

ANNUAL REPORT 2014

JASMINE INTERNATIONAL PUBLIC COMPANY LIMITED



EXPANDING OUR NETWORK EVERYWHERE NATIONWIDE

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Abbreviation used in 2014 Annual Report

ACT	=	ACeS (Thailand) Company Limited
ACU	=	Acumen Company Limited
ADSL	=	Asymmetric Digital Subscriber Line
AIL	=	ACeS International Company Limited
ARS	=	ACeS Regional Services Company Limited
Broadband Internet	=	High-speed Internet
CCS	=	Cloud Computing Solutions Company Limited
CP	=	Chaengwatana Planner Company Limited
CPN	=	Compunet Corporation Company Limited
EDI	=	Electronic Data Interchange
IKSC	=	Internet Knowledge Service Center Company Limited
INC	=	In Cloud Company Limited
IPTV	=	Internet Protocol Television
ISP	=	Internet Service Provider
JAS	=	Jasmine International Public Company Limited
Ji-NET	=	Jasmine Internet Company Limited
JIOC	=	Jasmine International Overseas Company Limited
JSS	=	Jasmine Smart Shop Company Limited
JSTC	=	Jasmine Submarine Telecommunications Company Limited
JTS	=	Jasmine Telecom Systems Public Company Limited
JasTel	=	JasTel Network Company Limited
MCS	=	Mobile Communication Services Company Limited
PA	=	Premium Asset Company Limited
PP	=	Pakkred Planner Company Limited
PRE	=	Premium Real Estate Company Limited
SHW	=	Smart Highway Company Limited
TJP	=	T.J.P. Engineering Company Limited
TKSC	=	Telecom KSC Company Limited
TLDT	=	Thai Long Distance Telecommunications Company Limited
TT&T	=	TT&T Public Company Limited
TTTBB	=	Triple T Broadband Public Company Limited
TTTI	=	Triple T Internet Company Limited
VOIP	=	Voice Over Internet Protocol
VPN	=	Virtual Private Network
WiFi	=	Wireless Fidelity
NBTC	=	The National Broadcasting and Telecommunications Commission
CAT	=	CAT Telecom Public Company Limited
Three BB	=	Three BB Company Limited
TOT	=	TOT Public Company Limited
Plan Administrator	=	Chaengwatana Planner Company Limited as the plan administrator of Jasmine International Public Company Limited or Pakkred Planner Company Limited as the plan administrator of Jasmine International Overseas Company Limited, as the case may be

Interested investors may study more information of the issuer from JAS Annual Registration Statement (Form 56-1) disclosed on www.sec.or.th.

Message from Chairman of the Board of Directors



Dear Shareholders,

In 2014, Jasmine International PCL and its subsidiaries had a successful year in running its telecommunications business operations. The Company's revenue & earnings increased by more than 10% compared to that of 2013. The Company's preparedness in many aspects including good cash flow, the ability to expand the network of its main business of high speed broadband internet that has grown at a rapid rate, and in combination with its experience, knowledge, and the expertise of the Company's management and personnel, have all contributed to the Company's strength and stability, and is a major force propelling the Company forward into the future both steadily and efficiently.

The Company places high importance on the expansion of its fiber optic network nationwide, improvement of its services to support the new technologies of the future, and to meet the demands of its customers who utilize the internet more and more. In addition, the Company is also committed to adhere to the government's policy to focus on helping the public to readily have more access to the internet. Furthermore, the successful establishment of the Jasmine Broadband Internet Infrastructure Fund (**JASIF**) is seen as an exceptional opportunity for the Company to continue to grow even more so into the future.

Message from Chairman of the Board of Directors

The Company remains devoted to its Corporate Social Responsibility by organizing different campaign activities throughout the year coupled with operating its businesses under the guidelines of ethics and good corporate governance. In 2014, the Company took part in giving back to the communities in many different ways. For example, the Company **installed high speed broadband internet and WiFi** for underprivileged schools in remote areas of the country under the campaign, “JAS CSR for Children”, giving away educational scholarships, sports equipment, and sponsoring hot lunches for primary school students nationwide. The Company continues to commit itself toward the continuous development of its businesses alongside with helping build Thai communities in parallel with developing the nation's progress as a whole.

The readiness, strength, and stability of the Company in combination with the perseverance of its management, devotion, and good work ethic of its personnel are all major forces driving the Company forward toward more success. I firmly believe in the year 2015, the Company's businesses will be an even more valuable telecommunications enterprise with quality service that sets the pace for innovation in the face of the ever-changing technology with the times. Jasmine International PCL remains to be a company that can positively contribute to the economic and social development of the country continuously throughout time.



Mr. Sudhitham Chirathivat
Chairman of the Board of Directors

Message from CEO



Dear Shareholders,

Jasmine International PCL and its subsidiaries accomplished great success in its business operations from the performance of its high speed broadband internet business steadily increasing the number of its broadband customers at a rate of exponential growth, along with the successful establishment of the Jasmine Broadband Internet Infrastructure Fund (**JASIF**), of which JAS is the first broadband provider in Thailand to achieve. JASIF's main investment is in the Company's broadband assets, complying with the the Digital Economy of the government, to encourage the use of shared infrastructure and the use of internet technology, which is an important factor toward enhancing everyday work and drives the industry to be in competition with any country.

Success in establishing the Jasmine Broadband Internet Infrastructure Fund (JASIF) brings forth the significant opportunity for Jasmine International PCL and Triple T Broadband Public Company Limited or "3BB" to vastly develop, expand, and build a new broadband fiber optic network, adding additional coverage into every sub-district (Tambon) nationwide. This past year, the Company's operating plans included expansion into every sub-district, therefore in 2015; the Company's Fiber Optic Network will cover every sub-district across the country. Because Jasmine International PCL has built its own vast, stable, and efficient network spanning the whole country as well as expanding the development of both high speed broadband internet technologies of ADSL and FTTx even more, has directly resulted in an increase in subscribers which is a significant factor in the Company's continuous revenue increase. The Company's business operations have led to rapid growth resulting in Jasmine International PCL being the leader in Fixed-line broadband internet.

Message from CEO

Satisfaction of our customer service is a factor the Company places high importance on. The Company has developed its efficiency in all aspects, especially with its IT base systems. Reason for emphasis on a rapid upgrade of the Company's information systems is to meet the needs and support the lifestyle of our high-speed broadband users of the present day, emphasizing upgrades in both speed and stability.

In terms of improving the quality and efficiency of personnel, the Company has focused its development in the area of employee training by conducting ongoing, intensive training sessions, focusing on providing quality service to the public, specifically with employees who deal directly with customers such as 3BB shop employees, internet installation technicians, and sub-contractors. All of which have resulted in public confidence in our ability to provide quality broadband internet service as well as true customer satisfaction. Furthermore, the Company has increased its manpower efficiency by hiring many new engineers and continuously supports and encourages employees to apply their knowledge and skills to improve their overall work efficiency.

Regarding Corporate Social Responsibility (CSR), the Company remains committed to developing and providing educational opportunities for Thailand's youth. The installation of broadband internet and WiFi in combination with providing employment opportunities for Thai youth through our **"Building a Future for Youth"** campaign is to create confidence and happiness for Thai societies to ensure its permanent sustainability.

The success achieved in this past year is the result of a combination of hard work, motivation, and dedication of the Board of Directors, management, and employees. I take this opportunity to express my sincerest gratitude to every individual. I am confident that today's success will be a significant foundation for the Company's continuous strong and stable growth. In addition, I must thank all the shareholders, customers, business partners and affiliates, financial institutions, and both government & private enterprises for your unceasing confidence, trust, and support to Jasmine International PCL throughout the years. The Company remains committed toward continuous development of telecommunications as a whole, aimed to be the leader in providing high speed broadband internet and to further build prosperity for the nation throughout time.



Mr. Pete Bodharamik
Chief Executive Officer

Board of Directors



Mr. Sudhitham Chirathivat Chairman of the Board of Directors and Independent Director



Mr. Pete Bodharamik Chief Executive Officer and Director

Board of Directors



Dr.Vichit Yamboonruang

Independent Director



Dr.Yodhin Anavil

Independent Director



Mrs.Chantira Purnariksha

Independent Director

Board of Directors



Mr. Pleumjai Sinarkorn

Director



Mr. Somboon Patcharasopak

Director



Mr. Terasak Jerauswapong

Director



Mr. Subhoj Sunyabhisithkul

Director



Ms. Saijai Kitsin

Director



Dr. Soraj Asavaprappa

Director

JAS DIRECTORS, EXECUTIVES, AUTHORIZED PERSONS, AND CORPORATE SECRETARY

1. Information of JAS Directors, Executives, Authorized Persons, and Corporate Secretary

1.1 Background and Personal Information of JAS Directors, Executives, Authorized Persons, and Corporate Secretary

Name-Surname Position Date of Registration for Directorship	Age (Years)	Academic Degree/Training	Family Relationship with Directors and Executives	JAS ¹⁾ Shareholding Ratio (%)	Work Experience
1) Mr.Sudhitham Chirathivat Independent Director and Chairman of the Board of Directors 3 February 2010	67	- MBA Operation Research Iona University, New York, USA. - Thai Institute of Directors Association (IOD): Director Certification Program (DCP) (in 2003)	None	-	Chairman of the Board of Directors, Jasmine International PCL. Vice Chairman and Executive Director, Robinson Department Store PCL. - Director and Executive Chairman, Central Group Co., Ltd. - Director and Executive Director, Central Plaza Hotel PCL. Central Pattana PCL., The Vintage Club Co., Ltd - Executive Chairman, Earth Care Co., Ltd.
2) Dr.Vichit Yamboonruang Independent Director and Chairman of Audit Committee 4 June 1999	73	- Ph.D. Public & International Affairs, University of Pittsburgh, Pennsylvania ,USA. - Thai Institute of Directors Association (IOD): Director Accreditation Program (DAP) (in 2004) Director Certification Program (DCP) (in 2004) The Role of Chairman Program (RCP) (in 2004) Audit Committee Program (ACP) (in 2004) Chartered Director Class (CDC) (in 2007)	None	0.010	Independent Director and Member of Audit Committee, Sherwood Chemicals PCL. Chairman of the Board of Directors and Independent Director, Ekarat Engineering PCL. Chairman and Chief Executive Officer, Thai Premier League Co., Ltd. Independent Director and Member of Audit Committee, Wilk & Hoeglund PCL. Independent Director and Chairman of Audit Committee, RPCG PCL Independent Director and Chairman of Audit Committee, Jasmine International PCL.

Remarks * ¹⁾ JAS = Ordinary share, the total number of JAS used for calculation = 7,137,394,378 shares

Name-Surname Position Date of Registration for Directorship	Age (Years)	Academic Degree/Training	Family Relationship with Directors and Executives	JAS ¹⁾ Shareholding Ratio (%)	Work Experience
3) Dr. Yodhin Anavil Independent Director, Member of Audit Committee, and Chairman of Remuneration and Nomination Committee 28 September 2006	65	<ul style="list-style-type: none"> - Ph.D. Electric Engineer, University of Cincinnati, Ohio, USA. - Thai Institute of Directors Association (IOD) : Director Accreditation Program (DAP) (in 2006) - Director Certification Program (DCP) (in 2008) - Audit Committee Program (ACP) (in 2008) - Chartered Director Class (CDC) (in 2008) - Role of the Compensation Committee (RCC) (in 2008) - Financial Statement Demystified for Directors (FDD) (in 2009) - A talk on "The Challenging in Nominating Independent Directors" - Seminar on Thai Directors Compensation Survey 2014 	None	-	<p>Jan.2014- Present Independent Director, Muangthai Leasing PCL.</p> <p>Dec.2011-Present Chairman of Remuneration and Nomination Committee, Jasmine International PCL.</p> <p>2011-Present Independent Director, Audit Committee, Corporate Governance</p> <p>2010-Present Committee, Robinson Department Store PCL.</p> <p>2009- 2011 Advisor to Director Committee, D.T.C. Industries PCL.</p> <p>2008-Present Expert of the Committee on Constitutional Organs Affairs and Following up the Budget Administration</p> <p>2006-Present Member of Remuneration and Nomination Committee, Jasmine International PCL.</p> <p>1992-Present Advisor and Vice Chairman, POP Network Co., Ltd.</p> <p>Independent Director and Member of Audit Committee, Jasmine International PCL.</p> <p>Executive Director, The Vintage Club Co., Ltd.</p> <p>Executive Director, Fairway Estate Co., Ltd.</p>
4) Mrs.Chantra Purnariksha Independent Director and Member of Audit Committee 20 December 2011	68	<ul style="list-style-type: none"> - M.A. Diplomacy and Comparative Economics, University of Kentucky USA. - Thai Institute of Directors Association (IOD) : Director Accreditation Program (DAP) (in 2005) 	None	-	<p>May 2013-Present President / CEO, Saha Pathana Inter-Holding PCL.</p> <p>May 2012-Present Director, Saha Pathana Inter-Holding PCL.</p> <p>Feb. 2012-May 2013 Independent Director and Member of Audit Committee, Kasikornbank PCL.</p> <p>Dec. 2011-Present Independent Director and Member of Audit Committee, Jasmine International PCL.</p> <p>Nov. 2011-Present Independent Director, Phatra Leasing PCL.</p> <p>2007-2011 Secretary-General, Office of Insurance Commission (OIC)</p> <p>1975-Present Director, S.P. Enterprise Co., Ltd.</p>

Remarks * ¹⁾ JAS = Ordinary share, the total number of JAS used for calculation = 7,137,394,378 shares

Name-Surname Position Date of Registration for Directorship	Age (Years)	Academic Degree/Training	Family Relationship with Directors and Executives	JAS ¹⁾ Shareholding Ratio (%)	Work Experience
5) Mr. Pete Bodharamik ²⁾ Director ³⁾ , Chief Executive Officer, and President 21 March 2008	42	Bachelor of Management Sciences, London School of Economics and Political Science, England	None	25.84	2012- Present - Chairman, Mono Technology PCL. - Director, PVS Development Co., Ltd. 2008-Present - Director and Chief Executive Officer, Jasmine International PCL. - Director, Jasmine International Group 2008-2010 Director and Chairman, Jasmine Telecom Systems PCL. 2007-Present Director, Triple T Internet Co., Ltd. 2006-Present Director, Triple T Broadband PCL. 2002-Present Director, Mono Group. 2001-Present Director, TT&T PCL. 1995-Present Director, Emerald Farm Co., Ltd.
6) Mr. Somboon Patcharasopak ²⁾ Director ³⁾ , Member of Remuneration and Nomination Committee, and Chairman of Risk Management Committee 7 January 1994	54	- Honorary Doctorate Degree, Faculty of Science and Technology, Rajamangala University of Technology Phra Nakhon - MBA, Kasetsart University - Thai Institute of Directors Association (IOD) : Director Accreditation Program (DAP) (in 2003) Director Certification Program (DCP) (in 2003)	None	0.26	2012- Present Chairman of Risk Management Committee, Jasmine International PCL. 2008-Present - Member of Remuneration and Nomination Committee, Jasmine International PCL. - Director, TT&T PCL. 2008-2009 Director, Triple T Internet Co., Ltd. 2004-Present Member of Risk Management Committee, Jasmine International PCL. 1988-Present Director, Jasmine International Group 1982-Present Director, Jasmine International PCL.

Remarks: : ¹⁾ JAS = Ordinary share, the total number of JAS used for calculation = 7,137,394,378 shares

²⁾ Person, approved by the Company's directors, to assume the position of director and authorized person in the subsidiaries that operate the Company's core businesses

³⁾ Authorized director

Name-Surname Position Date of Registration for Directorship	Age (Years)	Academic Degree/Training	Family Relationship with Directors and Executives	JAS ¹⁾ Shareholding Ratio (%)	Work Experience
7) Mr. Subhoj Sunyabhisithkul ²⁾ Director ³⁾ 4 June 1999	46	- Bachelor of Electrical Engineering, Chulalongkorn University - Thai Institute of Directors Association (IOD) : Director Certification Program (DCP) (in 2004)	None	-	2007-Present Director and President, Triple T Broadband PCL. 2004-2011 Director, Triple T Internet Co., Ltd. Member of Risk Management Committee, Jasmine International PCL. 1999-Present Director, Jasmine International PCL. 1997-Present Director, Jasmine International Group 1988-Present Executive, Jasmine International Group
8) Mr. Terasak Jerauswapong ²⁾ Director ³⁾ and Member of Risk Management Committee 22 June 2000	53	- Bachelor of Electrical Engineering, (Telecommunications), King Mongkut's Institute of Technology, Ladkrabang - Thai Institute of Directors Association (IOD) : Director Accreditation Program (DAP) (in 2004) Director Certification Program (DCP) (in 2004)	None	0.08	2004-Present Member of Risk Management Committee, Jasmine International PCL. 1999-Present Director, Jasmine International PCL. 1996-Present President, Jasmine Submarine Telecommunications Co., Ltd. 1990-Present Director, Jasmine International Group 1988-Present Executive, Jasmine International Group
9) Ms. Sajjai Kitsin ²⁾ Director, Executive Vice President, Secretary to the Board of Directors, and Corporate Secretary 8 May 2008	52	- MS. (Accounting), Chulalongkorn University - Thai Institute of Directors Association (IOD) : Director Accreditation Program (DAP) (in 2004) Director Certification Program (DCP) (in 2004) Finance for Non-Finance Director (FND) (in 2005) Audit Committee Program (ACP) (in 2005)	None	0.03	2008-Present Director, Executive Vice President, and Corporate Secretary, Jasmine International PCL. 2011-Present Director, In Cloud Co., Ltd. 2007-Present Director, Triple T Internet Co., Ltd. 2006-Present Director, Triple T Broadband PCL. 1992-Present Director and Executive, Jasmine International Group

Remarks: : ¹⁾ JAS = Ordinary share, the total number of JAS used for calculation = 7,137,394,378 shares

²⁾ Person, approved by the Company's directors, to assume the position of director and authorized person in the subsidiaries that operate the Company's core businesses

³⁾ Authorized director

Name-Surname Position Date of Registration for Directorship	Age (Years)	Academic Degree/Training	Family Relationship with Directors and Executives	JAS ¹⁾ Shareholding Ratio (%)	Work Experience
10) Mr. Pleumjai Sinarkom Director and Member of Remuneration and Nomination Committee 20 November 2008	81	Ph.D. (Innovative Management), Suan Sunandha Rajabhat University MBA, Suan Sunandha Rajabhat University - Thai Institute of Directors Association (IOD) : Director Certification Program (DCP) (in 2004) Role of the Compensation Committee (RCC) (in 2007) DCP Refresher Course (in 2008)	None	0.004 (as at 12 Jan 2015)	Dec.2011-Present Member of Remuneration and Nomination Committee, Jasmine International PCL. 2010-present Director, Cloud Computing Solutions Co., Ltd. 2009-present Advisor, JasTel Network Co., Ltd. 2008-Present Director, Jasmine International PCL. 2007-Present Director, TT&T Group 2004-Present Director, Executive Director and Chairman of Remuneration Committee, Jasmine Telecom Systems PCL. 1994-Present Director, TT&T PCL.
11) Dr.Soraj Asavaprapha Director 30 March 2011	49	Ph.D Business Administration, International Business, Alliant International University, San Diego, USA. - Thai Institute of Directors Association (IOD) : Director Accreditation Program (DAP) (in 2008) Director Certification Program (DCP) (in 2008) The Role of Chairman Program (RCP) (in 2009)	None	0.154	2014- Present Director, Sapsipeenong Co., Ltd. 2012- Present Vice Chairman and Chairman of Executive Committee Mono Technology PCL. 2011-Present Director, Jasmine International PCL. 2009-2013 Independent Director and Chairman of Audit Committee, CyberPlanet Interactive PCL. 2009-2012 Honor Associated Specialist, The Committee of National Science Technology and Innovation Policy 2007-Present Director, Asava Co., Ltd. Director, Thana Fah Thai Co., Ltd. 2005- Present Director, PSW Car Rental Co., Ltd. 2004-Present Executive Director, Toyota P.S. Enterprise Co., Ltd. 2002-Present Director, Mono Group 1998-Present Director, V. Conglomerate Co., Ltd.

Remarks: : ¹⁾ JAS = Ordinary share, the total number of JAS used for calculation = 7,137,394,378 shares

²⁾ Person, approved by the Company's directors, to assume the position of director and authorized person in the subsidiaries that operate the Company's core businesses

Name-Surname Position	Age (Years)	Academic Degree/Training	Family Relationship with Directors and Executives	JAS ^{* 1)} Shareholding Ratio (%)	Work Experience
12) Mrs. Chuenkamol Treesuttacheep Chief Financial Officer, Finance Department	44	MBA Finance, National Institute of Development Administration	None	-	2005-Present - Executive, Jasmine International Group
13) Mrs. Nitt Viseshpan Vice President, Finance Department	54	Master of Administration (Public Management), Burapha University	None	-	1994-Present - Executive, Jasmine International Group
14) Ms. Sinenart Jongpakpaisal Vice President, Accounting Department	52	Master of Science Accounting, Thammasat University	None	-	1992-Present - Executive, Jasmine International Group
15) Mrs. Uraiporn Charoenchit Vice President, Regulatory & Compliance Department	50	Bachelor of Arts, Thammasat University	None	-	1992-Present - Executive, Jasmine International Group

Remarks * 1) JAS = Ordinary share, the total number of JAS used for calculation = 7,137,394,378 shares

1.2 Roles and Responsibilities of Corporate Secretary

Please see Section 7, Subsection 7.3

1.3 Directors, Executives, and Authorized Persons of the Subsidiaries that Operate the Company's Core Businesses
(Names of persons approved by the Company's directors, to assume the position of directors and authorized persons in the subsidiaries that operate the Company's core businesses are presented in Subsection 1.1)

Name-Surname Position	Age (Years)	Academic Degree/Training	Family Relationship with Directors and Executives	JAS Shareholding Ratio (%)	Work Experience
Jasmine Submarine Telecommunications Co., Ltd.					
1) Ms. Sinenart Jongpakpaisal Vice President, Accounting and Finance Department	52	Master of Science Accounting, Thammasat University	None	-	1992-Present Executive, Jasmine Submarine Telecommunications Co., Ltd.
2) Ms. Lukkana Moolsri Senior Manager, Administration Department	55	Master of Arts (Psychology), Chulalongkorn University	None	-	1993-Present Executive, Jasmine Submarine Telecommunications Co., Ltd.
Acumen Co., Ltd.					
3) Mrs. Nonglug Pongsrihadulchai General Manager	59	Master of Environment Technology Management, Mahidol University	None	-	1994-Present Executive, Acumen Co., Ltd.
4) Mr. Kamchai Yongklednark Assistant General Manager	44	Bachelor of Engineering (Computer Engineering), Kasetsart University	None	-	1993-Present Executive, Acumen Co., Ltd.
5) Mrs. Mali Hongsihee Assistant Vice President, Accounting, Billing & Collection	54	Master of Business Administration (Accounting), Sripatum University	None	-	2002-Present Executive Acumen Co., Ltd.
6) Mrs. Jirawat Prayoonyuang Assistant Vice President, Satellite Business Department	53	Bachelor of Arts, Ramkhamhaeng University	None	-	1993-Present Executive Acumen Co., Ltd.

