15. | SCS | = Samart Communication Services Co., Ltd. | 16. | SCT | = Samart Comtech Co., Ltd. |
| 17. | SBS | = Samart Broadband Services Co., Ltd. | 18. | TTN | = Thai Trade Net Co., Ltd. | 19. | PN | = Posnet Co., Ltd. | 20. | SIF | = Samart Infonet Co., Ltd. |
| 21. | STW | = Smartware Co., Ltd. | 22. | SAET | = Samart Ed-Tech Co., Ltd. | 23. | PTN | = Portalnet Co., Ltd. | 24. | OTO | = One To One Contacts Pcl. |
| 25. | OTP | = One To One Professional Co., Ltd. | 26. | OTOC | = One To One (Cambodia) Co., Ltd. | 27. | CAIS | = Cambodia Air Traffic Services Co., Ltd. | 28. | KPP | = Kampot Power Plant Co., Ltd. |
| 29. | SUT | = Samart U-Trans Co., Ltd. | 30. | SEC | = Suvarabhumi Environment Care Co., Ltd. | 31. | VSS | = Vision and Security System Co., Ltd. | 32. | SE | = Samart Engineering Co., Ltd. |
| 33. | CIO | = Contact-In-One Co., Ltd. | 34. | SIH | = Samart Inter Holding Co., Ltd. | 35. | SRT | = Samart Raditech Co., Ltd. | 36. | SDT | = Samart Digital TV Co., Ltd. |
| 37. | TEDA | = Teda Co., Ltd. | 38. | TDC | = Teda Construction Co., Ltd. | 39. | TS | = Transec Power Services Co., Ltd. | 40. | SW2P | = Samart Waste2Power Co., Ltd. |
| 41. | SUM | = Samart U-Trans (Myanmar) Co., Ltd. | 42. | SUL | = Samart U-Trans (Lao) Co., Ltd. | 43. | NMD | = Net Media Co., Ltd. | 44. | ITAB | = IT Absolute Co., Ltd. |
| 45. | I-SPORT | = I-Sport Co., Ltd. | 46. | I-SPORT M | = I-Sport Media Co., Ltd. | 47. | CS | = Cambodia Samart Co., Ltd. | 48. | ENT | = Entertainment Tree Co., Ltd. |
| 49. | SLA | = SLA Asia Co., Ltd. | 50. | NST | = Net Service (Thailand) Co., Ltd. | 51. | SSTV | = Siam Sport Television Co., Ltd. | 52. | VIH | = Vialluluck International Holding Co., Ltd. |
| 3) | (1) | Listed Companies | (2) | Held by SIM | (3) | Held by BUG | (4) | Held by IMI | (5) | Held by IMIT | |
| | (6) | Held by I-SPORT | (7) | Held by STC | (8) | Held by OTO | (9) | Held by SE | (10) | Held by SH | |
| | (11) | Held by SUT | (12) | Held by TEDA | (13) | Held by SBS | (14) | Held by SCT | (15) | Held by SCS | |

* The Company is in process of the establishment.

Board of Directors & Committees' list

Directors of Sub-Committees	Board of Directors	Executive Board	Audit Committee	Risk Management Committee	Corporate Governance Committee	Nominating and Compensation Committee	Sustainable Development Committee
1. Dr. Tongchat Hongladaromp	x		/			x	
2. Mr. Pradang Prichayangkun	/		x		/	/	
3. Mr. Seri Suksathaporn	/		/		x	/	
4. Mrs. Siripen Vilailuck	/						
5. Mr. Charoenrath Vilailuck	/	x		x			
6. Mr. Watchai Vilailuck	/	/		/			x
7. Mr. Sirichai Rasameechan	/	/		/	/		/
8. Mr. Prinya Waiwatana	/				/		
9. Mr. Thananan Vilailuck		/		/			/
10. Mr. Sommai Damnoenkiat				/			
11. Mrs. Sukanya Vanichjakvong				/			
12. Mr. Jong Diloksombat		/		/			/
13. Mr. Pracha Phathayakorn				/			/
14. Mr. Teerachai Phongpanangam							/
15. Mrs. Rosalin Charoenwong							/
16. Mrs. Phongsri Saluckpetch							/
17. Miss Kanokwan Chanswangpuvana							/

Remark : x = Chairman, / = Director, Committee Member

Directors' list of Major Subsidiaries^(*)

Name of Directors	Subsidiaries	
	Samart I-Mobile Pcl.	Samart Telcoms Pcl.
1. Mr. Charoenrath Vilailuck	/	//
2. Mr. Watchai Vilailuck	//	//
3. Mr. Sirichai Rasameechan	//	//
4. Prof. Suphachai Phisitvanich	x	
5. Dr. Chotivid Chayavadhanangkur	/	
6. Mr. Kunthit Aranyakanonda	/	
7. Mr. Sombut Uthaisang		x
8. General Sumpun Boonyanun		/
9. Ms. Rapeepan Luangaramrut		/
10. Mr. Vichai Pokasamrit		/
11. Mr. Kajornvut Tayanukorn		/
12. Mr. Thananan Vilailuck	//	
13. Mr. Jong Diloksombat	//	//
14. Mr. Pornchai Krivichian		

Remarks : 1) x = Chairman, / = Director, // = Executive Director

2) ^() Subsidiaries which its revenue represent over 10% of Group revenue.*

The Board of Directors, Managements and Company Secretary of Major Subsidiaries^(*) Ssmart I-Mobile Public Company Limited (“SIM”)