Remarks * ¹⁾ JAS = Ordinary share, the total number of JAS used for calculation = 7,137,394,378 shares

2. Directors, Executives, and Authorized persons of the Company who are also Directors, Executives and Authorized persons of the Subsidiaries and the Associates

Name of Executive	JAS	TTTBB	Subsidiary														Associate	
			TTTI	INC	JSTC	TLDT	JasTel	Ji-NET	ACU	ARS	SHW	JTS	CCS	PA	CP	JIOC		ACT
1) Mr.Sudhitham Chirathivat	C,I																	
2) Dr.Vichit Yamboonruang	CA,I																	
3) Dr.Yodhin Anavil	AC,I,CRN																	
4) Mrs.Chantra Purnariksha	AC,I																	
5) Mr.Soomboon Patcharasopak	A,CRM,RN				A	A	A	A	A	A	D			A	A	A		A
6) Mr. Subhoj Sunyabhisithkul	A	A,P	A	A	A	A	A	A	A	A					A	A		
7) Mr.Terasak Jerauswapong	A,RM				A,P	A	A	A	A	A	A			A	A	A	A	A
8) Mr.Pete Bodharamik	A,P,CEO	A	A		A	A	A,P	A	A	A	A			A				
9) Ms.Saijai Kitsin	D,EVP	A	A	A	A	A	A											
10) Mr. Pleumjai Sinarkorn	D,RN											A	A					
11) Dr.Soraj Asavaprapha	D																	
12) Mr.Pisit Tantirodjanakitjakarn		E	E					D										

Remarks :

A	=	Authorized Director	AC	=	Member of Audit Committee	C	=	Chairman of the Board of Directors
CA	=	Chairman of Audit Committee	CEO	=	Chief Executive Officer	CRN	=	Chairman of Remuneration and Nomination Committee
CRM	=	Chairman of Risk Management Committee	D	=	Director	E	=	Executive Director
EVP	=	Executive Vice President	I	=	Independent Director	P	=	President
RM	=	Risk Management Committee	RN	=	Remuneration and Nomination Committee			

3. Penalty record of Directors, Executives, and Authorized persons during the past 5 years

Directors, executives and authorized persons have not committed any offence against the Securities and Exchange Act, B.E.2535 or the Derivative Act, B.E.2546, especially in connection with the following :-

3.1 Dishonesty or serious negligence in performing duties

3.2 Disclosure or dissemination of false information that may result in misleading or misunderstanding as well as concealment of significant material information that should be clearly communicated because such cover-up may affect the decision making of shareholders, investors and other related persons

3.3 Unfair acts or the taking of advantage of investors in trading securities or futures contracts as well as having or used to have a part in doing or supporting such deeds

Directors of the Subsidiaries and Associate Companies

Name of Executive		Subsidiary															Associate		
		TTTB	TTTI	INC	JSTC	TLDT	JasTel	Ji-NET	ACU	ARS	SHW	JTS	CCS	PA	CP	JIOC	ACT	PP	IKSC
1.	Mrs. Nonglug	A	A									A	A						
2.	Ms. Chongrak	A																	
3.	Mr. Vasu	A																	
4.	Mr. Anupong	A																	
5.	Mr. Kamthon				D														
6.	Mr. Kittipong									A									
7.	Mr. Varin									A									
8.	Mr. Raks										D,CA,I								
9.	Mr. Annop										D,AC,I								
10.	Maj. Gen.Sunanta										D,AC,I								
11.	Dr. Kriengsak										A,P	A							
12.	Mrs. Nitt			A							A	A							
13.	Mrs. Pindao											A	A	A					
14.	Mr. Suraphol			A															
15.	Ms. Oranuch													A					
16.	Ms. Yaowapa																A		
17.	Mrs. Lalana																A		
18.	Mrs. Surparsorn																	A	
19.	Mr. Taj																	A	
20.	Mr. Aroon																		A
21.	Mr. Chumanus																		A
	Keshsathira																		A

Remarks : A = Authorized Director
D = Director
P = President
AC = Member of Audit Committee
E = Executive Director
CA = Chairman of Audit Committee
I = Independent Director

Information of JAS Head of Internal Audit

Name-Surname	Academic Degree/Training	Work Experience
Mrs. Nipaporn Rattanamik Manager, Office of Internal Audit	<ul style="list-style-type: none"> - Bachelor of Business Administration (Finance and Banking), Ramkhamhaeng University - Federation of Accounting Professions under the Royal Patronage of His Majesty the King : IT Audit Risk Assessment for Audit Planning Internal Auditing Certificate Program (IACP) - The Institute of Internal Auditors of Thailand : Skills for the New Auditor-In-Charge Fraud Audit - The Stock Exchange of Thailand : Internal Control over Financial Reporting 	<p>2008-Present Manager, Office of Internal Audit, Jasmine International PCL.</p> <p>2004-2007 Assistant Manager, Office of Internal Audit Jasmine International PCL.</p>

Changes in Shareholding of Directors and Executives

Name-Surname		Number of Shares as at 1 Jan. 2014	Change in Number of Shares in 2014 Increase /(Decrease)	Number of Shares as at 31 Dec. 2014
Director				
1.	Mr.Sudhitham Chirathivat	-	-	-
	Spouse and Minor child	-	-	-
2.	Dr.Vichit Yamboonruang	300,000	150,000	450,000
	Spouse and Minor child	-	-	-
3.	Dr.Yodhin Anavil	-	-	-
4.	Mrs.Chantra Purnariksha	-	-	-
	Spouse and Minor child	-	-	-
5.	Mr.Pete Bodharamik	1,844,046,870	-	1,844,046,870
6.	Mr.Somboon Patcharasopak	18,589,270	-	18,589,270
	Spouse and Minor child	-	-	-
7.	Mr.Subhoj Sunyabhisithkul	-	-	-
	Spouse and Minor child	-	-	-
8.	Mr.Terasak Jerauswapong	5,585,080	-	5,585,080
	Spouse and Minor child	-	-	-
9.	Mr.Pleumjai Sinarkorn	-	300,000*	300,000*
	Spouse and Minor child	-	-	-
10.	Ms.Saijai Kitsin	2,074,790	-	2,074,790
11.	Dr.Soraj Asavaprapha	-	11,000,000	11,000,000
	Spouse and Minor child	-	-	-
Executive				
1.	Mrs.Chuenkamol Treesuttacheep	-	-	-
	Spouse and Minor child	-	-	-
2.	Mrs.Nitt Visesphan	-	-	-
	Spouse and Minor child	-	-	-
3.	Ms.Sinart Jongpakpaisal	-	-	-
4.	Mrs.Uraiporn Charoenchit	-	-	-
	Spouse and Minor child	-	-	-

Remarks : * Shareholding as at 12 January 2015

Shareholding in Subsidiaries and Associate Company of the Board of Directors

Company name	Name of Director		Number of Ordinary Shares as at 31 December 2014
In Cloud Co., Ltd.	Mr. Subhoj	Sunyabhisithkul	1
Jasmine Submarine Telecommunications Co., Ltd.	Mr. Somboon	Patcharasopak	2
	Ms. Saijai	Kitsin	1
Thai Long Distance Telecommunications Co., Ltd.	Mr. Somboon	Patcharasopak	1
	Mr. Terasak	Jerauswapong	1
	Ms. Saijai	Kitsin	1
JasTel Network Co., Ltd.	Mr. Somboon	Patcharasopak	1
	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	3
	Ms. Saijai	Kitsin	1
Acumen Co., Ltd.	Mr. Somboon	Patcharasopak	1
	Ms. Saijai	Kitsin	2
ACeS Regional Services Co., Ltd.	Mr. Somboon	Patcharasopak	1
Smart Highway Co., Ltd.	Mr. Somboon	Patcharasopak	1
	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	3
Jasmine Telecom Systems PCL.*	Mr. Somboon	Patcharasopak	400
	Mr. Subhoj	Sunyabhisithkul	100
	Mr. Terasak	Jerauswapong	1,000
	Ms. Saijai	Kitsin	400
	Mr. Pleumjai	Sinarkorn	50,000
Cloud Computing Solutions Co., Ltd.	Ms. Saijai	Kitsin	3
Premium Asset Co., Ltd.	Mr. Terasak	Jerauswapong	3
ACeS (Thailand) Co., Ltd.	Mr. Somboon	Patcharasopak	1
T.J.P. Engineering Co., Ltd.	Mr. Somboon	Patcharasopak	1
	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	2
Mobile Communication Services Co., Ltd.	Mr. Somboon	Patcharasopak	1
	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	3
Compunet Corporation Co., Ltd.	Mr. Somboon	Patcharasopak	1
	Ms. Saijai	Kitsin	2
Three BB Co., Ltd.	Mr. Somboon	Patcharasopak	1
	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	2
Jasmine Smart Shop Co., Ltd.	Mr. Somboon	Patcharasopak	1

Remarks : * Shareholding as at 26 January 2015, the closing date of share register book

1. Business Policy and Business Operation Overview

Jasmine International PCL. was established on 3 December 1982 by a group of Thai consultants who were experts in telecommunications engineering and management. At the beginning, the Company engaged only in providing engineering consulting service. However, it gradually expanded its business to broader lines. It was in 1994 that the Company transformed itself into a public company and was listed on the Stock Exchange of Thailand, with funds raised from both local and foreign money markets and capital markets to be used for business expansion.

Presently, the Company has adjusted its role to be an investment or holding company, with an objective to invest in telecommunications and information technology businesses. Also, the Company chooses to invest in businesses whose products and services support and compliment one another. To achieve such goal, the Company fully utilizes potentiality in its well synergized human capital, telecom networks and other core assets. Nowadays, the Company's businesses are grouped into 4 categories, namely:

1. Broadband Business that provides high-speed linkage, digital data network, Internet services, software and applications, as well as nationwide WiFi service.
2. Telecom Network & Service Provider Business that provides marine services and submarine optical fiber maintenance service on both the eastern and the western coast-lines, leased-circuits for domestic and international data communications, international Internet gateways, data center services and satellite communications.
3. System Integration Business that provides equipment sourcing, design, and installation of telecommunications and IT systems, as well as the distribution of sophisticated test equipment, computer systems and other related equipment; included in this category also are telecommunications and cloud computing businesses
4. Other Businesses that include property and office rental and related services for Jasmine International Tower.

1.1 The Company's Vision, Objective, Goal, or Strategy for Business Operation

Vision

An initiator and a leading telecommunications service provider, fulfilling the requirements and demands of our users with customized solutions and an array of diverse value added services to meet their specific needs, and also adhering to our corporate social responsibilities

Mission

- 1) Continued development of service quality and speed in all aspects including research and development for progressive growth
- 2) Continued development of personnel training to ensure employees have the proper skills and capabilities to perform their duties to the best of their abilities
- 3) Utilizing synergy between technology and personnel
- 4) Adhering to our commitment towards corporate social responsibility

Goal

To be the leading provider of high speed broadband internet in both quality and speed

1.2 Significant Changes and Development

Significant changes and development of the Company are summarized as follows:-

Changes in Control Power of the Company

There was no change in control power of the Company in 2014.

Changes in Nature of Business

In 2014, Jasmine International Group still had 4 business groups. Of these 4, the business that remarkably reported significant progress was Broadband Internet business under TTTBB that emphasized offering Broadband Internet service, using ADSL (Asymmetric Digital Subscriber Line) system via a copper network; and at the same time, expanding broadband Internet, utilizing a network of fiber optics with a technology called FTTX service, that provides an Internet speed of up to 1Gbps. Also In 2013, TTTI, a subsidiary of TTTBB, was granted Broadcasting Network Operator License for Non-Frequency business and Television Service Provider License in 8 channels by the National Broadcasting and Telecommunications Commission (NBTC) for providing IPTV service for Internet customers.

Changes in Shareholding Structure and Management

- Acquisition and Disposition of Assets of Jasmine International Group
2012

In January 2012, JAS sold 68 million JTS ordinary shares, amounting to 90 million Baht in total via the Stock Exchange of Thailand.

2013

In August 2013, JAS Board of Directors' meeting resolved to approve the establishment of an Infrastructure Fund for Broadband Internet business.

In November 2013, the Extraordinary General Meeting of Shareholders No.1/2013 approved the establishment of the Infrastructure Fund for Broadband Internet business (Investors may study for more detailed information from the minutes of the Extraordinary General Meeting of Shareholders No.1/2013 that was completely disclosed on the Company website.)

2014

In September 2014, JAS Board of Directors at the meeting No.5/2014 approved an amendment to the resolutions of the Extraordinary Meeting No. 1/2013, regarding the transactions of Jasmine Broadband Internet Infrastructure Fund ("JASIF") to propose at the Extraordinary General Meeting No. 1/2014 held on 25 October 2014 for approval, as detailed below:-

1. Approving an amendment to the resolutions of the Extraordinary General Meeting No. 1/2013, that approved the Company and/or its subsidiaries to enter into the sale transactions of the assets relating to the broadband internet business of the Company and/or its subsidiaries to JASIF, that is deemed as a disposal of assets transaction
2. Approving an amendment to the resolutions of the Extraordinary General Meeting No. 1/2013, that approved the Company and/or its subsidiaries to enter into the assets acquisition transaction in which the Company and/or its subsidiaries will lease all assets sold in item no.1 from JASIF to be used for the continuance of its business
3. Approving an amendment to the resolutions of the Extraordinary General Meeting No. 1/2013, that approved the Company and/or juristic persons who will be designated by the Company to subscribe for the investment units of JASIF in the amount of not more than 1/3 of total investment
4. Approving appointing Mr. Pete Bodharamik, the Chief Executive Officer, or the person designated by Mr. Pete Bodharamik to have the power to take any necessary or related actions and also specify or amend terms, conditions and details, which will be related and beneficial for the entry into the JASIF Transaction, Asset Sale Transaction, Lease Transaction, Investment Units Subscription Transaction, specification or amendment of detail and value of the entry into JASIF Transaction, related contractual parties, and others.

On 20 January 2015, the SEC approved the establishment of Jasmine Broadband Internet Infrastructure Fund abbreviated as “JASIF”. The Initial Public Offering period was during 28 January and 3 February 2015. (More information was provided for interested investors in <http://www.jas-if.com>).

On 10 February 2015, the SEC approved the registration of JASIF. Total investment units of JASIF are 5,500,000,000 units. The offering price per investment unit as well as the par value per investment unit is Baht 10.00. The proceeds that JASIF obtained from the Initial Public Offering are Baht 55,000,000,000. The first day of trading of JASIF's units on the SET was 16 February, 2015.

- Treasury stock Program for Financial Management
2011-2013

JAS Board of Directors at the meeting No. 8/2011, convened on 13 December 2011, resolved to approve a treasury stock program for financial management. The maximum amount for this share repurchase did not exceed 300 million Baht; hence, the number of shares that would be repurchased did not exceed 724,425,137 shares. The par value was at 0.50 Baht/share. The number of shares that would be repurchased was not exceeding 10 percent of the total paid-up shares (7,244,251,378 shares). The share repurchase was through SET. The repurchase period was from 28 December 2011 to 27 June 2012. When the period ended, 106,857,000 shares were repurchased by the Company. Such number of repurchased shares was equivalent to 1.47 percent of the total paid-up shares, amounting to 298,085,246 Baht in total. Later, on 12 December 2012, JAS Board of Directors at the meeting No. 5/2012 resolved to approve the share resale period to be from 2-15 January 2013. On 22 January 2013, JAS decreased its paid-up capital from 3,622,125,689 Baht to 3,568,697,189 Baht by way of writing off 106,857,000 JAS shares that remained unsold at the par value of 0.50 Baht apiece, totally amounting to 53,428,500 Baht.

2014

JAS Board of Directors at the meeting No. 3/2014, convened on 10 June 2014, resolved to approve a treasury stock program with the maximum amount of not exceeding 10 percent of the total paid-up shares of 7,137,394,378 shares, at the par value of 0.50 baht per share, equivalent to not exceeding 713,739,437 shares. The maximum amount for the share repurchase was not exceeding 1,000 million baht. The share repurchase would be on the SET. The repurchase period covered the duration of 6 months, starting from 25 June 2014.

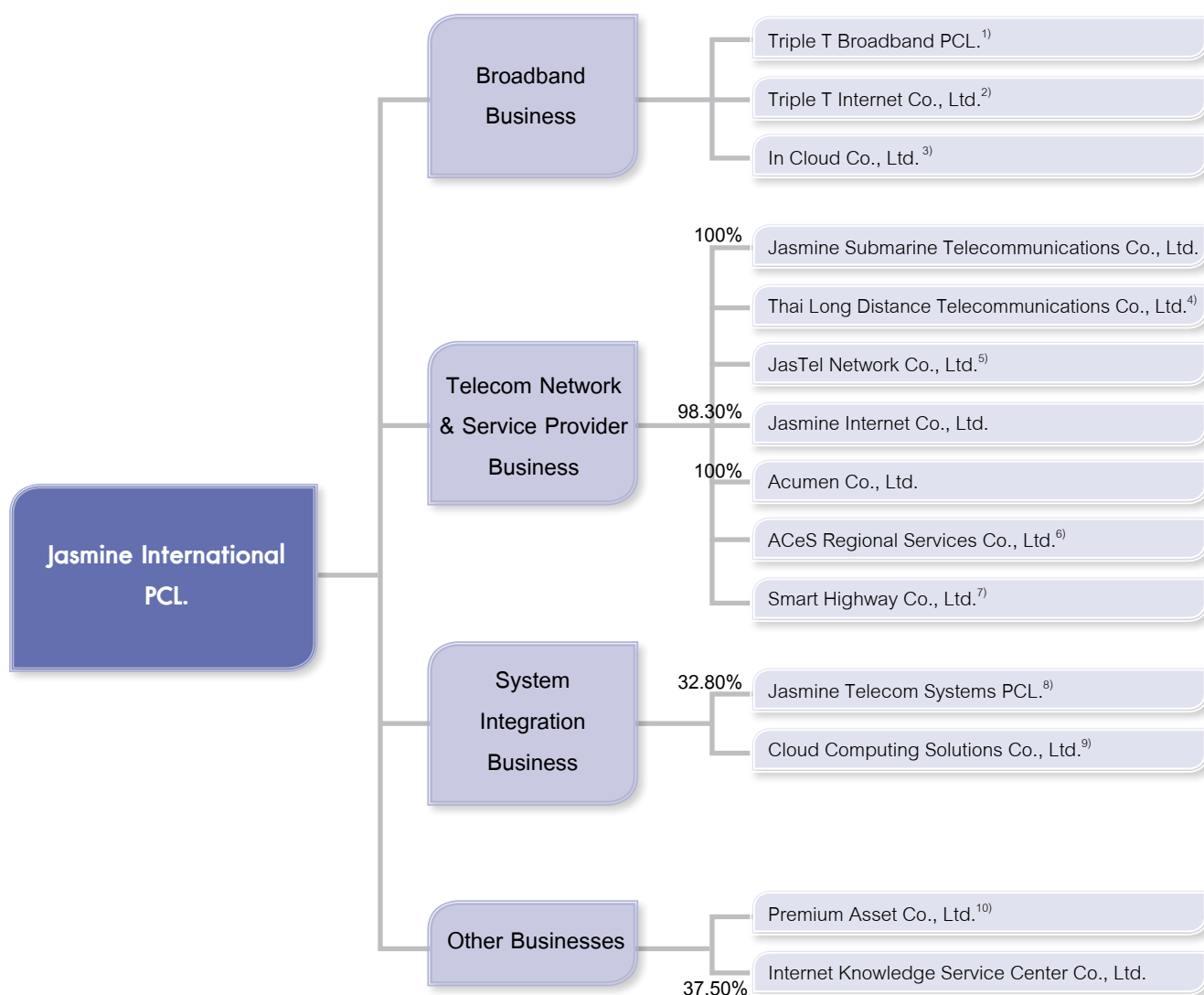
On 18 December 2014, JAS announced the completion of this treasury stock program for financial management which covered the duration from 25 June 2014 to 18 December 2014. The total number of shares repurchased was 142,730,000 shares or 2 percent of the total paid-up shares, amounting to 989,695,500 Baht, which was not exceeding the maximum amount approved by the Board of Directors.

- Dividend Payment

On 29 April 2013, the Annual General Meeting of Shareholders of the year 2013 of JAS approved dividend payment for the year 2012 to the shareholders of the entire 7,137,394,378 ordinary shares at 0.09 Baht/share, totaling 642,365,494.02 Baht.

On 25 April 2014, the 2014 Annual General Meeting of Shareholders passed a resolution to approve paying dividend for the year 2013 to the shareholders of the entire 7,137,394,378 ordinary shares at 0.25 Baht (Twenty-five Satang) per share, totaling 1,784,348,594.50 Baht.

1.3 Shareholding Structure of Jasmine International Group



Remarks :

- 1) = 99.20% held by ACU
- 2) = 99.93% held by TTTBB
- 3) = 100% held by TTTBB
- 4) = 90% held by JSTC
- 5) = 100% held by JSTC
- 6) = 98.04 % held by ACT (ACT is 58.84% held by JIOC and JIOC is 39.82 % held by JAS)
- 7) = 67.40% held by ACU
- 8) = 32.80% held by JAS, 9.06% held by ARS and 9.05% held by TJP, making the total of 50.91%
- 9) = 97.87% held by JTS
- 10) = 53.85% held by ACU and 46.15% held by JSTC

Size of the Companies that Operate Core Businesses and Size of the Subsidiary and Associate Companies

The Company has invested in the companies that operate the core business in compliance with the relevant regulations. The size of those companies is 100 %, compared to the size of the Company.