● The Board of Directors of Ssmart I-Mobile Public Company Limited as of December 31, 2014

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SIM ^(**) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
1. Professor Suphachai Phisitvanich - Chairman of the Board - Independent Director - Audit Committee Member <i>(To be appointed as a director on May 11, 2005)</i>	74	- Ph.D. honorary in Accounting, Thammasart University - Master Degree in MBA, Ohio State University, U.S.A. - Bachelor Degree in Accounting and Commerce, Thammasart University - National Defence course (Class 32), National Defence College of Thailand Training courses from Thai Institute of Directors Association (IOD) : - Director Accreditation Program (DAP) in 2003 - Director Certification Program (DCP) in 2003 - Board Performance Evaluation in 2004	0.13% 5,500,000 shares	-	2005-Present	Chairman of the Board of Directors / Independent Director	Ssmart I-Mobile Pcl.
					2009-Present	Audit Committee Member	Ssmart I-Mobile Pcl.
					Position in other listed companies		
					2009-Present	Independent Director	CP All Plc.
					2007-Present	Chairman of the Board of Directors	Aira Securities Plc.
					1994-Present	Director / Chairman of the Audit Committee / Chairman of the Corporate Governance Committee / Risk Management Committee	Bangkok Expressway Plc.
					2003-May 2010	Chairman of the Board of Directors / Chairman of the Audit Committee	Matching Studio Plc.
					Position in non-listed companies		
					2006-Present	Chairman of the Board of Directors	Sena Golden Sand Co., Ltd.
					2010-Present	Chairman of the Board of Directors	Aira Capital Co., Ltd.

Remarks : ^(*) Subsidiaries which its revenue represent over 10% of Group revenue.

^(**) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Ssmart I-Mobile Pcl.)

% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SIM ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
2. Dr. Chotivud Chayavadhanangkur - Independent Director - Chairman of the Audit Committee - Chairman of the Corporate Governance Committee - Nominating & Compensation Committee Member <i>(To be appointed as a director on Sep. 30, 2003)</i>	67	- Doctorate of Ph.D. in Electrical Engineering, University of Minnesota, USA - Master Degree in M.S. Electrical Engineering, University of Minnesota, USA - Bachelor Degree in Engineering (1 st Class Honour), Chulalongkorn University - Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD) in 2004	0.07% 3,000,000 shares	-	2009-Present	Chairman of the Audit Committee	Samart I-Mobile Pcl.
					2003-2009	Audit Committee Member	Samart I-Mobile Pcl.
					2003-Present	Independent Director	Samart I-Mobile Pcl.
					2008-Present	Chairman of the Corporate Governance Committee	Samart I-Mobile Pcl.
					2005-Present	Nominating & Compensation Committee Member	Samart I-Mobile Pcl.
						Position in other listed companies	
					-		
						Position in non-listed companies	
					2005-Present	Director	Greens Spot Co., Ltd.
					2005-Present	Director	BITIC Co., Ltd.
3. Mr. Kunthit Arunyakanda - Independent Director - Audit Committee Member - Chairman of the Nominating & Compensation Committee - Corporate Governance Committee Member <i>(To be appointed as a director on Sep. 30, 2003)</i>	48	- Mini MBA, Business Administration, Thammasat University - Bachelor Degree in Accounting, The Rajamongkol Institute of Technology - Director Certification Program (DCP), Thai Institute of Directors Association (IOD) in 2004	0.02% 800,000 Shares	-	2009-Present	Chairman of the Nominating & Compensation Committee	Samart I-Mobile Pcl.
					2008-2009	Nominating & Compensation Committee Member	Samart I-Mobile Pcl.
					2003-Present	Independent Director / Audit Committee Member	Samart I-Mobile Pcl.
					2008-Present	Corporate Governance Committee Member	Samart I-Mobile Pcl.
					2005-2008	Chairman of the Corporate Governance Committee	Samart I-Mobile Pcl.
						Position in other listed companies	
					-		
						Position in non-listed companies	
					2001-Present	Director	Sam Nak-Ngan A.M.C. Co., Ltd.

Remark : ^(*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Samart I-Mobile Pcl.)
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SIM ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
4. Mr. Charoenrath Vilailuck - Authorized Director <i>(To be appointed as a director on Sep. 30, 2003)</i>		- See details in "The Board of Directors of Smart Corporation Pcl." -	-				- See details in "The Board of Directors of Smart Corporation Pcl." -
5. Mr. Watchai Vilailuck - Authorized Director - Executive Chairman - Chief Executive Officer - Chairman of the Risk Management Committee - Acting Managing Director- Service Provider Business <i>(To be appointed as a director on Sep. 30, 2003)</i>		- See details in "The Board of Directors of Smart Corporation Pcl." -	0.18% 7,781,000 shares				- See details in "The Board of Directors of Smart Corporation Pcl." -
6. Mr. Thananan Vilailuck - Authorized Director - President - Executive Director - Risk Management Committee Member - Chairman of the Sustainable Development Committee - Acting Managing Director- Mobile Business <i>(To be appointed as a director on Sep. 30, 2003)</i>		- See details in "Executives and Managements of Smart Corporation Pcl." -	-				- See details in "Executives and Managements of Smart Corporation Pcl." -