1.4 Relationship with Business Group of Major Shareholders

- None -

2. Nature of Business

2.1 Policy on Business Operation Categorization of Jasmine International Group

The Company engages in investment, as a holding company, through its own subsidiaries only. The investment is mostly in telecom business, information technology systems, and other relevant businesses. The Company aims to encourage the subsidiaries to increase their competitiveness, keep close-knitted collaboration and synergize all resources so as to achieve maximum efficiency in developing new products, suitable for the era of rapid technological changes. Businesses of Jasmine International Group are categorized into 4 main groups as follows:-

1. Broadband Business

The companies in this group are as follows:-

- Triple T Broadband PCL. that provides high-speed linkage for broadband Internet service.
- Triple T Internet Co. Ltd, an Internet service provider (ISP) that provides Internet services and applications to mass and corporate customers
- In Cloud Co., Ltd. that provides software development, distribution, and service provision of general software, including software system that supports value added services for Broadband Business

2. Telecom Network & Service Provider Business

The companies in this group are as follows:-

- Jasmine Submarine Telecommunications Co., Ltd. that provides marine services and submarine optical fiber maintenance service on the eastern coast lines
- Thai Long Distance Telecommunications Co., Ltd. that provides marine services and submarine optical fiber maintenance service on the western coast lines
- JasTel Network Co., Ltd. that provides International Private Leased-Circuit (IPLC), a circuit of high stability with many routes linking to overseas lands such as the southern route to Malaysia and Singapore and the northeastern route to Laos, Vietnam and China. The leased circuit service continues without disruption despite the cable problem because the company has prepared alternative routes for back-up. JasTel has high-capacity bandwidth that facilitates huge volumes of data delivery. Its automatic control system is 24 hour monitored. JasTel also offers Internet Protocol Virtual Private Network (IP-VPN) service, Managed Network service locally and internationally via networks of optic fiber and copper cable, and Co-Location Service that is a space rental service for an installation of Internet server and router for customers who are operators /service providers of telecommunication network as well as Internet and corporate clients. Other services include maintenance service for submarine cable, submarine as well as terrestrial cable installation, and off-shore services.
- Jasmine Internet Co., Ltd. that provides a variety of Internet services to both individual and corporate clients. Its products include broadband Internet (ADSL), data center, BranchConnex via ADSL and General Packet Radio Service (GPRS), WiFi, VoIP, EDI, and international calling card. Besides, Ji-NET also provides consultancy, design and sourcing for IP solutions; for instances, online services via GPRS/ Enhanced Data rates for Global Evolution (EDGE) /Code Division Multiple Access (CDMA) systems, IP camera service and WiFi Hotspots, etc. to its customers.

- **Acumen Co., Ltd.**, a WiFi Hotspot service provider. At present, the company has over 60,000 WiFi Hotspots set up especially in the areas of tourist destinations, communities, schools, and department stores nation-wide. Each spot provides high-speed bandwidth, which enables users to enjoy fast Internet connectivity. Those who use smart phone, in particular, will appreciate more conveniences the service provides. Additionally, the company offers wireless communication services country-wide such as satellite communications called VSAT (Very Small Aperture Terminal).
- **ACeS Regional Services Co., Ltd.** that offers calling service via Internet and international calling card called “CyberVoice” that is a 2-way calling card, uniquely different from common international calling cards in that customers can use it to make and receive their calls everywhere across the world. As this is a new service innovation, the company is; thus, the first to provide it in Thailand. The company is still a provider of satellite phone service under “Asia Cellular Satellite (ACeS)” project. The service area covers Thailand and several Asian countries. Users can use either a mobile or fixed handset, and pay by either a post-paid or pre-paid method. A mobile handset is small and has dual mode of operations, either a satellite mode or a GSM900 mode with roaming service with the GSM900 operator in Thailand. A fixed handset or “ACeS Contax” is for users who want to use the service from a fixed indoor location in a remote area inaccessible to other communications services. The company is also a provider of user terminals.

3. System Integration Business

The companies in this group are as follows:-

- **Jasmine Telecom Systems PCL.**, a company operating business mainly on telecom system integration with a high level of proficiency in equipment sourcing, system design and turn-keyed contractor for large-scale telecommunications system and network. JTS is also the distributor for various telecommunications system solutions, apart from the significant distributor for the test and measurement equipment to respond and support the desires of telecom service providers either governmental or private sections.
- **Cloud Computing Solutions Co., Ltd.**, a leading provider of cloud computing with full service from the Infrastructure-as-a-Service stage which is a hardware resource rent on the Internet; all the way through to the Software-as-a-Service stage, which is a business software rent on the Internet. The company also engages in consultancy, design, and installation of computer and IT systems, including application software development and maintenance service for both government and private sector customers.

4. Other Businesses

The companies in this group are as follows:-

- **Premium Asset Co., Ltd.** that engages in space rental and related services for Jasmine International Tower. The company puts emphasis on providing only quality service. Strengths lie in modern styled office building of Jasmine International Tower, the building’s safe-from-flood-disaster location, an advantage of being a hub of telecommunications and data backup systems. These attract the lessees and ensure them for their business operation continuity.
- **Internet Knowledge Service Center Co., Ltd.** a holding company, holding shares in KSC Commercial Internet Co., Ltd. that is an internet service provider (ISP)

2.2 Revenue Contribution from Each Business Line

In 2014, the Company's total revenue was Bt 12,411 mn. This amount was from the contribution of the following business lines:-

1. Broadband Business whose contribution for the year 2014 was Bt 11,003 mn or 88.66 percent of the total revenue of Jasmine International Group
2. Telecom Network & Service Provider Business whose contribution for the year 2014 was Bt 1,113 mn or 8.97 percent of the total revenue of Jasmine International Group
3. System Integration Business whose contribution for the year 2014 was Bt 98 mn or 0.79 percent of the total revenue of Jasmine International Group
4. Other Businesses whose contribution for the year 2014 was Bt 197 mn or 1.59 percent of the total revenue of Jasmine International Group

Revenue Structure of the Company, Subsidiaries and Associated Companies

Unit : Million Baht

Product line/ Business Group	Operated by	% of Shares Held by JAS	2014		2013		2012	
			Revenue	%	Revenue	%	Revenue	%
<i>Broadband Business</i>								
Broadband Business	TTTBB	99.20% held by ACU	51	0.41	65	0.58	116	1.10
	TTTI	99.93% held by TTTBB	10,952	88.24	9,503	84.40	7,831	74.57
	INC	100% held by TTTBB	-	-	-	-	-	-
Total			11,003	88.66	9,568	84.97	7,947	75.68
Telecom Network &	JSTC	100	23	0.19	26	0.23	11	0.10
Service Provider Business	TLDT	90% held by JSTC	2	0.02	-	-	1	0.01
	JasTel	100% held by JSTC	516	4.16	412	3.66	417	3.97
	Ji-NET	98.30	403	3.25	512	4.55	553	5.27
	ACU	100	53	0.43	163	1.45	111	1.06
	ARS	98.04% held by ACT	114	0.92	115	1.02	121	1.15
	SHW	67.40% held by ACU	2	0.02	-	0.04	5	0.05
Total			1,113	8.97	1,232	10.94	1,219	11.61
System Integration Business	JTS	32.80% held by JAS,	72	0.58	233	2.07	1,151	10.96
		9.06% held by ARS and						
		9.05% held by TJP						
	CCS	97.87% held by JTS	26	0.21	46	0.41	36	0.34
Total			98	0.79	279	2.48	1,187	11.30
Other Businesses	JAS	-	30	0.24	27	0.24	8	0.08
	PA	53.85% held by ACU	159	1.28	146	1.30	135	1.29
		and 46.15% held by JSTC						
	TJP	80% held by JAS	1	0.01	1	0.01	1	0.01
		and 20% held by ACU						
	Others ¹⁾	-	7	0.06	7	0.06	4	0.04
Total			197	1.59	181	1.61	148	1.41
Grand Total for the Company and the subsidiaries			12,411	100.00	11,260	100.00	10,501	100.00
<i>Associated Companies</i>								
Other Businesses	IKSC ²⁾	37.50	0.1	50.00	0.1	37.02	0.5	75.25
	TKSC ²⁾	40	-	-	-	-	-	-
	PRE	49	0.1	50.00	0.2	62.98	0.2	24.75
Grand Total for the associated companies			0.2	100.00	0.3	100.00	0.7	100.00

Remarks : ¹⁾ Comprising Jasmine International Overseas Co., Ltd., Mobile Communication Services Co., Ltd., Compunet Corporation Co., Ltd., Three BB Co., Ltd., ACeS (Thailand) Co., Ltd.

²⁾ In 2014, the data was prepared by the management of this company itself.

The Company and its subsidiaries have had no comparative proportion between the local and overseas distribution during 2013-2014.

3. Risk Factors

The Risk Management Committee of the Company has performed its duty in line with the Company's policies and strategies to monitor and analyze the risk factors in order to properly evaluate the management of all the risks that Jasmine International Group is prone to encounter. The Committee also promotes the importance of risk management corporate-wide for the better understanding of all staff members and the awareness of taking part in risk management as a duty, by emphasizing standard practical work system and the formation of risk management system that would effectively mitigate the risks to an acceptable level. Risks of Jasmine International Group are classified into 5 main categories as follows:-

1. Revenue

The Group classifies its businesses to be in readiness for the expansion of the ICT technologies that are related to its operation with an aim to obtain good operation results as targeted.

Most of the revenue in 2014 was from the contribution of Broadband Internet business. It was as such because of the rapid and high growth rate of the Internet usage. To manage this risk, the Company took into consideration, the customers' demand for making use of the ICT technology via the Internet for more different purposes than before; the demand for the transmission of large volumes of data that would consequently, lead to network expansion; and the provision of the Internet service, utilizing a network of fiber optics with a technology called FTTx; and WiFi service, the stability and rapid speed of which support the Internet usage at all time and everywhere, resulting in the steady growth of both the number of customers and income.

2. Finance

In 2014, the Thai economy was affected, in the first half of the year, by protracted political disorder; and in the second half, by both the higher household expenses and the Baht depreciation. These circumstances yielded effects that in turn, caused financial risks. The Group; therefore, managed the risks as detailed below:-

- **Risk from funding decision for business operation:** The Group had a policy on preparing the operation plan ahead of time, taking into account, various possible circumstances. It also had plans for funding decision, therein stated sources of fund which were within the Group itself, financial institutions, and general investors, via the establishment of Jasmine Broadband Internet Infrastructure Fund, for Broadband Internet network expansion.
- **Default risk:** The management team followed up and audited the Group's compliance with terms and conditions in financial and commercial contracts, cash flow management, appropriate usage of financial instrument, conversion of payment for purchase of equipment from USD currency to THB currency, suitable timing for entering the forward contracts and the maintenance of an appropriate level of USD reserve for foreign debt payment.

3. Human Resources

Since Internet and information technologies keep changing through time, personnel need to always adapt themselves to keep pace with the ongoing. Being aware of human resources quality, the Group has been continuously organizing comprehensive personnel training to enhance more capability of its personnel and equip them with appropriate skills, particularly, focusing on courses of techniques, sales and services as well as customer service. Besides knowledge and skills, the Group also places importance on honesty and ethics. Its manpower plan is laid beforehand. The Group supports its personnel for their career path by fairly promoting them on the basis of performance, and providing them with compensation and benefits that are competitive with those of other companies in the same industry.

4. Market and Competition

Currently, Thailand's Broadband Internet customers are 25 percent of all the existing households. The percentage indicates that the usage is still at low level and the customer base can be expanded a lot more. Besides, Internet is also considered a basic public utility for both people in general and organizations. Due to these factors, the Company has created many strong sale and distribution channels to enable its customer base expansion to cover all the sub-districts country-wide. It also makes use of strengths of its own networks and products to increase the market share, both in the provincial areas and Bangkok Metropolis while, at the same time, maintaining the networks to be always stable and of superb quality, placing importance on product quality and a variety of services that meet the need of the customers. In addition, to manage this risk, the Company also focuses on promoting brand visibility and brand awareness via different communication channels.

5. Operation and Maintenance

The Company is well aware that to be a leader in the Internet business, it is important to maintain the existing network system to be of good quality and stable all the time so as to continuously provide a smooth connectivity service; therefore, it emphasizes both quality maintenance and preventive maintenance.

4. General Information and other Significant Information

4.1 General Information

4.1.1 JAS General Information

- Company Name : Jasmine International Public Company Limited
- Head Office Address : 200, 29th-30th Fl., Moo 4, Chaengwatana Road,
Pakkred Sub-district, Pakkred District, Nonthaburi 11120
- Sector Name : Information and Communication Technology
- Registration Number : 0107537000106
- Telephone : (66) 0 2100 3000
- Fax : (66) 0 2100 3150-2
- Home Page : www.jasmine.com
- Number and Type of Total : 1. Registered capital 3,568,697,189 Baht
Paid-up Shares divided into 7,137,394,378 Ordinary shares
- 2. Each with the par value of 0.50 Baht
- 3. Total paid-up capital 3,568,697,189 Baht
- 4. Total number of 7,137,394,378 Shares
Paid-up ordinary shares

4.1.2 General Information of Juristic Persons in which the Company's Shareholding Proportion is of 10% up each

Company Name and Head Office Address	Nature of Business	Total Number of Paid-up Shares	Number and Proportion of Common Shareholding of JAS and/or the Subsidiary
1. Broadband Business			
Triple T Broadband PCL. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100-2100 Fax : 0-2100-2121	Engages in Broadband Internet service, digital data network service, fixed-line telephone service and public payphone service	1,250,000,000	ACU 1,239,992,570 shares = 99.20%
Triple T Internet Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100-2100 Fax : 0-2100-2121	Engages in providing Internet service and Internet applications to residential clients and corporate clients	1,000,000	TTTBB 999,300 shares = 99.93%
In Cloud Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100- 4400 Fax : 0-2100-4401	Engages in software development, distribution, and service provision of general software, including software system that supports value added services for Broadband Business	100,000	TTTBB 99,997 shares = 100%
2. Telecom Network & Service Provider Business			
Jasmine Submarine Telecommunications Co., Ltd. 200, Moo 4, 7 th Fl. , Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100-3183 Fax : 0-2100-3184	Engages in providing marine services and submarine optical fiber maintenance service on the eastern coast lines	15,500,000	JAS 15,499,994 shares = 100%
Thai Long Distance Telecommunications Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100-3183 Fax : 0-2100-3184	Engages in providing marine services and submarine optical fiber maintenance service on the western coast lines	30,900,000	JSTC 27,809,993 shares = 90%

4.1.2 General Information of Juristic Persons in which the Company's Shareholding Proportion is of 10% up each

Company Name and Head Office Address	Nature of Business	Total Number of Paid-up Shares	Number and Proportion of Common Shareholding of JAS and/or the Subsidiary
2. Telecom Network & Service Provider Business			
JasTel Network Co., Ltd. 200, Moo 4, 7 th Fl, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100-3183 Fax : 0-2100-3184	Engages in circuit leasing service and local as well as international data communications service	5,200,000	JSTC 5,199,993 shares = 100%
Jasmine Internet Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100-3700 Fax : 0-2100-3793	Engages in a variety of Internet services	1,500,000	JAS 1,474,500 shares = 98.30%
Acumen Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100-3000 Fax : 0-2100-3222	Engages in wireless Internet service (WiFi)	7,600,000	JAS 7,599,994 shares = 100%
ACeS Regional Services Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100-3000 Fax : 0-2100-3416	Engages in satellite mobile phone service both in Thailand and several Asian countries and the distribu- tion of IP-Phones	102,000,000	ACT 99,999,993 shares = 98.04%
Smart Highway Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100-3000 Fax : 0-2100-3222	Engages in high-speed data communications service via leased line	1,550,000	ACU 1,044,693 shares = 67.40%
3. System Integration Business			
Jasmine Telecom Systems PCL. 200, Moo 4, 9 th Fl., Jasmine International Tower, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100-8300 Fax : 0-2502-3363	Engages in providing turnkey telecommunications services ranging from system design, supply, to equipment testing, in addition to being a distribution agent for telecommunications test	706,457,300 (As at 26 January 2015)	- JAS 231,714,400 shares = 32.80% - ARS 64,027,700 shares = 9.06% - TJP 63,918,000 shares = 9.05%

4.1.2 General Information of Juristic Persons in which the Company's Shareholding Proportion is of 10% up each

Company Name and Head Office Address	Nature of Business	Total Number of Paid-up Shares	Number and Proportion of Common Shareholding of JAS and/or the Subsidiary
3. System Integration Business			
Cloud Computing Solutions Co.,Ltd. 200 Moo 4 Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100-3000 Fax : 0-2100-3501	Engages in cloud computing with full service from the Infrastructure-as-a-Service stage all the way through to the Software-as-a Service stage and providing consulting services, the design and installation of computers as well as IT network, and the development of application software	550,000	JTS 538,264 shares = 97.87%
4. Other Businesses			
Premium Asset Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District Nonthaburi 11120 Tel : 0-2100-3000 Fax : 0-2100-3575	Engages in space rental management and related services for Jasmine International Tower	130,000,000	- ACU 69,999,993 shares = 53.85% - JSTC 60,000,000 shares = 46.15%
Internet Knowledge Service Center Co., Ltd. 2/4,10 th Fl., Siam Commercial Samaggi Insurance Tower, Vibhavadi Rungsit Rd., Thungsohong Sub-district, Laksi District, Bangkok 10210 Tel: 0-2955-0099 Fax: 0-2955-0300	A holding company	12,000,000	JAS 4,500,000 shares = 37.50%
Dormant Company or Company that does not operate significant transactions			
Chaengwatana Planner Co., Ltd. 200, Moo 4, 29 th -30 th Fl., Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel: 0-2100-3000 Fax: 0-2100-3152	The Rehabilitation Plan Administrator of JAS	10,000	JAS 9,993 shares = 100%
Jasmine International Overseas Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel: 0-2100-3000 Fax: 0-2100-3152	Engages in local and overseas investment	11,538,463	- JAS 4,594,134 shares = 39.82% - ACT 3,994,325 shares = 34.18% - ARS 3,000,000 shares = 26.00%
ACeS (Thailand) Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel: 0-2100-3000 Fax: 0-2100-3152	Engages in investment business	195,000,000	JIOC 114,742,696 shares = 58.84%

4.1.2 General Information of Juristic Persons in which the Company's Shareholding Proportion is of 10% up each

Company Name and Head Office Address	Nature of Business	Total Number of Paid-up Shares	Number and Proportion of Common Shareholding of JAS and/or the Subsidiary			
Dormant Company or Company that does not operate significant transactions						
Pakkred Planer Co., Ltd. 200, Moo 4, 29 th -30 th Fl., Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel: 0-2100-3000 Fax: 0-2100-3152	Rehabilitation Plan Administrator of JIOC	10,000	JIOC	9,993	shares	= 100%
T.J.P. Engineering Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel: 0-2100-3000 Fax: 0-2100-3152	Engages in the survey, design, and construction of the outside plant and civil work for telecommunications projects	2,000,000	- JAS - ACU	1,600,000 399,995	shares shares	= 80% = 20%
Mobile Communication Services Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel: 0-2100-3038 Fax: 0-2100-3152	Engages in the NMT 470 MHz. Cellular Mobile telephone business	10,000,000	JAS	6,999,993	shares	= 70%
Compunet Corporation Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100-3800 Fax : 0-2100-3810	Engages in local transmission of data, pictures and voices via satellite	2,600,000	JAS	2,599,994	shares	= 100%
Three BB Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100-3000 Fax : 0-2100-3152	Engages in Internet and e-commerce businesses	5,200,000	JAS	5,199,993	shares	= 100%
Premium Real Estate Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel : 0-2100-3000 Fax : 0-2100-3575	Engages in the real estate business	8,200,000	JAS	4,018,000	shares	= 49%
Telecom KSC Co., Ltd. 2/4,10 th Fl.,Siam Commercial Samaggi Insurance Tower, Vibhavadi Rungsit Rd., Thungsonghong Sub-district, Laksi District, Bangkok 10210 Tel : 0-2955-0099 Fax : 0-2955-0300	Engages in the distribution of computers, telecommunications equipment and software	100,000	JAS	40,000	shares	= 40%

4.1.2 General Information of Juristic Persons in which the Company's Shareholding Proportion is of 10% up each

Company Name and Head Office Address	Nature of Business	Total Number of Paid-up Shares	Number and Proportion of Common Shareholding of JAS and/or the Subsidiary
<i>Dormant Company or Company that does not operate significant transactions</i>			
Jasmine Smart Shop Co., Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel: 0-2100-3000 Fax: 0-2100-3152	Engages in retailing telecom equipment	1,100,000	JAS 1,099,993 shares = 100%
Palit Palangngan Co., Ltd. 2034/132-161 New Petchburi Rd., Bangkapi Sub-district, Huaykwang District, Bangkok 10310 Tel : 0-2716-1600-700 Fax : 0-2716-1418	Engages in power plant business	10,000	JAS 1,500 shares = 15%

4.1.3 General Information of Reference Persons

- Registrar : Thailand Securities Depository Co., Ltd.
No.62, 7th Floor, the Stock Exchange of Thailand Building,
Ratchadapisek Road, Khwaeng Klongtoey, Klongtoey District,
Bangkok 10110
Tel. (66) 0 2229 2888 Fax (66) 0 2654-5427
- Auditor : EY Office Limited
No.193/136-137, 33rd Floor, Lake Rajada Office Complex,
New Rajadapisek Road, Bangkok 10110
Tel. (66) 0 2264 0777 and (66) 0 2661 9190
Fax (66) 0 2264 0789-90 and (66) 0 2661 9192
- Legal Advisor : Weerawong, Chinnavat & Peangpanor Ltd.
22nd Floor, Mercury Tower, 540 Ploenchit Road, Khwaeng Lumpini,
Pathumwan District, Bangkok 10330
Tel. (66) 0 2264 8000 Fax (66) 0 2657 2222

4.2 Other Significant Information

- None -

5. Shareholders

5.1 Major Shareholder

The top 10 largest shareholders of the Company as at the latest closing date for the Company's share register book (1 October 2014) are as follows:-

(The total number of shares: 7,137,394,378 Shares)

Name of Shareholder **	Number of Shares	Number of Shares
1. Bodharamik Group	1,844,696,870	25.85
2. Thai NVDR Co., Ltd.	757,080,168	10.61
3. ABN AMRO NOMINEES SINGAPORE PTE LTD	317,233,500	4.44
4. STATE STREET BANK EUROPE LIMITED	139,101,540	1.95
5. NORTRUST NOMINEES LTD.	115,827,400	1.62
6. Bangkok Bank Public Company Limited	115,611,377	1.62
7. CHASE NOMINEES LIMITED 15	99,360,900	1.39
8. Jasmine International Public Company Limited	94,840,000	1.33
9. Mr. Krirkrai Tribunyatkul	75,074,800	1.05
10. BNY MELLON NOMINEES LIMITED	74,735,400	1.05

Remarks : * Detailed information of major shareholders as group and business types of juristic shareholders

Bodharamik Group-Individual

	% of Shareholding
- Mr.Pete Bodharamik	25.84
- Mr.Anupong Bodharamik	0.01
<u>Thai NVDR Co., Ltd.</u>	
- Deutsche Bank AG Singapore (DCS) a/c The Navis Asia Navigator Master Fund	2.54
- CITIBANK NOMINEES SINGAPORE PTE LTD- UBS AG LDN IPB CLT SEG (NONAUTOFX)	0.81
- MORGAN STANLEY & CO. INTERNATIONAL PLC	0.74
- STATE STREET BANK AND TRUST COMPANY	0.63
- THE BANK OF NEW YORK MELLON	0.59
- THE BANK OF NEW YORK (NOMINEES) LIMITED	0.55

5.2 Information of Shareholders of the Subsidiaries that Operate Core Businesses

1) Jasmine Submarine Telecommunications Co.Ltd.