Remark : ^(*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Smart I-Mobile Pcl.)
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SIM ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
7. Mr. Jong Dioksombat - Authorized Director - Executive Director - Corporate Governance Committee Member - Risk Management Committee Member <i>(To be appointed as a director on Sep. 30, 2003)</i>		- See details in "Executives and Managements of Samart Corporation Pcl." -	0.02% 1,000,000 shares				- See details in "Executives and Managements of Samart Corporation Pcl." -
8. Mr. Sirichai Rasameechan - Authorized Director - Risk Management Committee Member - Nominating & Compensation Committee Member <i>(To be appointed as a director on Aug. 7, 2014)</i>		- See details in "The Board of Directors of Samart Corporation Pcl." -	-				- See details in "The Board of Directors of Samart Corporation Pcl." -

Remark : ^(*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Samart I-Mobile Pcl.)
% of total number of voting rights

● Executives & Managements of Samart I-Mobile Public Company Limited as of December 31, 2014

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SIM ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
1. Mr. Watchai Vilailuck (To be appointed as Executive Director on Sep. 30, 2003)	- See details in "The Board of Directors of Samart Corporation Pcl." -	- See details in "The Board of Directors of Samart Corporation Pcl." -	0.18% 7,781,000 shares				- See details in "The Board of Directors of Samart Corporation Pcl." -
2. Mr. Thananan Vilailuck (To be appointed as Executive Director on Sep. 30, 2003)	- See details in "Executives and Managements of Samart Corporation Pcl." -	- See details in "Executives and Managements of Samart Corporation Pcl." -	-				- See details in "Executives and Managements of Samart Corporation Pcl." -
3. Mr. Jong Diloksombat (To be appointed as Executive Director on Sep. 30, 2003)	- See details in "Executives and Managements of Samart Corporation Pcl." -	- See details in "Executives and Managements of Samart Corporation Pcl." -	0.02% 1,000,000 shares				- See details in "Executives and Managements of Samart Corporation Pcl." -
4. Mr. Sirichai Rasameechan (To be appointed as Executive Director on Aug. 7, 2014)	- See details in "The Board of Directors of Samart Corporation Pcl." -	- See details in "The Board of Directors of Samart Corporation Pcl." -	-				- See details in "The Board of Directors of Samart Corporation Pcl." -

Remark : ^(*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Samart I-Mobile Pcl.)
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SIM ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
5. Mr. Pracha Phathayakorn - Executive Vice President - Executive Director - Risk Management Committee Member - Sustainable Development Committee Member <i>(To be appointed as Executive Vice President on Jan. 11, 2012)</i>		- See details in "Executives and Managements of Smart Corporation Pcl." - 	-				
6. Mr. Subhasiddhi Rakkasikorn - Managing Director-Multimedia Business, Seconded to be Managing Director, Smart Multimedia Co., Ltd. - Risk Management Committee Member - Sustainable Development Committee Member <i>(To be appointed as Managing Director - Multimedia Business on Jan. 1, 2010)</i>	45	- Bachelor degrees in Business Administration (Marketing), Assumption University of Thailand (ABAC) - Certificate of Young Executive Development Program, Faculty of Commerce and Accountancy, Thammasat University - Certificate of Accounting Management, Faculty of Commerce and Accountancy, Chulalongkorn University	0.0002% 10,000 shares	-	2013-Present 2014-Present 2010-Present Present	Sustainable Development Committee Member Risk Management Committee Member Position in other listed companies - Position in non-listed companies Managing Director Director	Smart I-Mobile Pcl. Smart I-Mobile Pcl. Smart Multimedia Co., Ltd. Subsidiaries and Related Companies (as shown in The Position of Directors of the Company in Subsidiaries and Related Companies in 56-1 Form and the Annual Report 2014 of Smart I-Mobile Pcl.)

Remark : ^(*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Smart I-Mobile Pcl.)
 % of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SIM ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
7. Mrs. Sumonthip Srimek - Vice President - Account <i>(To be appointed as Management on Sep. 30, 2003)</i>	55	- Master Degree, Business Administration, Kasetsart University - Bachelor Degree in Accounting, Chiang Mai University	-	-	2003-Present	Vice President - Account	Samart I-Mobile Pcl.
						<u>Position in other listed companies</u> -	
						<u>Position in non-listed companies</u> -	
8. Miss Kusuma Kerdpol - Vice President - Finance - Risk Management Committee Member <i>(To be appointed as Management on Mar. 1, 2014)</i>	44	- Master of Science (Economics), Major in Monetary & Public Finance and International Economics, Kasetsart University - Bachelor of Arts (Economics), Major in Monetary & Banking and International Economics, Thammasat University	-	-	Mar. 2014-Present 2006-2013	Vice President - Finance AVP - Financial Planning and Corporate Treasury	Samart I-Mobile Pcl. Samart I-Mobile Pcl.
					2013-Feb. 2014	<u>Position in other listed companies</u> Assistant Vice President - Financial Planning and Corporate Secretary	One To One Contracts Pcl.
					Nov. 2014-Present	<u>Position in non-listed companies</u> Director	Samart I-Mobile (Malaysia) Sdn.Bhd.