Name of Shareholder	Number of Shares	% of Total Shares
1. Jasmine International PCL.	15,499,994	100.00
2. Mr. Anupong Bodharamik	1	0.00
3. Mr. Somboon Patcharasopak	2	0.00
4. Mr. Songrit Kusumrosananan	1	0.00
5. Ms. Saijai Kitsin	1	0.00
6. Mrs. Uraiporn Charoenchit	1	0.00

2) Acumen Co.,Ltd.

Name of Shareholder		Number of Shares	% of Total Shares
1.	Jasmine International PCL.	7,599,994	100.00
2.	Mrs.Chutiwan Channet	1	0.00
3.	Mr.Anupong Bodharamik	1	0.00
4.	Mr. Somboon Patcharasopak	1	0.00
5.	Mr. Songrit Kusumrosananan	1	0.00
6.	Ms. Saijai Kitsin	2	0.00

5.3 Shareholders' Agreement
- None -

6. Dividend Payment Policy

Dividend Payment Policy of the Company and the Subsidiaries

The Board of Directors has the policy to submit for Shareholder Meeting's consideration the dividend payment to general shareholders in the ratio of not less than 50 percent of the net profit after tax deduction each year as shown in the Company's financial statement. Regarding the dividend payment policy of the subsidiaries, JTS has a policy to pay the dividend in the ratio of not less than 40 percent of the net profit after corporate tax each year as shown in the JTS financial statement and such dividend payment must not significantly affect JTS general operation. However, provided that it is of necessity for JTS to use an amount of its net profit for further business expansion, JTS dividend may be paid in the ratio lower than stated above. As for TTTBB, it has a policy to pay the dividend in the ratio of not less than 40 percent of its annual net profit from the TTTBB's financial statement after corporate tax and legal reserves. The payment will be after TTTBB's compliance to the laws and terms and conditions in loan contracts and other related burdens of TTTBB each year. With regard to this matter, TTTBB's Board of Directors has the power to consider and approve occasional exemption or change of such policy; however, such exemption or change must be solely for the optimum benefits of the company. For other subsidiaries, their dividend payment depends on annual liquidity of cash flow.

7. Management Structure

7.1 The Company's Board of Directors

Names of the Board of Directors, Members of the Subcommittees, and Authorized Persons; Number of the Board of Directors' Meetings, and Number of Meeting Attendance of Each Individual Board of Director

In 2014, JAS had 7 Board of Directors' meetings. The record of each Director's meeting attendance is as follows:-

Director's Name	Position	Number of Meetings Attendance
1. Mr.Sudhitham Chirathivat	Independent Director and Chairman of the Board of Directors	5
2. Dr. Vichit Yamboonruang	Independent Director and Chairman of Audit Committee	6
3. Dr. Yodhin Anavil	Independent Director, Member of Audit Committee and Chairman of Remuneration and Nomination Committee	7
4. Mrs.Chantra Purnariksha	Independent Director and Member of Audit Committee	6
5. Mr. Pete Bodharamik	Director * and Chief Executive Officer	7
6. Mr. Somboon Patcharasopak	Director*, Member of Remuneration and Nomination Committee, and Chairman of Risk Management Committee	7
7. Mr. Subhoj Sunyabhisithkul	Director *	6
8. Mr. Terasak Jerauswapong	Director * and Member of Risk Management Committee	7
9. Mr. Pleumjai Sinarkorn	Director and Member of Remuneration and Nomination Committee	6
10. Dr.Soraj Asavaprapha	Director	6
11. Ms. Saijai Kitsin	Director, Executive Vice President, Secretary to the Board of Directors, and Corporate Secretary	7

Remarks : * Authorized Director

Directors and Authorized persons of the subsidiaries that operate the Company's core businesses

1) Jasmine Submarine Telecommunications Company Limited

- | | | |
|----------------|-----------------|--------------------------|
| 1. Mr. Terasak | Jerauswapong | Director * and President |
| 2. Mr. Somboon | Patcharasopak | Director * |
| 3. Mr. Subhoj | Sunyabhisithkul | Director * |
| 4. Mr. Pete | Bodharamik | Director * |
| 5. Ms. Saijai | Kitsin | Director |

Remarks : * Authorized director

2) Acumen Co., Ltd.

- | | | |
|----------------|-----------------|------------|
| 1. Mr. Somboon | Patcharasopak | Director * |
| 2. Mr. Terasak | Jerauswapong | Director * |
| 3. Mr. Subhoj | Sunyabhisithkul | Director * |
| 4. Mr. Pete | Bodharamik | Director * |

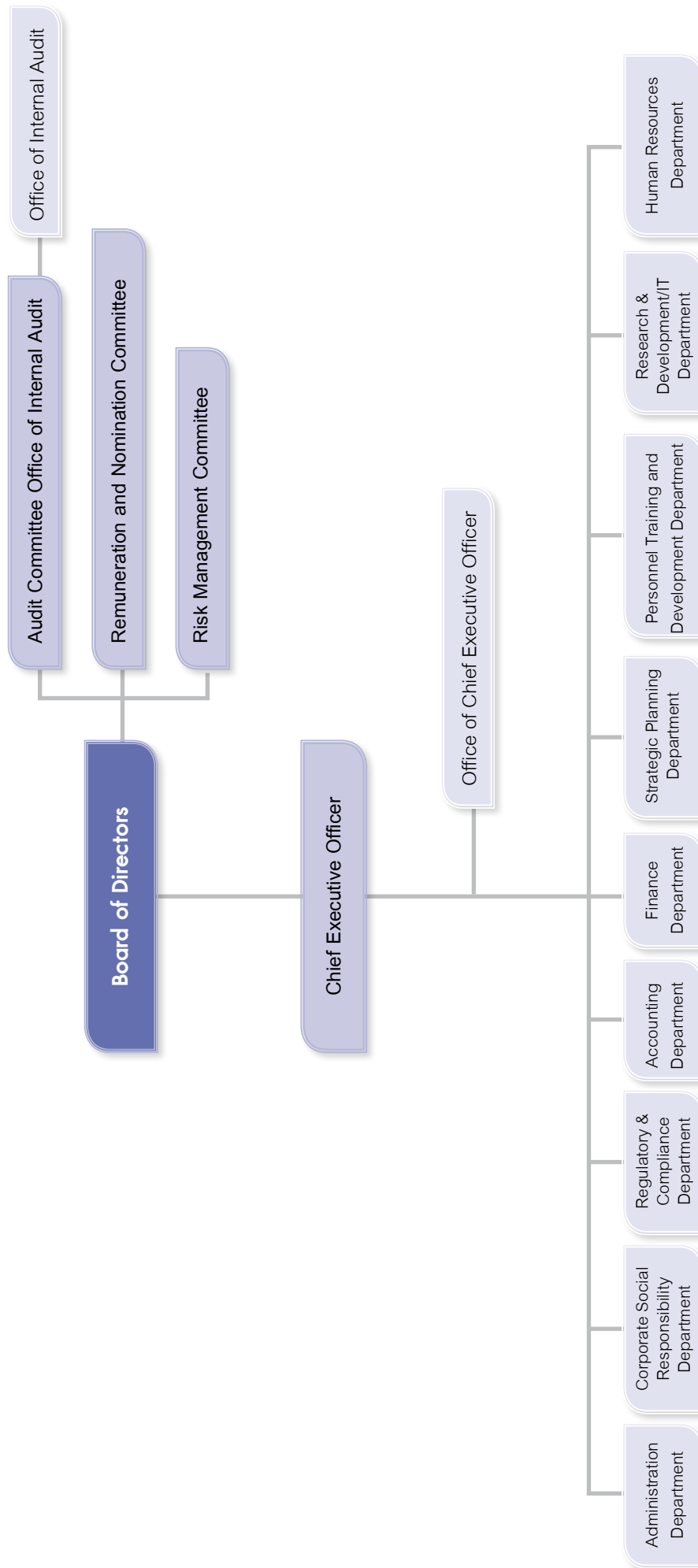
Remarks : * Authorized director

7.2 Executives

The names of the Company 6 executives are as follows:-

- | | | |
|--------------------|----------------|--|
| 1. Mr. Pete | Bodharamik | Chief Executive Officer and President |
| 2. Ms. Saijai | Kitsin | Executive Vice President |
| 3. Mrs. Chuenkamol | Treesuttacheep | Chief Financial Officer, Finance Department |
| 4. Mrs. Nitt | Visesphan | Vice President, Finance Department |
| 5. Ms.Sinenart | Jongpakpaisal | Vice President, Accounting Department |
| 6. Mrs.Uraiporn | Charoenchit | Vice President, Regulatory & Compliance Department |

Management Structure and Organization Chart

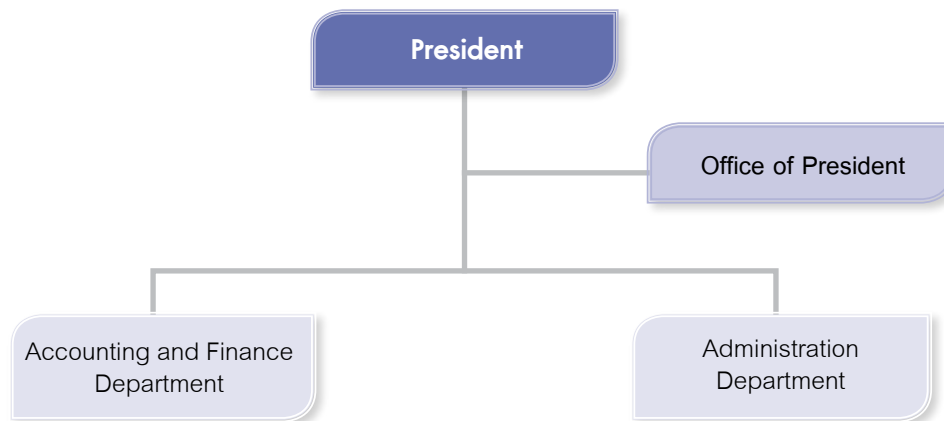


Executives of the Subsidiaries that Operate the Core Businesses

1) Jasmine Submarine Telecommunications Co., Ltd. has 3 executives as follows:-

- | | | | |
|----|--------------|---------------|---|
| 1. | Mr. Terasak | Jerauswapong | President |
| 2. | Ms. Sinenart | Jongpakpaisal | Vice President, Accounting and Finance Department |
| 3. | Ms. Lukkana | Moolsri | Senior Manager, Administration Department |

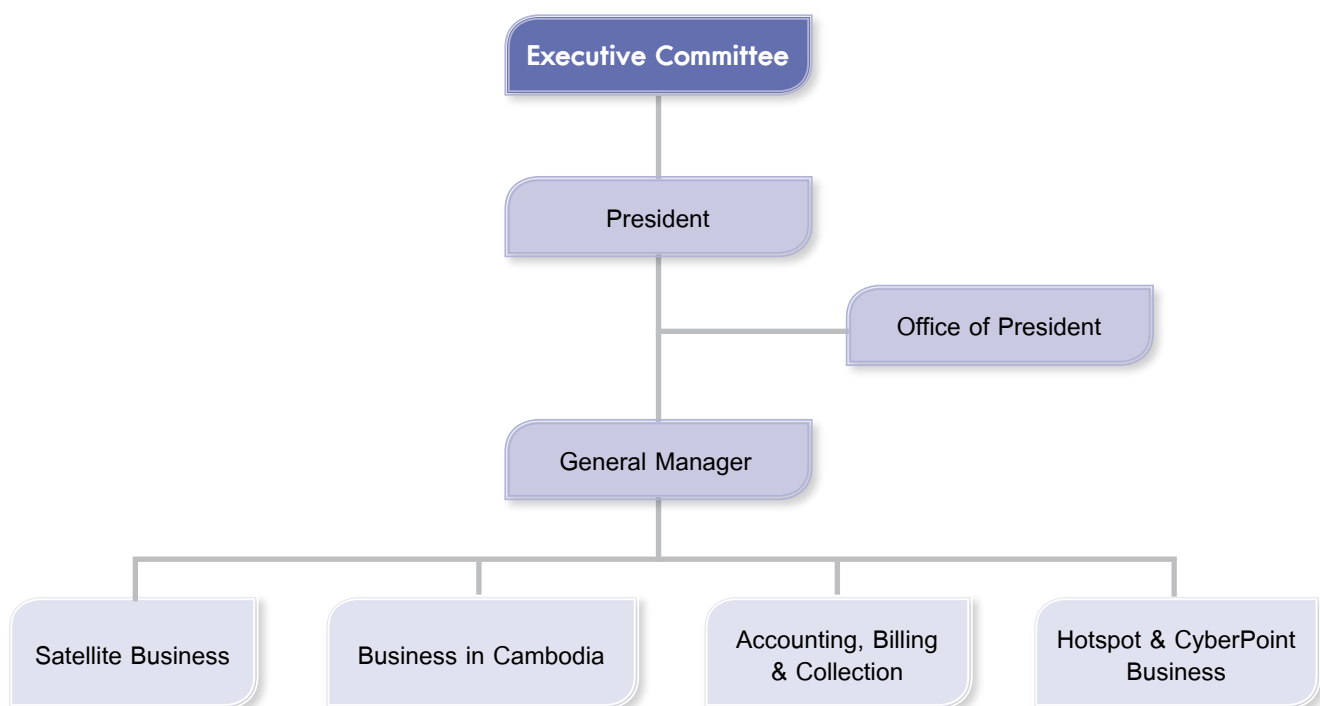
JSTC Organization Chart



2) Acumen Co.,Ltd. has 4 executives as follows:-

- | | | | |
|----|--------------|------------------|--|
| 1. | Mrs. Nonglug | Pongsrihadulchai | General Manager |
| 2. | Mr. Kamchai | Vongklednark | Assistant General Manager |
| 3. | Mrs. Mali | Hongsithee | Assistant Vice President, Accounting, Billing & Collection |
| 4. | Mrs. Jirawat | Prayoonyuang | Assistant Vice President, Satellite Business |

ACU Organization Chart



7.3 Corporate Secretary Corporate Secretary

JAS Corporate Secretary is Ms. Saijai Kitsin. Roles and responsibilities of JAS Corporate Secretary are as follows:-

1. Preparing, compiling and keeping the following documents:-
 - Registration of directors
 - Notices calling the Board of Directors' meetings, minutes of the Board of Directors' meetings, and the Company's Annual Reports
 - Notices calling the shareholders' meetings and minutes of the shareholders' meetings
2. Keeping reports on interest filled by directors and executives
3. Carrying out other activities as defined by the Capital Market Supervisory Board

Corporate Secretary has duties and responsibilities to both the Company's Board of Directors and the shareholders and has to work with awareness of duty of loyalty, duty of care, and fiduciary duty. Corporate Secretary must follow the Board of Directors' policies and carry out the tasks as assigned by the Board of Directors as summarized below:-

1. Undertaking arrangements for the meetings of the Board of Directors
2. Undertaking arrangements for the meetings of the shareholders
3. Keeping reports on interest filled by directors and executives as well as minutes of the meetings at a safe place of the registered office of the Company
4. Compiling the information on the Company's operation for the correct and complete preparation of Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2) in compliance with the SEC regulations and delivering them accordingly to the shareholders and relevant agencies within the time specified by law
5. Providing the directors with advice and services pertaining to the Company's businesses, corporate practices and procedures, principles of risk management, regulations under Articles of Association, regarding ; for instances, sending of notices calling the meetings, passing of special resolution, quorum, procedures of director appointment, procedures of arranging an Annual General Meeting of Shareholders, and so on; in addition to providing advice on laws applicable to the Company, roles and responsibilities of the Board of Directors prescribed by law, laws and regulations in connection with listing a company on the SET, and corporate information disclosure and so on
6. Ensuring that the Board of Directors and Chief Executive Officer complete their performance assessment forms for the continuation of the performance evaluation, and compiling those forms for preparing assessment result report to the Board of Directors at the meeting.
7. Keeping the registration of directors and information on the appointment of the Company's directors, verifying the term of a new director's post and the agenda in connection with the appointment of the Company's new director, as well as ensuring the provision of the information on the appointment of director at an Annual General Meeting of Shareholders as stated in the Company's Articles of Association
8. Steering the Board of Directors to perform their duty to be in compliance with the Company's principles of Corporate Governance
9. Ensuring that corporate information disclosure is correct, timely, and transparent, as well as being capable of supervising the compliance with the SET regulations on information disclosure
10. Carrying out other activities as defined by the Capital Market Supervisory Board

7.4 Remuneration of Directors and Executives of the Company

7.4.1 Cash Remuneration

- 1) Board of Directors of the Company and the Subsidiaries that Operate the Core Businesses
 - 1.1) Jasmine International PCL.

1.1.1) Remuneration of the Board of Directors and the Subcommittees According to the Positions:-

- Chairman of the Board of Directors received remuneration of 60,000 Baht per month (Additional).
- Each Independent Director received remuneration of 40,000 Baht per month.
- Chairman of Audit Committee received the remuneration of 10,000 Baht per month. (Additional).
- Each Audit Committee member received the remuneration of 20,000 Baht per month.
- Chairman of Remuneration and Nomination Committee received the remuneration of 10,000 Baht per month (Additional).
- Each member of Remuneration and Nomination Committee received the remuneration of 5,000 Baht per month
- Each Executive or Non-executive Director received the remuneration of 20,000* Baht per month.
- Chairman of the Board of Directors received the gratuity of 700,000 Baht.
- Six Board of Directors, each received the gratuity of 150,000* Baht.
- Three Independent Directors, each received the gratuity of 550,000 Baht.

1.1.2) Remuneration of Directors and the Subcommittees Disclosed Individually:-

Director's Name		Year 2014 (Baht)	Remuneration Details
1. Mr.Sudhitham	Chirathivat	2,200,000	Remuneration and Gratuity
2. Dr. Vichit	Yamboonruang	1,540,000	Remuneration and Gratuity
3. Dr. Yodhin	Anavil	1,600,000	Remuneration and Gratuity
4. Mrs.Chantra	Purnariksha	1,420,000	Remuneration and Gratuity
5. Mr. Pete	Bodharamik*	-	Remuneration and Gratuity
6. Mr. Somboon	Patcharasopak	500,000	Remuneration and Gratuity
7. Mr. Subhoj	Sunyabhisithkul	440,000	Remuneration and Gratuity
8. Mr. Terasak	Jerauswapong	440,000	Remuneration and Gratuity
9. Ms. Saijai	Kitsin	440,000	Remuneration and Gratuity
10. Mr. Pleumjai	Sinarkorn	500,000	Remuneration and Gratuity
11. Dr.Soraj	Asavaprappa	440,000	Remuneration and Gratuity

Remarks * Mr. Pete Bodharamik stated the intention not to receive any remuneration and gratuity as a director.

1.2) Jasmine Submarine Telecommunications Co., Ltd.

- Executive Directors did not receive the remuneration.

1.3) Acumen Co., Ltd.

- Executive Directors did not receive the remuneration.

2) Remuneration for Executives of the Company and the Subsidiaries that Operate the Core Businesses

The Company and the Subsidiary	Number of Executive (Person)	Year 2014 (Baht)	Remuneration Details
1. Jasmine International PCL.	6	33,807,622	Salary and bonus
2. Jasmine Submarine Telecommunications Co., Ltd.	3	6,734,612	Salary and bonus
3. Acumen Co., Ltd.	4	6,522,686	Salary and bonus
Total	13	47,064,920	

7.4.2 Other Forms of Remuneration

- 1) The Company established a provident fund to serve as a welfare and security for its employees upon employment termination, physical deformity, retirement, death or resignation from the fund. The fund, namely Registered Provident Fund of Jasmine Group, consists of the employees' contribution at the minimum rate of 3 percent of their basic salary (or higher as designated by each employee from 3 to 8 percent, but not exceeding the Company's contribution rate) and the Company's contribution is based on each employee's years of service.
- 2) The Company applied for 2 types of Rajapruet Sport Club membership for the directors, namely the Sports Ordinary Membership (15 years) and the Corporate Ordinary Term Membership (for golf course of 5-year period).
- 3) The Company also granted the directors the rights to receive other benefits as compensation; for instances, the right to reimburse medical treatment expenses for inpatient department (IPD), outpatient department (OPD) and other medical expenses; the right to apply for membership of sport club /golf club; including the right to apply for hotel membership.

7.5 Personnel

7.5.1 Information on Personnel of the Company and the Subsidiaries as at 31 December 2014

Item	Number of Employees (Persons)	Remuneration Amount (Baht)	Remuneration Details
1. Jasmine International PCL.	102	81,284,395	Salary , Overtime Wage, and Bonus
2. Jasmine International PCL. and the subsidiaries	5,965	1,874,114,030	Salary , Overtime Wage, and Bonus

7.5.2 Number of Employees in Major Departments of the Company as at 31 December 2014

Department	Number of Employees (Persons)
1. Office of Chief Executive Officer	27*
2. Office of Internal Audit	3
3. Administration	11
4. Corporate Social Responsibility	3
5. Regulatory & Compliance	5
6. Accounting	11
7. Finance	7
8. Personnel Training and Development	6
9. Research & Development/IT	8
10. Human Resources	21
Total	102

Remarks * The number of the Company's employee, including Chief Executive Officer

7.5.3 Personnel Training Policy of the Company

Despite encountering high competitive environment in the year 2014, the Company's business operation still had growth. Nevertheless, such environment caused all the relevant units that played a part in the Company's operation to realize that it was necessary to develop themselves more in all aspects to be best all round, whether it be in the field of management, marketing, sale, administration, quality management, or technology and application innovation and etc. The most important was to develop their personnel to be quality personnel, to enhance the Company's competitive capability.