Remark : ^(*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Samart I-Mobile Pcl.)
% of total number of voting rights

● Company Secretary of Samart I-Mobile Public Company Limited as of December 31, 2014

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SIM ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
Miss Boonrut Mongkolratanakorn - Assistant Vice President - Company Secretary - Secretary to Sub-Committees - Sustainable Development Committee Member <i>(To be appointed as the Company Secretary on Oct. 31, 2003)</i>	52	- Mini MBA, Business Administration, Thammasat University - Bachelor Degree in Accounting, Thammasat University - Graduation certificate in Advanced Accounting, Thammasat University in 1986 - Law and regulations for Corporate Secretary, Chulalongkorn University in 2003 - Internal Auditing Certificate Program (IACP), Federation of Accounting Professions in 2003 (Role and responsibilities of the Company Secretary, please see in the Annual Report 2014 of Samart I-Mobile Pcl.)	0.0016% 70,000 shares	-	Nov. 2013-Present	Sustainable Development Committee Member	Samart I-Mobile Pcl.
					Aug. 2013-Present	Assistant Vice President - Company Secretary	Samart I-Mobile Pcl.
					2003-Jul. 2013	Assistant Vice President - Internal Audit and Company secretary	Samart I-Mobile Pcl.
					2003-Present	Secretary to Sub-Committees	Samart I-Mobile Pcl.
						Position in other listed companies -	
					Nov. 2014-Present	Position in non-listed companies Director	Samart I-Mobile (Malaysia) Sdn.Bhd

Remark : ^(*) Includes holding by spouse and minor children
% of total number of voting rights

Directors and Managements in Major Subsidiaries^(*)

Samart I-Mobile Public Company Limited

Directors and Managements in Subsidiaries and Related Companies as of December 31, 2014

[illegible]

Remarks : 1) x = Chairman, / = Director, // = Executive Director, /// = Audit Committee/Independent Director, # = Management, ## = Corporate Secretary

2) Companies Symbol;

- | | | | | | | | |
|----------|---|---------------|---|----------|---|----------|---|
| 1. SIM | = Samart I-Mobile Pcl. | 2. SMS | = Samart Mobile Services Co., Ltd. | 3. BUG | = Samart Multimedia Co., Ltd. | 4. IMI | = I-Mobile International Co., Ltd. |
| 5. IMIT | = I-Mobile Inter trade Co., Ltd. | 6. SIMM | = Samart I-Mobile (Malaysia) Sdn. Bhd. | 7. SIMI | = PT. Samart I-Mobile Indonesia | 8. TCN | = Teleconnect Company Limited |
| 9. SIAM | = Samart Interactive Media Co., Ltd. | 10. I-SPORT | = I-Sport Co., Ltd. | 11. BS | = Brain Source Co., Ltd. | 12. ENT | = Entertainment Tree Co., Ltd. |
| 13. IMP | = I-Mobile Plus Co., Ltd. | 14. I-SPORT M | = I-Sport Media Co., Ltd. | 15. IMD | = I-Mobile Direct Co., Ltd. | 16. SSTV | = Siam Sport Television Co., Ltd. |
| 17. SC | = Samart Corporation Pcl. | 18. STC | = Samart Telcoms Pcl. | 19. SCT | = Samart Comtech Co., Ltd. | 20. SBS | = Samart Broadband Services Co., Ltd. |
| 21. OTO | = One To One Contacts Pcl. | 22. SE | = Samart Engineering Co., Ltd. | 23. PN | = Posnet Co., Ltd. | 24. SCS | = Samart Communication Services Co., Ltd. |
| 25. SIF | = Samart Infonet Co., Ltd. | 26. SAET | = Samart Ed-Tech Co., Ltd. | 27. SUT | = Samart U-Trans Co., Ltd. | 28. SEC | = Suvanabhumi Environment Care Co., Ltd. |
| 29. CATS | = Cambodia Air Traffic Services Co., Ltd. | 30. KPP | = Kampot Power Plant Co., Ltd. | 31. CS | = Cambodia Samart Co., Ltd. | 32. CIO | = Contact-In-One Co., Ltd. |
| 33. TTN | = Thal Trade Net Co., Ltd. | 34. STW | = Smartware Co., Ltd. | 35. SIH | = Samart Inter Holding Co., Ltd. | 36. SRT | = Samart Raditech Co., Ltd. |
| 37. OTP | = One To One Professional Co., Ltd. | 38. PTN | = Portanet Co., Ltd. | 39. SDT | = Samart Digital TV Co., Ltd. | 40. VIH | = Vlaluck International Holding Co., Ltd. |
| 41. VSS | = Vision and Security System Co., Ltd. | 42. OTOC | = One To One (Cambodia) Co., Ltd. | 43. TEDA | = Teda Co., Ltd. | 44. TDC | = Teda Construction Co., Ltd. |
| 45. TS | = Transec Power Services Co., Ltd. | 46. SUM* | = Samart U-Trans (Myanmar) Co., Ltd.
(The company is in process of the establishment.) | 47. SUL* | = Samart U-Trans (Lao) Co., Ltd.
(The company is in process of the establishment.) | 48. SW2P | = Samart Waste2Power Co., Ltd. |
| 49. SLA | = SLA Asia Co., Ltd. | 50. NST | = Net Service (Thailand) Co., Ltd. | 51. NMD | = Net Media Co., Ltd. | 52. ITAB | = IT Absolute Co., Ltd. |
- 3) ⁽¹⁾ Direct held by Samart Multimedia Co., Ltd. ⁽²⁾ Direct held by I-Mobile International Co., Ltd. ⁽³⁾ Direct held by I-Sport Co., Ltd. ⁽⁴⁾ Direct held by I-Mobile Inter trade Co., Ltd.
- ⁰ Subsidiaries which its revenue represent over 10% of Group revenue.

Samart I-Mobile Public Company Limited

Board of Directors and Committees' list

Directors of Sub - Committees	Board of Directors	Executive Committee	Audit Committee	Risk Management Committee	Corporate Governance Committee	Nominating and Compensation Committee	Sustainable Development Committee
1. Prof. Suphachai Phisitvanich	X		/				
2. Dr. Chotivid Chayavadhanangkur	/		x		x	/	
3. Mr. Kunthit Arunyananda	/		/		/	X	
4. Mr. Charoenrath Vilailuck	/						
5. Mr. Watchai Vilailuck	/	x		x			
6. Mr. Thananan Vilailuck	/	/		/			x
7. Mr. Jong Diloksombat	/	/		/	/		
8. Mr. Sirichai Rasameechan	/			/		/	
9. Mr. Pracha Phatthayakorn		/		/			/
10. Mr. Subhasiddhi Rakkasikorn				/			/
11. Miss Chullada Sapsarasin				/			/
12. Mr. Teerapon Asavatitanonta				/			/
13. Mr. Nipon Sudkaew							/
14. Miss Boonrut Mongkolratanakorn							/
15. Miss Kusuma Kerdpol				/			

Remark : x = Chairman, / = Director, Committee Member

Directors' list of Major Subsidiaries^(*)

- N/A -

Remark : ^() Subsidiaries which its revenue represent over 10% of Group revenue.*

Samart Telcoms Public Company Limited (“SAMTEL”)

● The Board of Directors of Samart Telcoms Public Company Limited as of December 31, 2014

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SAMTEL ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
1. Mr. Sombut Uthaisang - Independent Director - Authorized Director - Chairman <i>(To be appointed as a director on Apr. 24, 2008)</i>	78	- Master of Public Administration, National Institute of Development Administration (NIDA) - Bachelor of Law, Thammasat University - The Colombo Scholarship (The Transport and Logistic, Australia 1970-1971) - National Defence College, JSPS Class 1 - Capital Market Academy, Class 10 Training courses from Thai Institute of Directors Association (IOD) : - Director Accreditation Program (DAP) in 2005 - Audit Committee Program (ACP) in 2013 - Role of the Chairman Program (RCP) in 2013	0.073% 450,000 shares	-	2008-Present 2008-2012	Chairman Chairman of the Corporate Governance Committee	Samart Telcoms Pcl. Samart Telcoms Pcl.
					2013-Present Jan. 2014-Present	Position in other listed companies Independent Director Independent Director	Thonburi Medical Centre Pcl. Bangkok Dusit Medical Services Pcl.
					-	Position in non-listed companies -	-

Remark : ^(*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Samart Telcoms Pcl.)
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SAMTEL ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
2. General Sumpun Boonyanun - Independent Director - Chairman of the Audit Committee - Chairman of the Nominating & Compensation Committee - Corporate Governance Committee Member <i>(To be appointed as a director on Apr. 24, 2008)</i>	71	- Bachelor of Science, Chulachomklao Royal Military Academy, Class 15 - The regular main course, Command and General Staff College, Class 55 - National Defence College, Class 35 Training courses from Thai Institute of Directors Association (IOD) : - Director Certification Program (DCP) in 2009 - Director Accreditation Program (DAP) in 2008 - Role of Compensation Committee (RCC) in 2008 - Audit Committee Program (ACP) in 2008 - Anti-Corruption for Executive Program (ACEP) in 2014	0.016% 100,000 shares	-	2008-Present	Independent Director	Samart Telcoms Pcl.
					2008-Present	Chairman of the Audit Committee	Samart Telcoms Pcl.
					2008-Present	Chairman of the Nominating & Compensation Committee	Samart Telcoms Pcl.
					2008-Present	Corporate Governance Committee Member	Samart Telcoms Pcl.
3. Mr. Vichai Pokasamrit - Independent Director - Audit Committee Member - Nominating & Compensation Committee Member - Chairman of the Corporate Governance Committee <i>(To be appointed as a director on Apr. 21, 2011)</i>	65	- Master of Arts in Political Science, Western Michigan University, U.S.A. - Bachelor of Laws, Thammasat University - National Defence Program for Government, Public and Political Sectors, The National Defence College - Certificate of Urban Development Management, Australia Director Certification Program (DCP), Thai Institute of Directors Association (IOD) in 2011	0.016% 100,000 shares	-	2011-Present	Independent Director / Audit Committee Member	Samart Telcoms Pcl.
					2011-Present	Nominating & Compensation Committee Member	Samart Telcoms Pcl.
					2012-Present	Chairman of the Corporate Governance Committee	Samart Telcoms Pcl.
						Position in other listed companies -	
					2009-2010	Position in non-listed companies Deputy Director of the Bureau of the Budget	Office of the Prime Minister
					2008-2009	Advisor to the Bureau of the Budget	Office of the Prime Minister