The Company developed its personnel of all levels. It not only developed the personnel's knowledge, capability and necessary skills as required by their responsibilities or related work, but also their attitude-- aiming at making them aware that each of them, as an individual employee, was valuable and important to the organization. The development scheme also included the development of the personnel's characteristics, instilling in them the conscience of love and loyalty to the organization. Last but not least, the Company also developed, for betterment, factors in connection with the motivation for its personnel, which were salary, welfare, and positions.

The Company's development of personnel's capability was implemented by taking into consideration, the personnel's length of work period, their positions and fields of responsibility as detailed below:-

- Executive level : For this level, the Company aimed at developing skills in management administration and change management through conferences, seminars, collaborative learning with the management, field trips and coaching. Average training period : 48 hours/person/year.
- Supervisor level : For this level, the Company aimed at developing skills in team management and skills required by the employees' fields of work through training courses, team leader development programs, conferences, workshops and coaching. Average training period : 72 hours/person/year.
- Practitioner level : For this level, the Company aimed at developing skills in techniques and operation through training, collaborative learning, workshops and coaching to enable the employees' work efficiency in their fields of responsibilities such as technical, accounting, and general back office, etc. Average training period : 36 hours/person/year.

The Company believes that human resources are an essential factor that pushes the organization forward, despite currents of competitions. All the above-mentioned schemes of development ensure that the Company's personnel are quality people who work in unity with full effort for true efficiency, propelling the organization towards progress and sustainable growth.

8. Corporate Governance

The Company's Board of Directors is entitled to set up Corporate Governance Policy which encompasses 5 major principles to be in line with the guideline of the SET. Details of which are as follows:-

8.1 Corporate Governance Policy

1. The Rights of Shareholders

The Company is well aware that all the fundamental rights of the shareholders both as investors and company owners must be significantly recognized. Such rights include the right to trade or transfer the securities they hold,

the right to receive the Company's sharing profits, the right to adequately access the Company's information, the right to attend the shareholders' meeting wherein they can exercise the rights to express their opinions and vote for resolutions on the Company's significant matters ;for instances, dividend payment, appointment or removal of a director, appointment of external auditors, approval of any crucial transaction which might affect the directions of the Company's operation, amendment on Memorandum of Association or Articles of Association and so on.

In addition to the above mentioned fundamental rights, the Company manages to support and facilitate the shareholders' right exercise as follows:-

1. The Company arranges the Annual General Meeting of Shareholders within the first 4 months of the Company's fiscal year. Other shareholders' meetings shall be referred to as "Extraordinary Shareholders' Meetings"; each will be called for by the Board of Directors only when deemed appropriate. Invitation letters together with meeting agenda and related documents with adequate fact(s), reason(s) and opinion(s) of the Board of Directors will be distributed for the shareholders to consider 7 or 14 days prior to the meeting date, depending on the subjects. The Company also advertises the meeting notice in the press 3 days consecutively before the date of meeting.
2. Provided that a shareholder is unable to attend the meeting in person, the Company allows him/her to assign an independent director or any person to attend the meeting on his/her behalf by filling in one of the proxy forms attached with the meeting invitation letter or downloaded from the Company's website.
3. During the meeting, the Company provides equal opportunities for the shareholders to make enquiries or to express their views. Therein, all the Company's directors and relevant management are present to answer the questions that are raised. Every question-and-answer issue and all the significant opinions are recorded in the minutes of meeting to facilitate the shareholders' scrutiny.
4. The complete minutes of meeting shall be accomplished after the meeting date wherein complete and accurate information are presented for the shareholders' scrutiny.

2. The Equitable Treatment of Shareholders

The Company has a policy to treat all the shareholders equally be they major shareholders, minor shareholders, institutional investors or foreign investors. Independent directors are assigned by the Company to be responsible for looking after the minor shareholders.

The Company has the policy to announce the schedule of its shareholders' meeting together with the agendas in Thai and English via the Company's website in no less than 30 days prior to the meeting date to facilitate both the Thai and foreign investors.

The shareholders' meeting is properly conducted according to the scheduled agenda in respect of the Company's Articles of Association. In each agenda, related information is clearly and completely presented for the meeting's consideration. If unnecessary, no un-informed agenda is introduced to the meeting neither is any important agenda which the shareholders need some time to make a prudent study before making a decision. In case that a shareholder is unable to attend the meeting in person, the Company allows him/her to assign an independent director or any person to attend the meeting on his/her behalf by filling in one of the proxy forms attached with the meeting invitation letter or downloaded from the Company's website.

Voting process is transparent with regard to the order of agenda items. During the meeting, the shareholders are entitled to cast the vote to express their agreement or disagreement or even to abstain from voting on any issue, including such significant ones as connected transactions, acquisition or disposition of the Company's assets and so on. The agenda on director election provides the shareholders with the chance to elect the directors as individual persons to replace the ones who retire by rotation.

The Company has the policy to disclose information on related party transactions, connected transactions and others as required by the regulations stipulated by offices overseeing listed companies.

The Company has established the Code of Ethics for employees, stipulating the importance of keeping the information of both the Company and its subsidiaries in confidence. It has also set up penalty for any staff who makes use of the inside information for his/her own benefits or implement the same in the manner that may damage the Company's reputation. Additionally, the trading or transferring of the Company's securities by using confidential information and/or inside information is prohibited in the like manner as the conduct of juristic act, using the Company's confidential information and/or inside information since such doing may cause damage to the Company either directly or indirectly.

The Company has set up a measure to prevent "Insider Trading", that is considered improper conduct, by relevant persons who are directors, executives, and staff working in the department related to the inside information (including their spouses and minors). According to the measure, such relevant persons are not allowed to trade the Company's securities a month before the disclosure of the quarterly and annual financial statements. The Company has informed its directors and executives not only of their duty to report their holding of the Company's securities but also the penalty according to the Securities and Exchange Act of B.E.2535 and the regulations of the SET. In case that the directors or the executives trade the Company's securities which they hold, they are obliged to report changes in the possession of their own securities, spouses and minors to the SEC to comply with Section 59 of the Securities and Exchange Act of B.E.2535 within 3 weekdays so that it is further disclosed to the public.

Pertaining to this matter, the Company has set up the disciplinary penalty to apply to any relevant person who discloses or makes use of the Company's inside information for seeking his /her own personal interests. The degree of penalty varies, according to the case, from verbal warning, written warning to putting on probation, firing or dismissal.

3. The Role of Stakeholders

The Company equally respects the rights of all the stakeholders whether they are the inside stakeholders such as the Company's employees and management or outside-party stakeholders such as creditors and customers, etc. The Company also realizes that the support and suggestions from every group of stakeholders are valuable and beneficial to both the operation and business development. Therefore, the Company will perform the duty to comply with the law and other related regulations to ensure that all the rights of the stakeholders are well protected. Furthermore, the Company gives importance to equal treatment under human rights principles and shall not have a hand in any conspiracy that is against human rights. The Company supports and respects human rights protection and has guidelines to guard the rights of every stakeholder group as required by law.

Regarding intellectual property or copyright, the Company has a policy to strictly obey the laws enacted to protect intellectual property to prevent relevant stakeholders from any impact.

Also, the Company has an anti-corruption-and-bribery-for-business-benefit policy that is included in Code of Employees' Ethics for employees' acknowledgement and further conformity. The Company does not have any policy on offering money, incentives, gifts, or special privileges in any form, directly or indirectly, to any person in order to gain business benefits or competitive advantages. In addition, the Company strongly supports cooperation between the Company itself and each group of stakeholders for the Company's stability. To this respect, the Company follows the directions below to appropriately treat each stakeholder group.

- Shareholders** : With an aim to bring about the highest satisfaction to its shareholders, the Company tries its best to be their ever efficient and trustworthy business representative, taking into account the long term growth of its value and the emphasis on transparent and honest information disclosure.
- Employees** : The Company regards employees as its very precious resources. So, it focuses on supporting human resources development which consequently leads to its maximum benefit. Besides, it encourages the employees to play a part in creating a good organization culture, strong teamwork and safe and pleasant working atmosphere. In addition, it provides the employees with welfares and good environment; meanwhile, implanting in them the awareness of working with loyalty, taking into the minds all the possible impacts on both the organization and outside people in general.
- Competitors** : The Company commercially contends with other trade competitors on the fair and ethical competition basis.
- Customers** : The Company is committed to providing quality services for the highest satisfaction and confidence of the customers.
- Trade Counterparts and Creditors** : The Company has the policy to treat both the counterparts and the creditors fairly in compliance with trading conditions and/or terms in mutual contracts to enhance good business relationship, beneficial to all parties.
- Community and Public** : On the regular basis, the Company joins and sponsors socially constructive projects and activities as exemplified by social responsibility activities, especially, the contribution of high-speed Internet and WiFi to schools in rural areas free of charge, financial and material donations to several foundations and organizations.
- Environment** : The Company recognizes the importance of environment and simultaneously is concerned about the impact of pollutions on communities. The Company's nature of business does not jeopardize the environment.

The Company will conduct its business to be in line with the law and other related regulations to assure the shareholders of the best protection of their rights.

4. Disclosure and Transparency

The Company's Board of Directors takes as its obligation the disclosure of the Company's financial and other Company-related information to be complete, accurate, and transparent in compliance with the regulations of the SEC and the SET. Additionally, it discloses other significant information which may affect the price of the Company's securities which in turn impacts on the decision of the Company's investors and stakeholders. Such information is accessible to the Company's shareholders, investors and the public via the channels and media of the SET as well as the Company's website.

For Investor Relations, the Finance Department is assigned to represent the Company in communicating with institutional investors, shareholders, analysts and relevant state organizations; whereas, the Regulatory & Compliance Department is accountable for corporate reports.

The Company's Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries as well as any financial-related information presented in the Company's Annual Report. Such financial statements are prudently prepared pursuant to the accounting principles generally accepted country-wide based on the appropriate accounting policy with which the Company regularly complies. Besides, the information therein is adequately disclosed. The Audit Committee is obliged to verify the quality of the Company's financial reports and internal control system, including the adequacy of the disclosure of important information in notes to the financial statements prior to acknowledging their opinions to the Board of Directors' meeting and the shareholders' meeting, respectively.

5. Responsibilities of the Board of Directors

1. Structure of the Board of Directors

The Board of Directors of the Company is made up of individuals recognized for their knowledge and capabilities. It plays a vital role in setting up corporate policy and image besides independently overseeing, auditing, and assessing the Company's performance to be in accordance with the Business Plan.

Structurally, the Board of Directors totally comprises 11 directors, 4 of whom are independent directors. The appointment of the independent directors in such adequate and proper proportion enables the balance of power in the Board of Directors. The Company's administration is finally examined by the Audit Committee which consists of 3 accredited independent members.

Term of Office of the Board of Directors

According to the Company's Articles of Association, at every Annual General Meeting of Shareholders, one-third of the directors who have the longest terms in office shall retire. Nevertheless, provided that the number of the directors is not a multiple of three, then the number nearest to one-third shall retire from office. The retirement of the directors in the first and the second year after the listing of the Company on the SET is based on the method of lot-drawing. As for in the later years, the directors who serve the longest terms shall retire. The Company's Articles of Association also prescribes that the retired directors are eligible for re-election. Furthermore, whether a director or a committee member can continuously remain in office without break for the longest period will be determined by the Company by taking into account his/her individual qualifications and appropriateness.

The Board of Directors has approved to embrace the disclosure of the number of the companies in which each director has his/her position as a significant criterion for the Board of Directors election; The Company; thus, discloses the information of all the directors who also are directors of other companies in details. At present, 8 directors of the Company's Board of Directors are holding the positions of director in more than 1 listed company. However, since those directors have sufficiently devoted their time carrying out the Company's tasks with all their efforts, the holding of their positions in other companies does not affect their performance at all ; moreover, they regularly participate in the Company's Board of Directors' meetings and always provide practical opinions for the Company therein.

Board Member Orientation

A newly appointed director will be briefed on businesses of the Company. The Company also sends him/her a set of document on regulations for the Board of Directors and the Board of Directors' responsibilities to notify them of good practice as a director of the Company.

2. Subcommittee

For efficient corporate governance, the Company established 3 subcommittees, namely Audit Committee, Risk Management Committee and Remuneration and Nomination Committee and also set up distinct scopes of authority, duty and responsibility for each.

3. Role, Duty, and Responsibility of the Board of Directors

The Company's Board of Directors is made up of individuals who are knowledgeable, proficient, expert and well equipped with beneficial experiences in various fields apart from distinguished leadership. They collectively set visions, missions, strategies and business directions in addition to providing efficacious oversight of the Company's operation to fully comply with all the relevant laws and to correspond to the objectives and regulations of the Company as well as the resolutions of the shareholders' meeting.

They also set up subcommittees to monitor and supervise the Company's operation. The Company supports every director for his/her interest in taking any training course that provides essential knowledge that helps enhance him/her more professionalism as a director and that can be applied for the endless development of the quality of directors' performances.

In regard to top management succession planning, the Board of Directors has assigned the Remuneration and Nomination Committee to set up criteria and procedures for the selection of qualified candidates for top management positions. It is required that such plan be annually reviewed and the results thereof be reported to the Board of Directors.

Corporate Governance Policy

The Company is entitled to set up the policy of good corporate governance in writing. Such policy, approved by the Board of Directors' meeting, is regularly reviewed, at least once a year, in terms of content and compliance.

Business Ethics

The Company has set up and put in writing the Code of Business Ethics as an essential guideline for the Board of Directors, the management and employees of all levels to adhere so as to conduct the Company's business and serve all the groups of stakeholders, society and the public fairly and honestly. Besides, it has announced such Code of Business Ethics and acknowledged them to its employees for strict compliance. For effectiveness, a set of disciplinary penalty is set up as well as a system for following up the practice of the Code of Business Ethics that is regularly applied.

Conflict of Interest

The Company's Board of Directors has set up the policy on conflicts of interest based on the principle that any decision on business conduct must be made with respect to the highest interests of the Company only. Any action which might lead to conflicts of interest must be avoided. It is specified that any person relevant to or connected with the subject to be considered is obliged to acknowledge the Company of his / her relationship to or connection with the matter. He/She is not permitted to join the party which judges the case and does not have the power to authorize that particular case. No conditions or regulations are specially set for such case. It is also stipulated that the Office of Internal Audit and the Audit Committee are responsible for taking care of and solving the conflicts of interest. However, to date, the Company has not experienced the problem related to conflicts of interest.

The Audit Committee will report the carefully considered connected transaction matter and any matter containing a conflict of interest to the Board of Directors in compliance with the regulations of the SET. Such information is disclosed in the Company's Annual Report and the Updated Registration Statement (56-1 Form).

Whenever changes in securities holding of the Board of Directors and the management of the Company, including their spouses and minors occur, they must be informed to the Company and reported to the SEC respectively according to Section 59 of the Securities and Exchange Act of B.E.2535 within 3 weekdays after the date of trade or transfer. Besides, to prevent improper usage of the Company's inside information, directors, executives and departments having an access to the Company's inside information are forbidden from disclosing such information to the outside parties and anyone who does not involve in the Company's securities trading a month prior to the disclosure of the Company's financial statements.

Internal Control System

Realizing the importance of efficient internal control system in both management and operation levels, the Company has specified the scopes of duty and authority for its executives and employees clearly in writing. It also conducts the control of assets usage for its benefit. In addition, the duties of staff and officers in charge of monitoring and assessment officers are segregated. The Audit Committee has been set up by the Company to review the internal control system and oversee the internal audit properly and efficiently.

Risk Management

The Company evaluates the adequacy of its existing internal control system on a yearly basis. Its Risk Management Committee also assesses internal and external risk factors, analyzes them and follows up the outcome besides finding measures to mitigate risks within the organization and properly improve the task operation for more effectiveness.

Report of the Board of Directors

Quarterly, the Accounting Department organizes a meeting between the relevant staff and the Company's auditors. The Company's Audit Committee is accountable for the review of the financial report that is to be presented to the Board of Directors by the Accounting Department. The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries as well as the financial information (the report on the Board of Directors' responsibilities for financial matters) presented in the Annual Report. Such financial statements are prepared in accordance with the accounting principles, certified and audited with prudence by the Company's auditors. The disclosure of significant financial-related and non-financial related information is completely and regularly done on the factual basis.

4. Board of Directors' Meeting

The Company's Board of Directors' meeting is scheduled to be convened in every 3 months. However, a special meeting can be called if it is deemed necessary. The agenda items for each meeting are clear and specific. Documents concerned are sent to the directors prior to the meeting date in order to provide them with sufficient time of study, except for an emergency case. The meeting is recorded in writing. The minutes as well as other certified documents are kept for references and all must be examinable in the following meeting. Issues to be included in the meeting agenda are a result of prudent co-consideration of the Company's Chairman of the Board of the Directors and Chief Executive Officer or President. To this regard, each director can also propose issues for the preparation of a meeting agenda.

During the meeting, the Company's Chairman of the Board of Directors or the person who is elected to act as Chairman of the Board of Directors' meeting will provide opportunities for the directors to independently express their opinions. Sometimes, the Company's top management join the meeting for the provision of additional useful information in some particular agendas as related persons. On this occasion also that they can be directly acknowledged of the policy and put it into practice accordingly and efficiently. Resolutions are based on majority vote of the Board members attending the meeting; one director is eligible for one vote. However, a director who has interests in the matter under consideration shall not join the meeting and/or abstain from voting. In case of tie, the Chairman has the casting vote.

The Board of Directors' minutes of meeting, taken by the Secretary to the Board of Directors who takes part in every meeting, is presented to the chairman of the meeting to consider and sign for certification prior to proposing as the first agenda item in the following meeting for the Board of Directors to certify. After certification, the Secretary to the Board of Directors will store all the information and documents related to the meetings to facilitate data references and searches.

The Board of Directors has the policy to encourage the non-executive members to schedule meetings among themselves without the management team at least once a year. Corporate Secretary, as the meeting coordinator, is assigned the task of meeting organization.

5. Board of Directors' Self Assessment

The Company's Board of Directors has the policy to evaluate the results of their own performances, taking the results of the Company's business operation, the degree of compliance to the established policies, and the overall economic and social situations as significant criteria. The self assessment outcome will be useful for self improvement in working of each individual director.

As for annual evaluation of the Chief Executive Officer's performances, it is considered by the Board of Directors based principally on the evaluation result of the CEO Performance Evaluation Form and the Company's operation results.

Anti-corruption Policy

Jasmine International Public Company Limited ("the Company") places importance on conducting business in a transparent manner with integrity in accordance with good corporate governance principles, adhering to its responsibility to the society and the nation as a whole. Realizing that corruption is a serious problem that hinders the development of the country; the Company has established an anti-corruption policy for itself and the subsidiaries (Both the Company and its subsidiaries shall be referred to herein as "the company.") to apply as a guideline for business operation, with confidence that it would enable effective development to a sustainability organization, which, in a way, is a support to national development.

Definition of "Corruption"

"Corruption" refers to any form of bribery whether it be an offer, a proposal to provide, a pledge or a promise to give, a request for or an acceptance of benefits such as money, assets and other undue advantage to/from a government officer, the government sector, the private sector, or any responsible person either in direct or indirect manner in order to acquire or retain a business as well as to recommend specific business to the entity and to protect any inappropriate interest for the company's business; except for the case enabled by law, regulation, announcement, rule, local tradition, or trade usage.

Anti-corruption Policy and Guideline

1. The directors, the executives and the employees of the company are prohibited from engaging in or accepting corruption of all types. The Anti-corruption Policy shall be applied to several company activities; for instances, personnel recruitment/nomination; promotion; procurement; sale; business-relation creation with both the government and the private sectors, and so on.
2. Every employee is obliged to notify his/her supervisor or the responsible person of any act of corruption or any intention that is within the scope of corruption. Furthermore, he/she must be cooperative in investigation procedure.
3. The company shall provide fairness and protection for every employee who denies corruption or informs the company of any corruption case.
4. A person who commits corruption shall receive disciplinary punishment as stipulated by the Article of Association of the Company. Conviction on law may be applied in case such act violates the law.
5. The anti-corruption policy and guideline shall be regularly revised to suit the changing business , rules, regulations, and all the applicable laws.

Whistle Blowing and Notice of Complaint

A person who finds corrupt practices or corruption-related cases , directly or indirectly, can notice the whistle blowing or make the complaint to the company through the following communication channels:-

1. E-mail : churnkamol.t@jasmine.com
2. The Company's website : [www.jasmine.com/contact/whistle blowing](http://www.jasmine.com/contact/whistle%20blowing)
3. Telephone Number : 02 100 3085

Preventive and Confidential Measure

Any person assigned by the Company to be responsible for the task of complaints and whistle blowing has a duty keep all personal information of every complainant and informant such as his/her name, address, subject of complaint and all the relevant documents, in confidentiality. Such information shall not be disclosed to anyone who is not a concerned person unless the disclosure is required by law.

Promotion of Anti-corruption Policy

To ensure that the Anti-corruption Policy is completely and thoroughly communicated to all personnel of the organization, the company shall

1. Announce the Policy to acknowledge its personnel for the right compliance
2. Promote the Policy through the Company's communication channels such as emails, website, Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2)
3. Compile and disseminate the laws against bribery and corruption support
4. Regularly review the Anti-corruption Policy

Report on Compliance to Corporate Governance Policy

In 2014, the Company completely conformed to the Good Corporate Governance Policy stipulated by the Board of Directors. However, there are still some significant additional matters to be reported as detailed below:-

1) and 2) Regarding the Rights of Shareholders and the Equitable Treatment of Shareholders

1. The Company completely and accurately reported its operation results to the shareholders and also arranged the shareholders' meeting to report and request for the approval of issues which are significant or require resolutions from the meeting according to the law.
2. Last year, the Company organized the Annual General Meeting of Shareholders on 25 April 2014 and the Extraordinary General Meeting of Shareholders No. 1/2014 on 27 October 2014. All the Company's directors attended both meetings.
3. The Company provided the shareholders with adequate time to study detailed information of the documents for the AGM and the EGM No.1/2013 beforehand by:
 - posting the invitation letter to the AGM on its website (www.jasmine.com) 45 days prior to the meeting date. It also posted the Minutes of the AGM on the website 14 days after the date of the meeting.
 - posting the invitation letter to the EGM No. 1/2014 on its website (www.jasmine.com) prior to the meeting date. It also posted the Minutes of the EGM No. 1/2014 on the website 14 days after the date of the meeting.
4. The Company had not yet provided the shareholders a chance to submit their opinions, recommendations, inquiries, additional agenda items or names of candidates for the position of director to the Company since, for the time being, the Company is considering an appropriate guideline and a policy related to the matters.
5. The records of proxy in which the shareholders specified their intention to assign the Company's directors to attend the meetings and vote on their behalves at the shareholders' meetings in 2013 are as follows:-
 - At the 2014 AGM, 505 shareholders assigned the Company's Independent Directors, namely, Mr.Sudhitham Chirathivat, Dr.Vichit Yamboonruang, Dr. Yodhin Anavil and Mrs.Chantra Purnariksha to vote on their behalves. In the like manner, 9 shareholders assigned Mr. Pete Bodharamik and Mr.Somboon Patcharasopak, the Company's director, to vote on their behalves.
 - At the EGM No.1/2014, 141 shareholders assigned the Company's Independent Directors, namely, Mr.Sudhitham Chirathivat, Dr.Vichit Yamboonruang, and Dr. Yodhin Anavil and Mrs.Chantra Purnariksha to vote on their behalves. In the like manner, 10 shareholders assigned Mr. Pete Bodharamik and Mr.Somboon Patcharasopak, the Company's director, to vote on their behalves.