Remark : ^(*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Samart Telcoms Pcl.)
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SAMTEL (*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
4. Miss Rapeepan Luangaramrut - Independent Director - Audit Committee Member - Nominating & Compensation Committee Member <i>(To be appointed as a director on Apr. 24, 2008)</i>	58	- Master of Business Administration, Chulalongkorn University - Bachelor of Business Administration, Silpakorn University - Certificate of Competition & Strategy Program, Harvard Business School, USA. - Certificate of Advanced Management Program (AMP), Harvard Business School, USA. - Director Certification Program (DCP), Thai Institute of Directors Association (IOD) in 2003 - Leadership Program (Class 9), Capital Market Academy - National Defence College, Class 22 - Advanced Political and Electoral Development Institute (Class 3) - Urban Green Development Institute (BMA 1) - Administrative Justice Institute, Training Course on Administrative Justice for Executive (Class 4)	-	-	2008-Present	Independent Director / Audit Committee Member	Samart Telcoms Pcl.
					2013-Present	Nominating & Compensation Committee Member	Samart Telcoms Pcl.
					2008-2013	Corporate Governance Committee Member	Samart Telcoms Pcl.
					Position in other listed companies		
					2010-Present	Director	TPT Petrochemicals Pcl.
					1991-2009	Executive Director	Vinythai Pcl.
					Position in non-listed companies		
					2013-Present	Consulting President	Dream House Co., Ltd.
					2012-Present	Director	Entertainment Tree Co., Ltd.
					2005-Present	Director	R Property Co., Ltd.
					2004-Present	Executive Chairman	Khun Reed Corporation Co., Ltd.
					2004-Present	Executive Director	Derma Belle Co., Ltd.
					2000-Present	Executive Chairman	110 Vipha Co., Ltd.
					2005-Present	Director	Siam Solvay Foundation
					1989-2011	Director	Solvay Peroxythai Co., Ltd.

Remark : (*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Samart Telcoms Pcl.)

% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SAMTEL ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
5. Mr. Kajornvut Tayanukorn - Director - Corporate Governance Committee Member <i>(To be appointed as a director on Apr. 29, 2004)</i>	59	- Master of Business Administration, Thammasat University - Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD) in 2005	0.081% 500,000 shares	-	2004-Present	Director	Samart Telcoms Pcl.
					2013-Present	Corporate Governance Committee Member	Samart Telcoms Pcl.
					2008-2013	Nominating & Compensation Committee Member	Samart Telcoms Pcl.
6. Mr. Charoenrath Vilailuck - Authorized Director - Executive Director <i>(To be appointed as a director on Jul. 26, 1996)</i>		- See details in "The Board of Directors of Samart Corporation Pcl." -	0.129% 800,000 Shares		2001-Present	Position in other listed companies Executive Vice President	Bangkok Bank Pcl.
					2013-Present	Position in non-listed companies Executive Director	Processing Center Co., Ltd.
					- See details in "The Board of Directors of Samart Corporation Pcl." -		
7. Mr. Watchai Vilailuck - Authorized Director - Executive Chairman <i>(To be appointed as a director on Jul. 26, 1996)</i>		- See details in "The Board of Directors of Samart Corporation Pcl." -	0.194% 1,200,010 Shares		- See details in "The Board of Directors of Samart Corporation Pcl." -		

Remark : ^(*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Samart Telcoms Pcl.)
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SAMTEL ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
8. Mr. Sirichai Rasameechan - Director - Executive Director <i>(To be appointed as a director on Jul. 1, 1998)</i>		- See details in "The Board of Directors of Samart Corporation Pcl." -	0.024% 150,000 shares			- See details in "The Board of Directors of Samart Corporation Pcl." -	
9. Mr. Jong Diloksombat - Director - Executive Director - President - Corporate Governance Committee Member - Chairman of the Risk Management Committee - Chairman of the Sustainable Development Committee <i>(To be appointed as a director on Jan. 11, 2012)</i>		- See details in "Executives and Managements of Samart Corporation Pcl." -	0.065% 400,000 shares			- See details in "Executives and Managements of Samart Corporation Pcl." -	

Remark : ^(*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Samart Telcoms Pcl.)
% of total number of voting rights

● Executives & Managements of Smart Telcoms Public Company Limited as of December 31, 2014

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SAMTEL ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
1. Mr. Charoenrath Vilailuck (To be appointed as management on Jul. 26, 1996)	- See details in "The Board of Directors of Smart Corporation Pcl." -	- See details in "The Board of Directors of Smart Corporation Pcl." -	0.129% 800,000 Shares	- See details in "The Board of Directors of Smart Corporation Pcl." -	- See details in "The Board of Directors of Smart Corporation Pcl." -	-	-
2. Mr. Watchai Vilailuck (To be appointed as management on Jul. 26, 1996)	- See details in "The Board of Directors of Smart Corporation Pcl." -	- See details in "The Board of Directors of Smart Corporation Pcl." -	0.194% 1,200,010 Shares	- See details in "The Board of Directors of Smart Corporation Pcl." -	- See details in "The Board of Directors of Smart Corporation Pcl." -	-	-
3. Mr. Sirichai Rasameechan (To be appointed as management on Jul. 1, 1998)	- See details in "The Board of Directors of Smart Corporation Pcl." -	- See details in "The Board of Directors of Smart Corporation Pcl." -	0.024% 150,000 Shares	- See details in "The Board of Directors of Smart Corporation Pcl." -	- See details in "The Board of Directors of Smart Corporation Pcl." -	-	-
4. Mr. Jong Diloksombat (To be appointed as management on Jan 11, 2012)	- See details in "Executives and Managements of Smart Corporation Pcl." -	- See details in "Executives and Managements of Smart Corporation Pcl." -	0.065% 400,000 Shares	- See details in "Executives and Managements of Smart Corporation Pcl." -	- See details in "Executives and Managements of Smart Corporation Pcl." -	-	-