6. In the shareholders' meetings, all the shareholders were equitably allowed to express their opinions and raise questions to any of the management who attended the meeting. Voting portion for any agenda resolution was compliant to the following regulations:
 - 1) In a normal case, the resolution is subject to the majority vote of the eligible shareholders who attend the meeting. One share is entitled to one vote. However, the chairman of the meeting has the casting vote in case of tie.
 - 2) In the following cases, at least three-fourth of the total votes of the eligible shareholders attending the meeting are required subject to one share for one vote:
 - The total or partial sales or transfer of the Company's significant business operation to any third party.
 - The purchase or undertaking of any companies or private sectors, and
 - The execution, amendment, or cancellation of the partial or total lease of the Company's business to any third party, or business merger with any third party aiming for mutual profit and loss sharing.
7. In 2013, the Company complied with the policy on the prevention of the inside information usage. Details of this policy is shown in Subsection 8.5 : Control of Inside Information Usage and Section 10 : Internal Control and Risk Management, part 3 : Control of Management Operation. In 2014, the Company's executives and other related persons strictly conformed to such policy. None ignored or violated it.

3) Regarding the Role of Stakeholders

Provided that there is a case in which a stakeholder's right is violated by the Company, the Company shall do everything in compliance with the law. Besides, a shareholder can submit a complaint or inform the Company of a trace of such matter at www.jasmine.com/contact/ whistle blowing. However, in the previous year, no case of violation of the shareholders' right occurred nor did the conflict between the Company and the stakeholders. The Company joined the Collective Action Coalition of the Private Sector Against Corruption on 6 January 2015.

4) Regarding the Disclosure and Transparency

The Company's disclosure of the financial and the non-financial information was correct, complete, timely, transparent, and fair to all parties in conformity with the regulations stipulated by the SEC and the SET; therefore, the Company was not penalized by both the SEC and the SET for the incapability to complete their regulations. All these were done to prove the Company's reliability and honesty and to gain more confidence from investors in general. The information that was already disclosed to the SET was also posted on the Company's website (www.jasmine.com) of the "Investor Relation/news to SET" menu.

The remuneration for the Company's executives is disclosed in Subsection 8.4 of the Updated Registration Statement (56-1 Form) and herein in Subsection 7.4. Initially, the remuneration had passed prudent consideration of the Remuneration and Nomination Committee. Then, it was considered and approved by the Board of Directors' meeting. Both the Remuneration and Nomination Committee and the Board of Directors took into account remuneration information of other companies of the same line of industry, the Company's own business expansion and growth of profits as references. The remuneration for the Company's directors was finally approved by the shareholders' meeting. As for salary, bonus and other rewards for the executives and the employees, each was considered mainly based on the Company's operating results.

The Company fairly treated every group of investors, be it individual or institution, local or foreign by providing for each group a chance to directly have a meeting with the Company's executives as much as possible. The Company also disclosed the information on operation analysis in Investor Bulletin, prepared quarterly and posted on the Company's website (www.jasmine.com) : Investor Relation/Investor Bulletin. Furthermore, the Company has a unit called "Investor Relations", being responsible for giving information to the investors directly; thus, interested analysts and investors could contact the Company conveniently via telephone and e-mail address. The task of Investor Relations is trusted to the Finance Department.

- The contact person is Mrs. Chuenkamol Treesuttacheep, telephone: 0-2100-3085, email address: churnkamol.t@jasmine.com. Meanwhile, the disclosure of significant data of the Company is assigned to the Regulatory & Compliance Department.
- The contact person is Mrs. Uraiporn Charoenchit, telephone: 0-2100-3118, email address: curaiporn@jasmine.com.

5) Regarding Responsibilities of the Board of Directors

1. Of the total 11 directors who constitute the Company's structure of the Board of Directors, 4 of whom are independent directors whose qualifications meet the Company's definition which is equivalent to the standard of the SEC.

The 4 independent directors are of not less than one-third of the total number of the directors in the Board. Three of the independent directors who are qualified according to the requirements of the SET are also positioned in the Company's Audit Committee, having independent power in the audit administration. Furthermore, 1 independent director has a position in the Remuneration and Nomination Committee.

The Company has clearly delineated the roles and responsibilities of the Board of Directors and the management. There is a practical organization structure in which the management power is delegated to the employees of all levels, enabling them to participate in the Company's operations and adroitly perform their duties. The scopes of authorities and budgetary approval for each management level are clearly explicated in writing.

The Company has clearly segregated authorities and roles between Chairman of the Board of Directors and Chief Executive Officer so as to prevent unlimited authority. Chairman of the Board of Directors is a director who is elected and appointed by the Board of Directors; whereas, Chief Executive Officer is appointed by the Board of Directors, taking into consideration the proposal of the Remuneration and Nomination Committee (as detailed in Section 8.2 : the Company's Board of Directors and Subcommittees)

2. The Company discloses its Corporate Governance Policy via the website (www.jasmine.com) at the Investor Relations/Corporate Governance menu for the acknowledgement of the directors, employees and investors in general.
3. The Company has set up and put in writing the business operation policy and procedures, which are prudent and malfeasance-preventive in terms of payment requisition, procurement, personnel management and general administration. In addition, the Company has established the Code of Business Ethics as a vital guideline in business operation for the Board of Directors, the executives and the employees of all levels as detailed below:-
 - 1) To adhere to fine virtues and morals
 - 2) To be self-disciplined, to be well aware of one's own duties, to respect one's own rights and others', and to realize that discipline upkeep is a kind of behavior improvement not punishment
 - 3) To perform any assigned duty in compliance with the policy that is in compliance with law, honestly, so as to keep the Company's image unblemished
 - 4) Not to directly or indirectly have a deliberate intention to harm, destroy or erode other persons' reputation, progress or business
 - 5) To implement the leadership skill in business operation by utilizing the employees' proficiency as a tool for organization's success, not for personal interests.

- 6) Should there be any personal interest other than the one received from the Company, one is obliged to disclose the information thereof to the Company immediately; furthermore, one should not get involved in any other business activity that may lead to a conflict of interest or deteriorate work efficiency
 - 7) To create the work atmosphere that encourages opinion exchange, creativity, innovative ideas, suggestions as well as sensible, righteous and impartial decision making
 - 8) Not to disclose confidential information obtained by authority for own benefits, or to implement the same in the manner that may damage the Company's reputation
 - 9) To always realize that, in business operation, one does not commit only to his own duties or the business owner, but also to the purchasers, suppliers, shareholders, customers and employees; therefore, mutual benefits of these groups become the major guideline of the business operation as a whole
 - 10) To be responsible for the performances of oneself and subordinates
 - 11) To seek, improve and increase the personal capability and perform duties with knowledge, proficiency, and appropriate standard as being set for the position with attentiveness and responsibility for one's and the Company's progress
 - 12) To plan, set up and analyze work objectives to achieve the Company's goal while heeding the moral and professional ethics as well as the culture of relevant parties in the organization
 - 13) To maintain and be attentive to the health, security, bio-hygiene and environment of the whole organization, and to keep the work place in a tidy, exquisite and healthful condition
 - 14) To maximize the effective and efficient deployment of the Company's resources
4. Regarding the Board of Directors' Meeting, it is required by the Company's Article of Association that at a Board of Directors' meeting, not less than 1/2 of the total number of the entire directors constitutes a quorum. In case that at any meeting, the Chairman of the Board of Directors is not present or cannot perform his duty, it is required that the Vice Chairman of the Board of Directors be the Chairman of the Meeting. However, if the Company does not have a Vice Chairman of the Board of Directors or if the Vice Chairman cannot perform his duty on the meeting date, the directors present may elect one of their members to be Chairman of the Meeting. In summoning a Board of Directors' Meeting, Chairman of the Meeting or a person assigned must dispatch notice of summoning to all the directors not less than 7 days prior to the meeting date, except for an urgent case that the meeting is allowed to be called quicker and by other means in order to preserve the rights or benefits of the Company.

In 2014, the Company completely complied with the regulation on such matter. Throughout the year, 7 Board of Directors' meetings were held. The record of each Director's meeting attendance is shown in Subsection 7.1.

5. The Company has set up Audit Committee to consider and verify details of the related work prior to the submission to the Board of Directors. The Audit Committee is scheduled for a meeting once a quarter. (See details of roles and responsibilities of Audit Committee in Subsection 8.2.) In 2013, 5 Audit Committee meetings were held; each was properly attended by all the Audit committee.

The Company has also set up the Risk Management Committee and Remuneration and Nomination Committee whose authority and duties are explained in details in Subsection 8.2.

During the year 2014, the Company's subcommittees arranged their meetings as summarized below:-

- Audit Committee held 5 meetings. Dr.Vichit Yambooruang and Mrs.Chantra Purnariksha attended 4 meetings; Dr. Yodhin Anavil attended every meeting.
- Risk Management Committee held 4 meetings. All the committee members completed their attendance. Remuneration and Nomination Committee held 4 meetings. Each was properly attended by all the committee members.
- All the committee members completed their attendance. For this year, the Remuneration and Nomination Committee held 4 meetings. Each was properly attended by all the committee members.

6. The Company has established the Office the Internal Audit in accordance with the regulations of the SET to ensure that the Company's and its subsidiaries' operations comply with the Company's rules and regulations. It also encourages employees of all levels to perform their jobs efficiently and effectively with environmental and ethical consciousness. An internal auditor is responsible for the analysis, assessment, suggestions, consultation and information provision, which serve as working tools, as well as leverage the efficiency of the internal audit system with the cost-effective budget.

The proceeding of internal audit includes testing and assessment of adequacy and efficiency of the internal audit system as well as the quality of the internal work performance, hence, the responsibilities of internal auditors are as follows:-

- 1) To verify and report the reliability and completeness of financial information, work performance and method of judgment and evaluation
- 2) To ensure that the work system, which has significant impacts on the operations and reports, conforms to the Company's policies, operation plans, regulations, as well as related laws
- 3) To verify appropriateness of the Company's asset upkeep, exploitation, and existence inspection
- 4) To assess the exploitation of the Company's resources, aiming for the most efficient, effective and worthwhile results
- 5) To verify the business operation or business plan so as to ensure its compliance with the Company's objectives and goal, and the success of the work plan at the Company's supreme target
- 6) To provide the Audit Committee with suggestions that would enhance more appropriateness and prudence to internal audit system
- 7) To perform any other task assigned by the Audit Committee

With regard to Risk Management, please see more details in Section 10 : Internal Control and Risk Management.

7. In 2014, the Board of Directors evaluated its own performance and the performance of the Chief Executive Officer based on the self assessment forms for directors and Chief Executive Officer originally prepared by the Corporate Governance Center of the SET for appropriate adaptation of a company. It also reviewed the business operation policy and improved the business plan on a regular basis to increase efficiency of the management system and the internal control system of Jasmine International Group.

In addition, the Company's subcommittees also evaluated their own performances and reported the results to the Board of Directors in their meeting in order comply with the requirement of Thai Institute of Directors Association (IOD) on the evaluation on Corporate Governance of the listed companies.

8.2 The Company's Board of Directors and Subcommittees

The Company's director structure comprises 4 sets of committee, namely the Board of Directors, the Audit Committee, the Remuneration and Nomination Committee, and the Risk Management Committee. The names of Board of Directors and the members of each subcommittee, including the scope of authority and duties are presented as follows:-

1) Board of Directors

The Company's Board of Directors comprises 11 directors. The details of each Board of Director are presented in Subsection 7.1.

Authority and Duties of the Board of Directors

1. Each director shall perform his/her duties in compliance with the laws, objectives and Articles of Association of the Company as well as the resolutions passed by the Company's shareholders' meetings.

2. Every director is prohibited from engaging in any business, in any juristic person which is of similar business nature as and in competition with the Company's business -- either as partner or director -- unless he/she receives a prior consent from the shareholders' meeting.
3. Each director is obliged to inform the Company without delay of his/her interests in any contract which he/she has entered into with the Company, or when his/her shares or debentures in the Company or its subsidiaries increase or decrease.
4. A Board of Directors' meeting shall be held at least once every 3 months.
5. Authorized directors are specified in the Company Certificate.
6. The Board of Directors is empowered to designate a director/directors to bind the Company by signature (s) and the Company seal.

Authority and Duties of Chief Executive Officer

Chief Executive Officer controls, supervises, follows up the operations of the President and the Management team, and concurs and adjusts the Company's business plan to be in compliance with the existent business status. The Chief Executive Officer is authorized to approve the normal business transaction of not exceeding Bt 30 mn value for the interests of the business management and operations of the Company so as to ensure that the objectives of the policies and business plan determined by the Board of Directors shall be accomplished.

Whereby, the approval for such business transaction does not include the transaction in which Chief Executive Officer or any person, who may have conflicts of interest as per definition set forth in the Notifications of the Office of Securities and Exchange Commission ("SEC") and/or the SET, has an interest in any other way with the Company or its subsidiaries.

Authority and Duties of President

The President manages, administers, and implements the normal functions of the Company in such a way as to further the interests of the Company. The President's scope of authority and duties are determined by the Board of Directors as follows:

1. The President is to supervise, administer, and implement the normal functions of the Company in such a way as to further the interests to be in accordance with the Company's Objectives and Articles of Association as well as the rules, resolutions, policies, plans, and budgets authorized by the Board of Directors under all relevant laws, and the scope of authority determined by the Board of Directors.
2. The President has the authority to approve the transactions in which the Company is borrowing, lending, guaranteeing, purchasing, providing or hiring services, or performing other normal activities of the Company involving sums of not exceeding Bt 10 mn only. To this purpose, the President may assign or delegate his authority to any individual as his attorney or substitute to act or perform any specific transaction in accordance with the designated authority.

The above-mentioned authority does not include the transaction in which the President or any person who may have conflicts of interest, as per definition set forth in the Notifications of the SEC and/or the SET, have an interest or conflict of interest in any other way with the Company or its subsidiaries.

2) Audit Committee

The Company's Audit Committee comprises 3 directors as follows:-

- | | | | |
|----|--------------|--------------|---|
| 1. | Dr. Vichit | Yamboonruang | Chairman of Audit Committee
Expert and experienced in auditing financial statements) |
| 2. | Dr. Yodhin | Anavil | Member of Audit Committee |
| 3. | Mrs. Chantra | Purnariksha | Member of Audit Committee |

Authority and Duties of Audit Committee

1. To verify the Company's financial statements for accuracy and adequacy
2. To oversee both the Company's internal control system and internal audit system to ensure their appropriateness and efficiency aside from considering independence of Office of Internal Audit, approving the appointment, the transfer, and the dismissal of the head of Office of Internal Audit as well as the heads of any other departments responsible for internal auditing
3. To oversee and ensure the Company's conformity with the law regarding securities and stock exchange in addition to the regulations of the Stock Exchange of Thailand ("SET") and the laws relevant to the Company's business
4. To consider, select and propose to appoint persons who are independent to be the Company's external auditors and propose their remuneration in addition to having a meeting with such auditors at least once a year without the presence of the management
5. To consider the connected transactions as well as the transactions which may have conflicts of interest to ensure that such transactions are reasonable and in compliance with the related law and the regulations of the SET for the maximum benefit of the Company
6. To prepare the Audit Committee report which is disclosed in the Annual Report of the Company; the report must be certified by the signature of the Chairman of the Audit Committee and must include at least the following information:
 - 6.1 The opinion on accuracy, completion, and creditability of the Company's financial reports
 - 6.2 The opinion on adequacy of the Company's internal control system
 - 6.3 The opinion on compliance with the law regarding securities and stock exchange as well as the regulations of the SET and the laws relevant to the Company's business
 - 6.4 The opinion on appropriateness of the external auditors
 - 6.5 The opinion on the transactions which may have conflicts of interest
 - 6.6 The number of Audit Committee meetings and the attendance of each Audit Committee member
 - 6.7 The opinion or overall remarks the Audit Committee obtained during performing duties in line with the charter
 - 6.8 Other pieces of information deemed appropriate to acknowledge the shareholders and investors under the scope of duties and responsibilities authorized by the Board of Directors
7. Any other task assigned by the Board of Directors with the consent of the Audit Committee

The Audit Committee serves a 3-year term. In case of vacancy for any reason other than the expiry of the committee member's term, the Board of Directors shall elect and appoint a qualified person to fill in the vacancy so as to maintain the number of the committee members approved by the Board of Directors. The new Audit Committee member shall retain his/her office only for the remaining term of the office of the Audit Committee member whom he replaces.

3) Remuneration and Nomination Committee

The Company's Remuneration and Nomination Committee comprises 3 directors as follows:-

- | | | | |
|----|--------------|---------------|---|
| 1. | Dr. Yodhin | Anavil | Chairman of Remuneration and Nomination Committee |
| 2. | Mr. Pleumjai | Sinarkorn | Member of Remuneration and Nomination Committee |
| 3. | Mr. Somboon | Patcharasopak | Member and Secretary of Remuneration and Nomination Committee |

Authority and Duties of Remuneration and Nomination Committee

Remuneration

1. To set up remuneration policy for the Board of Directors and the subcommittees of the Company, including Chief Executive Officer and President appointed by the Board of Directors
2. To determine remuneration and other benefits for the Board of Directors and the subcommittees of the Company, including Chief Executive Officer and President appointed by the Board of Directors and propose the remuneration and other benefits to the Board of Directors for further consideration
3. To allocate securities offered by the Company in any securities offering project to the Company's directors and staff with respect to terms and conditions related to such securities offering (if any).

Nomination

1. To set up the selection criteria and qualifications of a person who shall assume the position of director, member of the subcommittees, Chief Executive Officer and President of the Company
2. To select, consider, and nominate a person who possesses the qualifications suitable for assuming the position of director, member of the subcommittees, Chief Executive Officer and President of the Company and propose to the Board of Directors for further consideration

The Remuneration and Nomination Committee shall directly report to the Board of Directors. The Chairman and each member of the Remuneration and Nomination Committee have a 3-year term in office. The Chairman and each member of the Remuneration and Nomination Committee who retire by rotation are eligible for re-election.

Whereby, the approval for the authority of the Remuneration and Nomination Committee does not include the power to approve any transaction in which the Remuneration and Nomination Committee or any person connected with them, have an interest or conflict of interest in any other way with the Company as per the regulations set forth by the SET. However, provided that such a case occurs, it must be proposed to the Board of Directors' meeting and / or the shareholders' meeting for consideration and approval, according to the Company Articles of Association.

4) Risk Management Committee

The Company's Risk Management Committee comprises 7 members as follows:-

- | | | |
|-------------------|-----------------|---|
| 1. Mr. Somboon | Patcharasopak | Chairman of Risk Management Committee |
| 2. Mr. Terasak | Jerauswapong | Member of Risk Management Committee |
| 3. Mr. Prajak | Khunawuth | Member of Risk Management Committee |
| 4. Mrs.Chuenkamol | Treesuttacheap | Member of Risk Management Committee |
| 5. Mr. Sira | Kraisingdecha | Member of Risk Management Committee |
| 6. Mr. Amnuay | Pongsajaru | Member of Risk Management Committee |
| 7. Ms. Saengdao | Dechaduangsakul | Member and Secretary of Risk Management Committee |

Authority and duties of Risk Management Committee

1. To set up risk management framework and policy
2. To draw up risk management strategies, execute the risk management and promote it to success in the entire organization with emphasis on risk awareness increase
3. To verify, follow up and evaluate the risk management plan to mitigate risks to an appropriate level
4. To regularly report the Company's Board of Directors any matter that needs improvement to be in compliance with the set forth policy and strategies

8.3 Nomination and Appointment of Directors and Top Executives

8.3.1 Independent Directors

Criteria for Electing Independent Director

Definition of Independent Director : Independent director is a non-executive director who does not involve in the day-to-day management. Nor is he a major shareholder of the Company. Each Independent Director must possess the following qualifications:-

1. Holding no more than 1 % of all the shares having the right to vote in the company, holding company, subsidiary, associated company, a major shareholder or any person having controlling authority¹⁾ in the company, including the shares held by the persons who are related to him
2. Not assuming, both at present and in the past of at least 2 years prior to the appointment date, the position of executive director, employee, staff or advisor receiving regular salary or having controlling authority in the company, holding company, subsidiary, associated company, subsidiary of the same level or a major shareholder or any person having controlling authority in the company; this condition does not include an Independent Director who used to be a government officer or advisor to any official sector²⁾ who is a major shareholder or a person having the controlling authority in the company
3. Not having the relationship by blood line or legal registration as parents, spouses, brothers, sisters, children, including as spouses of children, executives, major shareholders, authorized persons or persons nominated as executives or authorized persons of the company or the subsidiary
4. Not having, both at present and in the past of at least 2 years prior to the appointment date, any business relationship with the company, holding company, subsidiary, associated company, a major shareholder or any person having controlling authority in the company in the manner that may hinder his own freedom of judgment in addition to not being both in the past and at present, a significant shareholder, or a person with controlling authority of any person having business relationship with the company, holding company, subsidiary, associated company, a major shareholder or any person having controlling authority in the company

The above mentioned business relationship includes normal business transaction, rental or lease of immovable property, the transaction relating to assets or services as well as the offer or the receipt of financial aids by way of borrowing or loan, guarantee, collateral loan and other transactions of similar manner which may cause debt burden between the company and the party to agreement from the amount of 3 per cent of net tangible assets of the company or Baht 20,000,000 up, whichever is lower. Mutatis mutandis, in calculating such debt, the method of calculating the value of related transactions stated in the announcement of Capital Market Supervisory Board regulations on the execution of related transaction should be applied. Any debt burden occurring during the period of one year prior to the date of the business relationship with the same person must be included when considering such debt burden.