Remark : ^(*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Smart Telcoms Pcl.)
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SAMTEL ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
5. Mr. Pornchai Krivichian - Executive Vice President - Network Services Business Group and System Integration Business Group - Sustainable Development Committee Member <i>(To be appointed as management on Mar. 1, 2005)</i>	49	- Master of Engineering, Bridgeport University, USA.	0.007% 42,000 Shares	-	2011-Present	Executive Vice President - Network Services Business Group and System Integration Business Group	Samart Telcoms Pcl.
					2013-Present	Sustainable Development Committee Member	Samart Telcoms Pcl.
					2007-2010	Vice President - System Integration Business Group	Samart Telcoms Pcl.
					2005-2010	Vice President - Network Services Business Group	Samart Telcoms Pcl.
					Present	Position in other listed companies - Position in non-listed companies Director	Subsidiaries and Related Companies (as details in the second table attached in 56-1 Form and the Annual Report 2014 of Samart Telcoms Pcl.)

Remark : ^(*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Samart Telcoms Pcl.)
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SAMTEL ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
6. Mr. Apichat Sirisalipochna - Vice President - Network Services Business Group and Business Application Solution & Service Business Group - Sustainable Development Committee Member <i>(To be appointed as management on Mar. 1, 2005)</i>	49	- Master of Business Administration, Central Missouri State University, USA.	-		2005-Present	Vice President - Network Services Business Group and Business Application Solution & Service Business Group	Samart Telcoms Pcl.
					2013-Present	Sustainable Development Committee Member	Samart Telcoms Pcl.
						<u>Position in other listed companies</u> -	
					Present	<u>Position in non-listed companies</u> Director	Subsidiaries, Affiliated and Related Companies (as details in the second table attached in 56-1 Form and the Annual Report 2014 of Samart Telcoms Pcl.)
7. Mrs. Aroonluck Dilokwanich - Vice President - Corporate Accounting <i>(To be appointed as management on Sep. 1, 2003)</i>	56	- Master of Accounting, Bridgeport University, USA. - Bachelor of Accounting, Thammasat University	-		2003-Present	Vice President - Corporate Accounting	Samart Telcoms Pcl.
						<u>Position in other listed companies</u> -	
						<u>Position in non-listed companies</u> -	

Remark : ^(*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Samart Telcoms Pcl.)
% of total number of voting rights

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SAMTEL (*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
8. Mr. Dhiokpat Nisamaneevong - Vice President - Finance & Investor Relations <i>(To be appointed as management on Feb. 1, 2014)</i>	45	- Master of Business Administration, Major Finance, Long Island University, School of Business, Booklyn campus, New York - Bachelor of Business Administration, concentration of Finance, Kasetsart University	-	-	Feb. 2014-Present	Vice President - Finance & Investor Relations	Samart Telcoms Pcl.
					2002-2014	Position in other listed companies Vice President - Lob Finance	Samart I-Mobile Pcl.
					Present	Position in non-listed companies Director	Subsidiaries, Affiliated and Related Companies (as details in the second table attached in 56-1 Form and the Annual Report 2014 of Samart Telcoms Pcl.)

Remark : (*) Includes holding by spouse and minor children (See the securities holding information in the Annual Report 2014 of Samart Telcoms Pcl.)

% of total number of voting rights

● Company Secretary of Samart Telcoms Public Company Limited as of December 31, 2014

Name-Surname / Position / Appointing Date	Age	Education / Training	Shareholding in SAMTEL ^(*) (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
Mr. Somchai Bunsupaporn - Assistant Vice President - Internal Audit and Company Secretary - Sustainable Development Committee Member <i>(To be appointed as Assistant Vice President - Internal Audit and Company Secretary on Oct. 28, 2003)</i>	57	- Master of Business Administration, Kasetsart University - Bachelor of Accounting, Chulalongkorn University - Internal Audit operations Course 1 (Class 27), The Institute of certified Accountants and Auditors of Thailand (Federation of Accounting Professions) - Laws and regulations for company secretary course 3, Research Center for Law and Development, Faculty of Law, Chulalongkorn University. (Role and responsibilities of the Company Secretary, please see in the Annual Report 2014 of Samart Telcoms Pcl.)	0.011% 66,500 shares	-	2003-Present	Assistant Vice President - Internal Audit and Company Secretary	Samart Telcoms Pcl.
					2013-Present	Sustainable Development Committee Member	Samart Telcoms Pcl.
					-	Position in other listed companies	
					-	Position in non-listed companies	

Remark : ^(*) Includes holding by spouse and minor children
% of total number of voting rights

Samart Telcoms Public Company Limited

- Directors and Managements in Subsidiaries, Affiliated and Related Companies as of December 31, 2014

[illegible]

Remarks : 1) x = Chairman, / = Director, // = Executive Director, # = Management

2) Companies Symbol;

[illegible]

* The Company is in process of the establishment.

Samart Telcoms Public Company Limited

Board of Directors & Committees' list

Directors of Sub-Committees	Board of Director	Executive Board	Audit Committee	Risk Management Committee	Corporate Governance Committee	Nominating and Compensation Committee	Sustainable Development Committee
1. Mr. Sombut Uthaisang	x						
2. General Sumpun Boonyanun	/		x		/	x	
3. Miss Rapeepan Luangaramrut	/		/			/	
4. Mr. Vichai Pokasamrit	/		/		x	/	
5. Mr. Kajornvut Tayanukorn	/				/		
6. Mr. Charoenrath Vilailuck	/	/					
7. Mr. Watchai Vilailuck	/	x					
8. Mr. Sirichai Rasameechan	/	/					
9. Mr. Jong Diloksombat	/	/		x	/		x
10. Mr. Pornchai Krivichian				/			/
11. Mr. Apichat Sirisalipochna				/			/
12. Miss Chotika Kamloonwesaruch				/			/
13. Mr. Suchart Duangthawee				/			
14. Mr. Dhilokpat Nisamaneevong				/			
15. Mr. Anupong Saowamas				/			
16. Mr. Senee Somma				/			
17. Mrs. Nisachol Udomwongwiwat							/
18. Miss Kanokwan Chanswangpuvana							/
19. Mr. Somchai Bunsupaporn							/

Remark : x = Chairman, / = Director, Committee Member

Directors' list of Major Subsidiaries^(*)

Name-Surname	Samart Communication Services Co., Ltd.	Samart Comtech Co., Ltd.	Potalnet Co., Ltd.
1. Mr. Charoenrath Vilailuck	x	x	x
2. Mr. Watchai Vilailuck	/	/	/
3. Mr. Jong Diloksombat	/	/	/
4. Mr. Pornchai Krivichian	/	/	
5. Mr. Suchart Duangthawee		/	
6. Miss Chotika Kamloonwesaruch		/	
7. Mr. Dhilokpat Nisamaneevong			/
8. Mr. Nattavut Smavatkul			/

Remarks : 1) x = Chairman, / = Director

2) ^() Subsidiaries which its revenue represent over 10% of Group Revenue.*

Curriculum Vitae of Head of Internal Audit

Educational background and work experience of Mrs. Vorapin Isaradharm ^(*), Vice President - Internal Audit is as follows:

Education :	<ul style="list-style-type: none"> - Master of Economics Law, Chulalongkorn University - Bachelor Degree in Monetary Economics, Chulalongkorn University - Mini MBA, Thammasart University
Training :	<ul style="list-style-type: none"> - Internal Auditing Certificate Program (IACP), Federation of Accounting Professions - Accounting / Finance for Executive - Practical Fraud Awareness, Fraud Detection & Fraud Prevention Strategies, ASIA BUSINESS CONNECT Professional Training Institute in 2013 - CAE Forum 2013 “Good Governance to Sustainable Development”, The Institute of Internal Auditors of Thailand (IIA) - How to Participate in Private Sector Collective Action Coalition against Corruption from SET - Training courses from Thai Institute of Directors Association (IOD) : <ul style="list-style-type: none"> - Director Certification Program (DCP) in 2004 - Company Secretary Program (CSP) in 2007 - Anti-Corruption : The Practical Guide (APCG) in 2013
Work Experience :	
1999 - Nov. 2014	Company Secretary Samart Corporation Pcl.
2013 - Nov. 2014	Sustainable Development Committee Member Samart Corporation Pcl.
2011 - Nov. 2014	Vice President - Internal Audit Samart Corporation Pcl.
1993 - 1998	Company Secretary and Investor Relations The Cogeneration Pcl.

During the past year, the head of Internal Audit has attended trainings and seminars concerning internal auditing as follows:

- Seminar on “Challenges of the Audit Committee and the Sustainable Development of the Listed Companies” from SEC;
- Financial Literacy in workplace Project from SEC;
- E - Filing by XBRL Technology from SET;
- “M&A : A Key Factor to Thai Businesses’ Success” from SET;
- 2014 Annual Seminar on “Emerging Identity of Internal Audit” from IIA;
- Roundtable Discussion : Structure of Risk Management and Internal Control from Thai Listed Companies Association;
- The Updated COSO-2013 Internal Control Framework from Federation of Accounting Professions;
- Corporate Fraud Prevention from Federation of Accounting Professions.

Remark : ^(*) Has resigned from Vice President - Internal Audit and Secretary of Audit Committee on December 1, 2014.

General and Other Information

Samart Corporation Public Company Limited

Company	:	Samart Corporation Public Company Limited
Head Office	:	99/1 Moo 4 Software Park, 35 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Thailand
Registration No.	:	0107536000188
Home Page	:	http://www.samartcorp.com
Telephone	:	0-2502-6000
Fax.	:	0-2502-6186
Registered Capital	:	Baht 1,006,503,910
Number of shares sold	:	1,006,503,910 shares
Par Value	:	Baht 1 per share

Other References

Company registrar	:	Thailand Securities and Depository Co., Ltd.
Head Office	:	62, The Stock Exchange of Thailand Building, 7 th floor, Ratchadaphisek Road, Klongtoey, Bangkok 10110
Telephone	:	0-2229-2800, 0-2229-2000 ext. 2877
Fax.	:	0-2654-5642, 0-2654-5645
Auditor	:	Ms. Siriwan Suratepin
		Certified Public Accountant (C.P.A.) license No. 4604
Head Office	:	EY Office Limited
		33 rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek road, Klongtoey, Bangkok 10110
Telephone	:	0-2264-9090
Fax.	:	0-2264-0789-90

More information have been disclosed on Company's website (www.samartcorp.com) via Annual Information Disclosure of the Company (56-1 Form) and SEC's website (www.sec.or.th)



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