5. Not being, both at present and in the past of at least 2 years prior to the appointment date, an auditor of the company, holding company, subsidiary, associated company, a major shareholder or a person having controlling authority in the company as well as not being a significant shareholder and a person having controlling authority, or a partner of the audit firm in which the auditors of the company, holding company, subsidiary, associated company, a major shareholder or a person having controlling authority are working for.

6. Not being, both at present and in the past of at least 2 years prior to the appointment date, a provider of any occupational services inclusive of legal and financial advising service offering, obtaining the service charge of over Baht 2,000,000 per annum from the company, holding company, subsidiary, associated company, a major shareholder or a person having controlling authority in the company in addition to not being a significant shareholder, a person with controlling authority or a partner of any occupational service provider.
7. Not being a director appointed to be the representative of the company's directors, major shareholders or shareholders who are related to the major shareholders
8. Not operating any business that is of the same nature as or that significantly competes with the business of the company or subsidiary as well as not being a significant partner in a limited company, an executive director, employee, staff, advisor receiving regular salary or a person holding over 1% of the total number of shares with voting rights of other companies which operate the same type of business and which significantly competes with the company's and the subsidiary's business operation
9. Possessing no other traits which impede the ability to independently give opinions on the company's operation

Remarks : ¹⁾ A person having controlling authority refers to a shareholder or any person who by action is significantly influential to management policy set-up or business operation of the company whether or not such influence is derived due to his / her status as a shareholder or as a representative by contract or by other transactions; such a person having controlling authority is, in particular, a person who falls into one of the following criteria : (A) Holding over 25% of shares, (B) Having the mandate to control the appointment / removal of directors, (C) Having the mandate to control a person in charge of policy set-up (D) Having power / responsibility for business operation as an executive

²⁾ Official sector refers to a central official unit, according to the Law on Administration of State Affairs

Procedure of Selecting an Independent Director

The selection of an independent director ,whose qualifications have been set up by the Company as stated above, like the selection of a Company's director and a member of any other committee, begins with the Board of Directors assigning the Remuneration and Nomination Committee to consider experts whose qualifications meet the criteria of the Company and who possess knowledge, basics and expertise from various professions, in addition to having leadership, morals, ethics and an ability to freely express his/her opinions. Then, the best of such experts is selected and nominated to the Board of Directors which shall consider this matter with the Remuneration and Nomination Committee for further selecting that person for the position of independent director, director, or member of a committee of the Company.

In case that the Company wishes to appoint an independent director who has business relationship or provides any occupational service, the total value of which exceeds the amount allowed by an independent director qualification criteria stipulated in the notification of the Capital Market Advisory Board No. Tor. Jor. 28/2551 Clause 16 (2) (Ngor), that is from 3 percent of the net tangible assets of the company's group or over Bt 20 mn, depending on whichever amount is lower or a person who is appointed to independent directorship during the year and has or used to have business relationship or provides or used to provide any occupational service, the total value of which exceeds the amount stated in the said criteria, to be an independent director for another term, Clause 16 (2) (Choe Choe) of the above-mentioned notification makes an allowance for excepting the prohibition against the independent director qualification criteria, regarding business relationship, requiring that the company organize the board of directors' meeting to consider the matter and accordingly provide opinions for it with responsibility, prudence and honesty in line with Section 89/7 that can assure that the appointment shall not affect the performance and freedom of providing opinions of that person as an independent director. It is also required that the board of directors declares reasons and necessity that support the decision to appoint that particular person to the position of independent director for another term.

8.3.2 Recruitment of Directors and Chief Executives

The selection of a person to the position of the Company's director must initially pass the consideration of the Remuneration and Nomination Committee. Then, the Company's Board of Directors shall consider this matter prior to proposing it to the shareholders' meeting for approval. The constitution of the Board of Directors, including the appointment, removal or vacation from the office of the directors have been set forth in the Articles Association of the Company as summarized below :-

1. The Company shall have a Board of Directors comprising at least 5 individuals and not less than half of the total number of directors must have their residence in the Kingdom of Thailand.
2. The shareholders shall appoint the directors, at the shareholders' meeting, in accordance with the following rules and procedures:
 - 1) Each shareholder shall have one vote per share.
 - 2) Each shareholder may cast his vote as per calculated in 1) for one or any number of the candidates, one by one. However, the vote shall not be distributed or divided among the candidates.
 - 3) The candidates receiving the highest number of votes in the respective order of the votes shall be elected at such time. In the event that a number of candidates receiving an equal number of votes for the last directorship exceeds the number of directors the Company required or to be elected at such time, the Chairman of the meeting shall have a second or casting vote.
3. A director who wishes to resign from office shall submit his resignation letter to the Company. The resignation shall be effective from the date the resignation letter reaches the Company.
4. If a directorship becomes vacant for any reason other than by rotation, the Board of Directors shall elect a person, who is qualified and has no prohibited characteristics according to Section 68 of the Public Limited Company Act B.E.2535, as director to fill the vacancy at the subsequent Board of Directors' meeting, unless the remaining term of the director is less than 2 months. The director who fills the vacancy shall retain his office only for the remaining term of the office of the director whom he replaces.

The resolution of the Board of Directors under the first paragraph shall consist of not less than three-fourth of the votes of the remaining directors.

5. At every annual general meeting, one-third of the directors who has the longest term in office shall retire. If the number of directors is not a multiple of three, then the number nearest to one-third shall retire from office. The retired director shall be eligible for re-election.
6. The shareholders' meeting may adopt a resolution to remove any director from office prior to the end of his term by a vote of not less than three-fourth of the number of the shareholders who attend the meeting and have the right to vote and by an aggregate of not less than half of the number of shares which are held by the shareholders who attend the meeting and have the right to vote.

The recruitment of a chief executive must be considered by the Remuneration and Nomination Committee and the Board of Directors, respectively, in the similar manner as the recruitment of a director. Pertaining to this matter, policy, criteria and selection procedures are set by the Remuneration and Nomination Committee.

8.4 Oversight of the Operation of the Subsidiaries and the Associates

The Company has a policy on overseeing the operation and the management of its subsidiaries and associated companies as detailed below:-

1. The Company's Board of Directors has governance mechanisms that enable them to control and monitor the management and the operation of the Company's subsidiaries and associate companies in order to protect the Company's interest in investment as described below.
 - The Board of Directors has set the policies on operation for both the Company and its subsidiaries so as to enable the operation of Jasmine International Group to be in good harmony, support and sub-serve one another to the most for the best management efficiency and optimum benefit for the Group's businesses. Such policies comprise business directions, operation plans, audit plans, and performance evaluation.
 - The Company requires that each subsidiary and associate company prepare its annual work plan and budget to be in accordance with the Company's principal policy. In addition, each is required to report its operation result quarterly so that the Company is kept well update with its information on all aspects. The report also enables the Company to immediately help solve the problems of its subsidiaries and associate companies in case of mistake in management.
 - The Company's Board of Directors has a policy to appoint the Company's representatives to the positions of director, executive, or authorized person in the subsidiaries and associate companies. The Board of Directors entrusts the Chief Executive Officer (CEO) with this task. The CEO considers and approves an appointment of the Company's representatives to the above-mentioned positions in the subsidiaries and associate companies by taking into account each nominee's knowledge, ability, experience, and appropriateness. The appointee can be any of the Company's Board of Directors or any other person whom the CEO deems appropriate.
 - The Company's Board of Directors requires that each subsidiary completely and correctly disclose the information on its financial position and operation results, transactions between the subsidiary itself and the connected person(s), acquisition or disposition of assets, and other significant transactions. In this regard, both the information disclosure and the conduct of the above-mentioned transactions must be in compliance with the regulations of that particular subsidiary on information disclosure and transactions that are set in line with the Company's regulations on the same matters.
 - The Company has Office of Internal Audit that is responsible for auditing the operation, in all aspects, of the subsidiaries that operate the core businesses. The audit results are reported for the consideration of the Audit Committee on a quarterly basis.
 - The Company audits and evaluates the performance of its subsidiaries and associate companies by considering operation results and reports on financial position prepared in compliance with the SET regulations.
2. Shareholders' agreement
 - The Company has no shareholders' agreement that significantly affects the operation of Jasmine International Group.

8.5 Control of Inside Information Usage

The Company informed its directors and executives, including their spouses and minor children to comply with all the rules and regulations of the SEC and the SET, especially on reporting changes in the Company's shareholding. For this case, the Company's directors and executives must report their own shareholding and that of their spouses and minor children to the Company and the SEC in compliance with Section 59 of the Securities and Exchange Act B.E. 2535 within 3 days following the date of trade or transfer. The Company also requires that directors, executives, and relevant departments not disclose inside information they have been acknowledged to any outsider or person who is not relevant to the information by duty or who is responsible for trading the Company's securities for the period of 1 month prior to the disclosure of financial statements. The above-mentioned procedures are set in order to prevent the Company's directors and executives from using the inside information on their own interest and also to check their performance. The number of the Company's shares and securities held by the directors and the executives shall be examined and compared. Details of the shareholding of each director and executive, including the change in the number of shares shall be reported at every Board of Directors' meeting. Furthermore, at each Board of Directors' meeting, the information on interest of the directors and executives must also be reported. The Company has not stipulated any extra controlling procedures other than those specified by the SEC, for this purpose.

8.6 Audit Fee

8.6.1 Audit Fee : For the previous fiscal year, the Company and its subsidiaries paid the audit fee to EY Office Limited, totaling 10,610,000 Baht.

8.6.2 Non-audit-Fee
- None -

8.7 Other Compliance with Corporate Governance Policy

Please see Subsection 8.1 : Report on Compliance to Corporate Governance Policy

Corporate Social Responsibility

Jasmine International Public Company Limited and Its Subsidiaries

9. Corporate Social Responsibility

Jasmine International Public Company Limited and its subsidiaries' management policy follows the principle of good governance so that the Company is run efficiently and grows strong upon a foundation of Corporate Social Responsibility (CSR) that aspires and aims to continually give back to the community.

In 2014, Jasmine International Public Company Limited and Triple T Broadband Public Company Limited or "3BB" met with constant positive responses as a result of their installations of high speed broadband internet, as well as wireless internet (WiFi), in schools in remote areas across Thailand. Some schools achieved great success as the students used the 3BB Internet Network to learn and research about the design of products made from natural materials and went on to win the Gold Medal in the Regional Academic Skills Competition. Faraway schools were able to promptly contact their affiliations through the internet connectivity offered on 3BB's modern network, allowing the schools to have access to electronic and modern telecommunications materials. Students living in rural areas were provided with the chance to better themselves to stay competitive with students in more developed cities, which bears higher academic achievement.



Giving back to the community is a concept on which the Company places much significance. Together, Jasmine International Public Company Limited and Triple T Broadband Public Company Limited organized the "JAS CSR for Children Project" to give academic scholarships, support the funding of the Ministry of Education's Elementary School Lunch Programme, and provide soccer equipment to students and schools across the 77 provinces that the Company has extended its coverage to include.



Furthermore, Jasmine International Public Company Limited and its subsidiaries contributed efforts into helping communities struck by natural disasters through the following types of activities:

- “Jasmine Helping Hearts for Earthquake Victims in Chiang Rai”
- “Jasmine Helping Hearts for Flash Flood Victims in Chiang Rai”
- “Jasmine Helping Hearts for Victims of Flooding in the Three Southernmost Provinces (Yala, Pattani, and Narathiwat)”
- “Jasmine Helping Hearts for Hurricane Victims in Narathiwat”



Regarding the environment, Jasmine International Public Company Limited and its subsidiaries' executive board and staff joined hands to plant trees at the Mangrove Resource Development Station 2 (Tha Son) in Amphoe Khlung, Chanthaburi province.

As for other aspects of Corporate Social Responsibility:

- Donated funds to the “Foundation for the Blind in Thailand under the Royal Patronage of H.M. the Queen”, under the “JAS CSR : Braille for the Blind Project”, as well as donated desktop calendars to the Bangkok School for the Blind for further Braille production



Jasmine International Public Company Limited and its subsidiaries are dedicated to and recognize the high importance of giving back to the community in order to foster sustainable happiness and strength in Thai society.

10. Internal Control and Risk Management

10.1 Opinion of the Board of Directors on the Company's Internal Control

The Company is aware of the importance of good internal control system and risk management; therefore, it aims at keeping the internal control to be, at all times, adequate, effective and appropriate for coping with acceptable risks, approved by the Board of Directors. To enable the Company to achieve its business goal and create more value for the stakeholders in compliance with good corporate governance principles, the Board of Directors assigns the Audit Committee and the Office of Internal Audit to verify and monitor the Company's internal control system, on a regular basis, to be in accordance with changing conditions and risks and to ensure that it is efficient and effective for the Company's business operation.

At the Board of Directors' Meeting No.2/2015, convened on 27 February 2015, the Audit Committee reported the assessment results of the internal control system to the Board of Directors. The assessment form was prepared based on the guidelines of the Office of the Securities and Exchange Commission (the "SEC"). The assessment results can be summarized as follows

Control Environment

The Company's business goal has been set up to be clear and evaluable. The organizational structure is arranged to be appropriate and in compliance with the good corporate governance principles so as to enhance management efficiency. The code of ethics and the regulations on the prevention of conflicts of interest, which take into account, fair treatment to every group of the stakeholders, are communicated in writing to acknowledge the employees for proper compliance. This helps intensify the Company's potential for long-term competitiveness along with the sustainable profitability.

Risk Assessment

The Company places importance on risk management; hence, establishing the Risk Management Committee, comprising representatives from the Company and the subsidiaries. The Committee's duty is to systematically manage risks by identifying the risks that may hinder the organization from achieving its goal, in addition to setting up strategies of; for instances, avoidance, mitigation, transfer, and acceptance, to manage risks quarterly at different levels as well as the overall risks to ensure that the Company has considered selecting the appropriate and the most effective methods to reduce the chance of risks to be in compliance with the Company's policy.

Control Activities

The Company has a clear work policy and work instructions, set forth for each level of the employees. Besides, it has efficient control activities that cover all the key operation systems, essential to the Company's business operation. Control activities for important IT systems are also appropriately arranged, mainly emphasizing the preventive activities. Control activity assessments and reports are done on a regular basis to ensure that all the control activities are effectively compiled with and the objectives are finally achieved. The Company's Board of Directors and the Audit Committee oversee and monitor the performance of the management to be in line with the Company's policies and goal; whereas, the Office of Internal Audit is responsible for auditing the performances of all the working units and providing them with useful recommendations to increase their work efficiency and effectiveness.

Information & Communication

The Company's information and communication system provides linkage throughout the organization to increase work efficiency and enable timely decision making for both the practitioner and the management levels. The existing security system is adequately effective for safe-guarding all the Company's data. Moreover, contingency plans have been prepared and tested accordingly in order to protect the IT systems, in case of serious accidents. The data filing system of the Company facilitates post audit and has an appropriate access control.

Monitoring Activities

The Company monitors and supervises the entire work performances and appropriately compares their progress to its objectives. Such performances are regularly followed up. Thus, the subordinates are required to report their performances to the supervisors to ensure that the monitoring measures and the internal control system are always efficient, capable of managing any risk factor appropriately in due course.

The Office of Internal Audit is an independent unit which is directly reported to the Audit Committee. The duty of the Internal Audit is to examine and evaluate the performances according to the annual audit plan, taking into account, relevant risk factors, significant control units, comments made by the executives, and systematic assessment, to ensure that the existing systems continue functioning well and are properly developed or adopted to remain always effective.

10.2 Opinion of the Audit Committee on the Company's Internal Control System

Please see "Audit Committee Report."

10.3 Head of Internal Audit

- 1) The Company's head of internal audit is Mrs. Nipaporn Rattanarmik.
- 2) Opinion of the Audit Committee on the person who assumes the position of head of internal audit :
The Audit Committee considered approving the appointment of the head of internal audit as it was of the opinion that the qualifications, education background, knowledge and experience gained through training courses of the appointee are appropriate and adequate for the position.
- 3) The appointment, discharge, or transfer of the head of internal audit is approved by the Audit Committee in compliance with the Company's regulations on appointment and transfer of employees, approved by the Audit Committee. The Audit Committee has properly supervised the performance of the Office of Internal Audit to be appropriate and efficient.

11. Related Party Transaction

The Company has entered the Related Party Transactions defined in the Notification of the SEC. For the year 2014, the transactions were in compliance with the terms and conditions in the contracts made between the Company and its subsidiaries on normal business practice (as referred to in Clause 6 of Notes to the Financial Statements for the year 2014). The Company carried out each transaction in regular stages for both the rationality of the transaction and the Company's optimum benefits. After the Audit Committee had reviewed the prices or the ratios of the transactions with the Company's officers and internal auditors and agreed that those prices were reasonable and accurately disclosed in the Company's financial statements, the Audit Committee approved the related party transactions in accordance with the approval procedures for related part transactions. The transactions were conducted in the same manner as the general procurement of the Company. To this regard, the Company's executives and the shareholders had neither interest in nor approval authority on related transaction matter. Details are as follows:-

- 11.1 In 2014, the Company and its subsidiaries executed the following transactions of product sale, service offering, and others with the following related parties:-

Related Party	Relationship	Nature of Related Party Transaction	Amount (Million Baht) as at 31 December 2014
Mono Group, comprising 1. Mono Generation Co.,Ltd. 2. Mono Technology Co., Ltd. 3. Mono Info Systems Co., Ltd. 4. Mono Production Co., Ltd. 5. Mono Broadcast Co., Ltd. 6. Mono Entertainment Co., Ltd.	1) Mr. Pete Bodharamik is a director and a major shareholder of Mono Group 2) Mr. Pete Bodharamik is a major shareholder of JAS, holding 25.84% .	- PA executed contracts for leasing office space at Jasmine International Tower, billboard, and other facility services.	55
		- TTTI executed a high-speed Internet service contract wherein stated that the service charge was subject to the circuit speed.	30
		- ACU offered high speed Internet protocol transmission services	2
		- JasTel executed contracts for circuit leasing	2
		- Ji-NET offered Internet service, the service charge of which was subject to the circuit speed.	1

- 11.2 In 2014, the Company and its subsidiaries transacted the product and equipment procurement, including payment for leases and services from related parties as follows:-

Related Party	Relationship	Nature of Related Party Transaction	Amount (Million Baht) as at 31 December 2014
Mono Group, comprising 1. Mono Generation Co.,Ltd. 2. Mono Technology Co., Ltd. 3. Mono Film Co.,Ltd. 4. Mono Production Co., Ltd. 5. Mono Broadcast Co., Ltd. 6. Mono Entertainment Co., Ltd.	1) Mr. Pete Bodharamik is a director and a major shareholder of Mono Group 2) Mr. Pete Bodharamik is a major shareholder of JAS, holding 25.84%.	- TTTI bought its program license, utilized advertising service and media.	31
		- TTTBB utilized its advertising service and media.	10

12. Significant Financial Information

Audit Report Summary

The auditor who was approved by the Company was Mr. Supachai Phanyawattano, Certified Public Accountant (Thailand) No. 3930 or Mrs. Chonlaros Suntasvaraporn, Certified Public Accountant (Thailand) No.4523, or Ms. Supanee Triyanantakul, Certified Public Accountant (Thailand) No.4498 of EY Office Limited, located at No.193/136-137, 33rd Floor, Lake Rajada Office Complex, New Rajadapisek Road, Bangkok 10110 Tel. (66) 0 2264 0777 and (66) 0 2661 9190 Fax (66) 0 2264 0789-90 and (66) 0 2661 9192.

According to the Audit Report, the Company's auditor has given Qualified Opinion on the Company's financial statements as of the years 2012, 2013, and 2014 due to a limitation imposed by the following circumstances:-

1. A concession provider has ceased making payment to a subsidiary for service under the co-investor agreement made between the subsidiary and the concession provider since September 2008 to 4 October 2011, the end date of the co-investor agreement, as the revenue sharing are still being disputed between a concession provider and the subsidiary. The subsidiary took the dispute to the Arbitration Institute and is currently awaiting this ruling from the Arbitration Institute. The ruling to the revenue sharing rate negotiation may significantly impact on the balance of such trade receivable, and the value of the investment from investing in the subsidiary, the auditor was unable to audit to satisfy himself as to the value of such transactions.
2. On 7 August 2003, the Central Bankruptcy Court approved the business rehabilitation plan of the Company. However, certain creditors of the Company lodged objections to certain issues with the Supreme Court. Subsequently, on 14 September 2006, the Court issued an order to terminate the business rehabilitation plan of the Company since the Company has complied with all requirements in the plan. On 19 August 2013, the Central Bankruptcy Court read the judgment of Supreme Court, which reversed the decision of the Central Bankruptcy Court. The Supreme Court rejected the rehabilitation plan and cancelled the Central Bankruptcy Court's business rehabilitation order, and as a result the rights of claim of creditors of the Company returned to what they were prior to the rehabilitation order. The Company estimated that additional liabilities of up to Baht 1,343 million, excluding interest, might arise if the Company were sued by the creditors in the future. The Company therefore disclosed the event in the notes to financial statements and believed that such practice complied with the relevant financial reporting standards. However, in August 2014, five financial institutions filed lawsuits petitioning the Court to order the Company to make debt repayments equivalent to a total of approximately Baht 1,833 million. However, two of the five financial institutions are creditors whom the rights of claims were assigned by various former creditors, and the legal advisor is of the opinion that it is uncertain that these two creditors will receive payment of the amount claimed in the petitions. Therefore, the Company recorded provision amounting to Baht 277 million for the three financial institutions who are the original creditors named in applications for payment in the Company's rehabilitation plan on the financial statements of the current year. This was determined based on the claims filed by the three financial institutions less the approximate amounts of settlements made in any form under the rehabilitation plan, in accordance with the legal advisor's opinion. The petitions of the five financial institutions are in the process of being considered by the Central Intellectual Property and International Trade Court. The ultimate outcome of the cases cannot be determined at present. The Company believes that the amount of provision recorded in the accounts is adequate and appropriate in the current circumstances. The auditor was unable to perform review and audit procedures to satisfy himself as to the amount of additional provision to be recorded as a result of the cancellation of the rehabilitation order.
3. In September and December 2013, a subsidiary entered into agreements with two government agencies to sell tablet personal computers with total contract values of Baht 749 million. The subsidiary was unable to deliver tablets to two government agencies within December 2013 and March 2014 as scheduled in the relevant agreements, as a result of a massive fire at a production facility where a part for the tablets was produced.

As stipulated in the sale and purchase agreements, the subsidiary is obliged to pay a penalty for delayed shipment at a daily rate of 0.2 percent of the price of the unshipped tablets. During 2014, counterparties of the agreements submitted letters to the subsidiary to terminate the sale and purchase agreements and asked the subsidiary to pay a penalty totaling Baht 148 million. However, the subsidiary submitted letters to these counterparties objecting the imposition of the penalty. The management of the subsidiary clarified that the delay in shipment was due to force majeure and the subsidiary did not breach the agreement. However, in November 2014, a counterparty filed a lawsuit against the subsidiary with the Administrative Court, requesting that the subsidiary pay a penalty in amount of Baht 190 million, the outcome has not been known. As a result, the subsidiary is unable to conclude if and to what extent penalties and damages will be incurred. Therefore, the subsidiary does not record provision for such penalties and damages in the accounts. The auditor was unable to perform review and audit procedures to satisfy himself as to the penalties and damages that may be incurred as a result of the above.

The auditor also drew attention to the following matters:-

1. A subsidiary has the balance of approximately Baht 54 million receivable from an unrelated company. According to the debt restructuring agreement, this amount must be repaid in cash through the period of 4 years. At present, Baht 32 million of such balance receivable is still a dispute and under the proceeding of the Central Bankruptcy Court. The management of the subsidiary is of the opinion that the settlement of outstanding balances of approximately Baht 877 million, including the Court proceedings and various disputes, are correct.
2. A subsidiary has entered into a turn-key agreement with a counterparty, but at present, it has been unable to make delivery within the stipulated period. The counterparty is therefore entitled to charge a penalty to the subsidiary. However, the management of this subsidiary is in the process of negotiation with the counterparty to reduce the scope of work and request for an extension of the deadline for delivery. The management of the subsidiary believes that the subsidiary will successfully negotiate with the counterparty to reduce the scope of work, extend the deadline and will complete the project with an immaterial amount of penalty being imposed.

12.1 Summary of the Consolidated Financial Statements

The summary of balance sheets, profit and loss statements, and cash flow statements during the past 3 years, ended 31 December is presented in the table below.

Item	Consolidated Financial Statements					
	2014		2013		2012	
	Million Baht	%	Million Baht	%	Million Baht	%
Balance sheet						
Cash and cash equivalents	1,501	6.53	2,997	13.79	1,479	7.49
Trade and other receivables	3,169	13.79	3,673	16.90	3,685	18.66
Inventories	27	0.12	40	0.18	49	0.25
Total current assets	9,209	40.07	8,260	38.00	7,284	36.88
Investments in associates	24	0.10	23	0.11	23	0.12
Property, plant, and equipment	13,087	56.95	12,904	59.37	11,739	59.43
Other non-current assets	81	0.35	73	0.34	69	0.35
Total assets	22,982	100.00	21,733	100.00	19,752	100.00
Short-term loans from banks	2,458	10.70	983	4.52	487	2.47
Trade and other payables	2,950	12.84	2,637	12.13	2,656	13.44

Item	Consolidated Financial Statements					
	2014		2013		2012	
	Million Baht	%	Million Baht	%	Million Baht	%
Total current liabilities	8,559	37.24	6,667	30.68	5,868	29.71
Long-term liabilities	1,232	5.36	2,352	10.82	3,594	18.19
Total liabilities	10,055	43.75	9,264	42.63	9,689	49.05
Registered capital issued and fully paid-up	3,569	15.53	3,569	16.42	3,622	18.34
Appropriated retained earnings	850	3.70	714	3.29	614	3.11
Unappropriated retained earnings	7,434	32.35	7,075	32.55	4,761	24.10
Total shareholders' equity	12,927	56.25	12,469	57.37	10,063	50.95
Profit and Loss Statement						
Sales and service Income	12,268	100.00	11,123	100.00	10,369	100.00
Other income	143	1.16	137	1.23	132	1.27
Total revenues	12,411	101.16	11,260	101.23	10,501	101.27
Cost of sales and services	4,713	38.42	4,475	40.23	4,686	45.19
Selling, servicing, and administrative expenses	2,889	23.55	2,563	23.04	2,372	22.88
Potential losses on debt restructuring	0	0.00	0	0.00	35	0.33
Losses on impairment of assets	37	0.31	15	0.14	37	0.36
Loss on recording provision for reversal of judgment by the Supreme Court	277	2.26	0	0.00	0	0.00
Doubtful accounts and bad debt	163	1.33	207	1.86	380	3.66
Finance cost	297	2.42	312	2.80	404	3.90
Net Profit	3,271	26.66	3,003	26.99	2,028	19.56
Cash flow Statement						
Net cash from operating activities	6,809		5,625		4,616	
Net cash used in investing activities	(2,761)		(1,566)		(1,795)	
Net cash used in financing activities	(5,544)		(2,541)		(2,923)	
Net increase (decrease) in cash and cash equivalents	(1,496)		1,519		(103)	

12.2 Financial Ratio

Significant financial ratios that reflect financial position and operation results of the core businesses of the Company and its subsidiaries are as follows:-

Item		Consolidated Financial Statements		
		2014	2013	2012
Liquidity Ratio				
Current Ratio	(Time)	1.08	1.24	1.24
Quick Ratio	(Time)	0.65	1.13	1.03
Cash Ratio	(Time)	0.89	0.90	0.60
Receivable Turnover	(Time)	3.59	3.02	2.67
Average Collection Period	(Day)	100	119	135
Inventory Turnover	(Time)	140.91	101.20	78.55
Holding Period	(Day)	3	4	5
Payable Turnover	(Time)	1.69	1.69	1.65
Average Payment Period	(Day)	213	213	218
Cash Cycle	(Day)	(110)	(90)	(78)

Item		Consolidated Financial Statements		
		2014	2013	2012
Profitability Ratio				
Gross Profit Margin	%	61.58	59.77	54.81
Operating Profit Margin	%	31.41	29.68	24.28
Other Profit Margin	%	1.15	1.22	1.26
Cash to Profitability Ratio	%	176.68	170.41	183.34
Net Profit Margin	%	26.35	26.67	19.32
Return on Equity	%	25.76	26.65	21.79
Efficiency Ratio				
Return on Assets	(Time)	14.63	14.47	10.20
Return on Fixed Assets	(Time)	40.99	39.72	31.99
Total Assets Turnover	(Time)	0.56	0.54	0.53
Financial Policy Ratio				
Debt to Equity Ratio	(Time)	0.78	0.74	0.96
Interest Coverage Ratio	(Time)	25.53	20.35	13.45
Leverage Ratio (Cash Basis)	(Time)	0.85	1.42	1.12
% Growth Ratio				
Total Assets	%	5.74	10.03	(1.35)
Total Liabilities	%	8.54	(4.39)	(15.51)
Sales and Service Income	%	10.30	7.27	9.18
Operating Expenses	%	12.72	8.04	(5.27)
Net Profit (Loss)	%	8.94	48.02	89.13

13. Management Discussion and Analysis (MD&A)

Overview

During the past few years, Internet market continued growing steadily due to changing consumer behavior; resulted in the communication via internet has grown continuously becoming a basic public utility. In addition, the government's policy also focuses on supporting all citizens to access and use more broadband internet in order to be on a par with other leading countries in this region. The Digital Economy Policy is the one of the important government's policy to push and promote the technology and communications for driving the country. To enhance the competitive competence advantages of the country in long term, it is necessary to prepare the structural connectivity of digital system such as high-speed internet, Mobile Broadband Gateway, and effective connectivity with high speed of the structural connectivity in the future as well as the Network Sharing.

The company has prepared itself to be the leader in broadband Internet service operators that the establishment of Infrastructure Fund during the past one year has already been completed since February 2015. This Fund Raising will support the development and expansion of its network across the country in order to provide quality service to customers not only broadband Internet with high speed service, utilizing a network of copper cable (ADSL) but also broadband Internet with high speed service, utilizing a network of fiber optics with a technology called FTTx.

Although the competition in broadband Internet service market which has currently a major broadband Internet service operators such as TOT , True Corporation and 3BB are increasing, in comparison to the penetration rate per household of broadband internet usage in Thailand is still relatively low proportion. The Company has expected that broadband Internet service market is still growing continuously. In 2014, there were 249,000 net additional subscribers (compared to 210,800 net additional subscribers in 2013). As the end of 2014, the Company had approximately 1.67 million subscribers. Of this number, there were about 47,000 subscribers of broadband Internet with high speed service, utilizing a network of fiber optics with a new technology called FTTx.

The number of the Company's Internet subscribers continues growing steadily together with the efficiency of cost management and operating expense management policy; resulted in 2014 the Company's operating profit continued growing. In addition, the Company is trying to improve its profitability. This reflects gradual improvement of the Company's profitability. The gross margin for the year 2014 was at 62%, higher than that in the year 2013 which was at 60%. EBITDA margin for the year 2014 was at 57%, higher than that in the year 2013 which was at 55%.

For Financial Management, the Company has already completed the Treasury Stock program for financial Management since 18 December 2014. The total number of shares repurchased by the Company was 142.73 million shares, amounting to Bt 990 mn. This shares repurchased have no right to receive dividend and will be excluded in the calculation of earnings per share which will increase the overall return on equity. In addition, the money received from the asset sale of optical fiber cables to the Jasmine Broadband Internet Infrastructure Fund ("JASIF") will help the Company to have a strong financial structure. The Company has used these partial funding to repay the loans of the Company and its subsidiaries. Achieving this purpose will significantly improve the Company's capital structure.

Operating Performance

In 2014, the Company and its subsidiaries generated the operating profit Bt 3,854 mn, compared to Bt 3,301 mn in 2013, increasing by Bt 553 mn, or 17%. This amount, deducted by the FX loss of Bt 33 mn of the subsidiaries, losses on recording provision for reversal of judgement by the Supreme Court of Bt 277 mn, losses on impairment of assets of Bt 37 mn, the allowance for doubtful accounts and bad debt of Bt 163 mn, and deferred tax of Bt 73 mn due to the Company's and its subsidiaries' compliance with TAS 12, regarding income tax, enacted in 2013, the net profit for the year 2014 of the Company and its subsidiaries was Bt 3,271 mn, compared to that of Bt 3,003 mn in the year 2013, increasing by Bt 268 mn or 9%.

Unit : Bt mn

Item	2014	2013	% change
Operating profit	3,854	3,301	17
FX gain (loss)	(33)	(7)	386
Loss on recording provision for reversal of judgement by the Supreme Court	(277)	-	100
Loss on impairment of assets	(37)	(15)	148
Doubtful accounts and bad debt	(163)	(207)	(21)
Deferred Tax	(73)	(70)	5
Net profit (loss)	3,271	3,003	9
EPS (Bt per share)	0.46	0.42	9

Performance breakdown by business unit

Performance breakdown by business unit in 2014 and 2013 is as follows:-

Unit : Bt mn

Company	Total Revenue		
	2014	2013	% Change
Broadband Business			
1. Triple T Broadband Public Company Limited	51	65	(22)
2. Triple T Internet Company Limited	10,952	9,503	15
Total	11,003	9,568	15
Telecom Network & Service Provider Business			
1. Jasmine Submarine Telecommunications Company Limited	23	26	(12)
2. Thai Long Distance Telecommunications Company Limited	2	-	100
3. JasTel Network Company Limited	516	412	25
4. Jasmine Internet Company Limited	403	512	(21)
5. Acumen Company Limited	53	163	(67)
6. ACeS Regional Services Company Limited	114	115	(1)
7. Smart Highway Company Limited	2	4	(50)
Total	1,113	1,232	(10)
System Integration Business			
1. Jasmine Telecom Systems Public Company Limited	72	233	(69)
2. Cloud Computing Solutions Company Limited	26	46	(43)
Total	98	279	(65)
Other Businesses			
1. Jasmine International Public Company Limited	30	27	11
2. Premium Asset Company Limited	159	146	9
3. T.J.P.Engineering Company Limited	1	1	-
4. Others ¹⁾	7	7	-
Total	197	181	9
Grand Total	12,411	11,260	10

Remarks : ¹⁾ Comprising Jasmine International Overseas Co., Ltd., Mobile Communication Services Co., Ltd., Compunet Corporation Co., Ltd., Three BB Co., Ltd. and ACeS (Thailand) Co., Ltd.

Revenue

In 2014, the total revenue of the Company and its subsidiaries was Bt 12,411 mn, compared to that of Bt 11,260 mn in 2013, increasing by 10%. Details are as follows:-

Unit : Bt mn

Item	2014	2013	% change
Sales and service income	12,268	11,123	10
FX gain	-	-	-
Interest income	58	95	(39)
Other income	85	42	103
Total	12,411	11,260	10

Sales and Service Income

In 2014, the Company and its subsidiaries totally obtained the sales and service income of Bt 12,268 mn, compared to that of Bt 11,123 mn in 2013, increasing by 10%. For the year 2014, contribution in sales and service income was 89% from Broadband Business, 9% from Telecom Network & Service Provider Business, 1% from System Integration Business, and 1% from Other Businesses. Details of breakdown of sales and service income are as follows:-

Unit : Bt mn

Type of business	2014	2013	% change
Broadband Business	10,955	9,542	15
Telecom Network & Service Provider Business	1,087	1,182	(8)
System Integration Business	79	265	(70)
Other Businesses	147	134	10
Total	12,268	11,123	10

In 2014, the sales and service income from Broadband Business was Bt 10,955 mn, compared to that of Bt 9,542 mn in 2013, increasing by 15%, a result of an increase in number of Broadband subscribers. TTTBB's policy continues to expand network's footprint to district level throughout the country of both broadband Internet (ADSL) and high-speed Internet based on fiber optic network, using FTTx technology. The expansion of the high-speed Internet service, using the FTTx technology to the mass market has been executed by TTTI since 2013. At present, it offers higher Internet speed to comply with customers' needs starting from 30 Mbps up to 200 Mbps. ADSL was still the company's core service. At the end of 2014, the company had approximately 1.67 million Broadband subscribers.

In 2014, the sales and service income from Telecom Network & Service Provider Business was Bt 1,087 mn, declining by 8% , compared to that of Bt 1,182 mn in 2013.

In 2014, the sales and service income from System Integration Business was Bt 79 mn, declining by 70%, compared to that of Bt 265 mn in 2013 due to the decrease in the revenue recognition of a project on hand. For Other Businesses, the sales and services income in 2014 was Bt 147 mn, increasing by 10%, compared to that of Bt 134 mn in 2013.

Other income

In 2014, the Company and its subsidiaries recorded other income of Bt 143 mn, increasing by 4% when compared to that of Bt 137 mn in 2013.

Expenses

In 2014, the operating expenses of the Company and its subsidiaries were Bt 7,602 mn in total, compared to Bt 7,038 mn in 2013, increasing by 8%. Details of expenses are as follows:-

Unit : Bt mn

Item	2014	2013	% change
Operating Expenses :			
- Cost of sales and services	4,713	4,475	5
- Selling and servicing expenses	853	705	21
- Administrative expenses	2,036	1,858	10
Total Operating Expenses	7,602	7,038	8
Doubtful accounts and bad debt	163	207	(21)
Loss on impairment of assets	37	15	148
FX losses	33	7	386
Loss on recording provision for reversal of judgement by the Supreme Court	277	-	100
Total Expenses	8,112	7,266	12

- In 2014, the cost of sales and services was Bt 4,713 mn, compared to that of Bt 4,475 mn in 2013, increasing by 5%. Such increase was mainly due to the increase in depreciation, arising from network equipment of the company, and USO Fee and license fee paid to the National Broadcasting and the Telecommunications Commission ("NBTC") offset with cost of System Integration Business which decreased as its income decreased. However, the gross margin for the year 2014 was at 62%, higher than that in the previous 2013 which was at 60%.
- In 2014, the selling and servicing expenses and administrative expenses were Bt 2,889 mn, compared to Bt 2,563 mn in 2013, increasing by 13%. The increase was a result of employee expenses, advertising and public relations expenses, office expenses, and depreciation.
- The subsidiaries set up an allowance for doubtful debts and bad debts of Bt 163 mn
- The subsidiaries recorded impairment losses on assets of Bt 37 mn.
- The subsidiaries recorded FX loss of Bt 33 mn.
- In 2014, the Company recorded provision for reversal of judgement by the Supreme Court which was debts for the creditors who have filed the petition to the court and highly likely compliance with the Accounting Standards. Thus, the loss on recording provision for reversal of judgement by the Supreme Court was recorded in the statement of comprehensive income of Bt 277 mn (principal of Bt 260 mn and interest was calculated to 31 December 2014) and recorded provision for reversal of judgement by the Supreme Court in liabilities.

Financial Expenses

In 2014, the financial expenses of the Company and its subsidiaries were Bt 297 mn, compared to Bt 312 mn in 2013, decreasing by 5% due to the repayment for short-term and long-term loans from the banks and the payment for accounts payable for equipment of the Company and its subsidiaries.

Net profit (loss)

In 2014, the Company and its subsidiaries reported the total net profit Bt 3,271 mn, compared to that of Bt 3,003 mn in 2013, increasing by 9%. In 2014, Broadband Business generated the net profit of Bt 3,022 mn, increasing by Bt 613 mn from the year 2013; Telecom Network & Service Provider Business generated the net profit of Bt 782 mn, increasing by Bt 339 mn from the year 2013; System Integration Business generated the net loss of Bt 130 mn, compared to the net profit of Bt 20 mn in 2013, its net loss; thus, increased by Bt 150 mn from the year 2013. For Other Businesses, the net profit for the year 2014 was Bt 1,945 mn, increasing by Bt 130 mn from that of the year 2013. After the elimination of the intercompany transaction, the Company and its subsidiaries recorded the net profit for the year 2014 at Bt 3,271 mn. When comparing with the total revenue, the net profit margin for the year 2014 was 26%.

Financial Position

Assets

As at 31 December 2014, the Company and its subsidiaries had total assets of Bt 22,982 mn, compared to Bt 21,733 mn in 2013, increasing by 6%. The total assets of the Company and its subsidiaries comprised:-

Item	31 December 2014		31 December 2013	
	Bt mn	% of Total Asset	Bt mn	% of Total Asset
Current assets	6,412	28	8,195	38
Non-current assets held for sale	2,798	12	64	0.3
PP&E, net	13,087	57	12,904	59
Other non-current assets	685	3	570	3

At the end of 2014, the Company and its subsidiaries had current assets of Bt 6,412 mn, representing 28% of total assets, compared to Bt 8,195 mn at the end of 2013, decreasing by 22%. The decrease was mostly because:-

- Cash and deposits at the financial institutions decreased by Bt 1,462 mn from the year 2013, due to the dividend paid to the Company's shareholders for the year 2013 and cash paid to purchase treasury shares.
- Trade and other receivables decreased by Bt 504 mn which were partly due to an allowance for doubtful accounts of the subsidiaries.
- Other current assets, including unbilled receivables, prepaid project costs, and inventories which decreased by Bt 76 mn from the year 2013

The above-mentioned decreasing current assets offset with increasing current assets such as prepaid expenses which were expenses of the establishment of the Jasmine Broadband Internet Infrastructure Fund ("JASIF") increased by Bt 179 mn, and input tax pending payments which increased by Bt 80 mn; resulted in the net decrease in current assets, totaling Bt 1,783 mn, or 22%.

At the end of 2014, TTTBB classified the cost of optical fiber cables (OFC) that will be transferred to JASIF as Non-current assets held for sale from recording in the accounts of property, plant and equipment.

As at 31 December 2014, property, plant and equipment were recorded at Bt 13,087 mn or 57% of the total assets, increasing by Bt 183 mn from the end of the year 2013, mainly due to the increase in assets of the subsidiaries as a result of investment on network expansion of TTTBB.

At the end of 2014, other non-current assets were recorded at Bt 685 mn, increasing by Bt 115 mn from the year 2013 mainly because during the year 2014, the restricted deposits with financial institutions increased by Bt 186 mn which were a collateral for the revolving credit facility for the purchase of equipment from abroad offset with other non-current assets such as deferred tax assets which declined by Bt 73 mn due to the record of the deferred tax as income tax expenses in the statement of comprehensive income and computer software declined due to the recognition of the amortization of such software as expenses during the year 2014; resulted in the net increase in non-current assets, totaling Bt 115 mn.

Liabilities

As at 31 December 2014, the Company and its subsidiaries had total liabilities of Bt 10,055 mn, compared to Bt 9,264 mn of 2013, increasing by 9%. Details of the total liabilities are as follows:-

Item	31 December 2014		31 December 2013	
	Bt mn	% of total liabilities	Bt mn	% of total liabilities
Current liabilities	8,559	85	6,667	72
Long term liabilities	1,496	15	2,597	28

At the end of 2014, the total liabilities of the Company and its subsidiaries were Bt 10,055 mn, increasing by Bt 791 mn from the year 2013. Such increase was mainly due to:-

- The increase in short-term loans from banks of Bt 1,475 mn due to supporting the purchase of equipment for network expansion of the subsidiaries.
- The increase in trade and other payables of Bt 314 mn.
- During the year 2014, the Company recorded the provision for reversal of judgement by the Supreme Court of Bt 277 mn for the 3 creditors under the rehabilitation plan of JAS which recorded the debt of principal of Bt 260 mn and interest was calculated from 19 August 2013 (the Central Bankruptcy Court read the judgment of Supreme Court, which reversed the decision of the Central Bankruptcy Court. The Supreme Court rejected the rehabilitation plan and cancelled the Central Bankruptcy Court's business rehabilitation.) to 31 December 2014.
- The increase in other liabilities from the normal business of the Company and its subsidiaries of Bt 270 mn, including the liabilities under finance lease agreements and a provision for long-term employee benefits.

The above-mentioned increasing liabilities offset with declining liabilities such as long-term loans of the repayment of loans of the Company and its subsidiaries of Bt 924 mn, debts under the rehabilitation plan of Bt 103 mn, the payment of account payable for equipment during the year 2014 of Bt 405 mn and liabilities from the normal business of the subsidiaries declined by Bt 114 mn, resulted in the net increase of the total liabilities of the Company and its subsidiaries, totaling Bt 791 mn.

Shareholders' Equity

At the end of 2014, the shareholders' equity of the Company and its subsidiaries was Bt 12,927 mn, increasing by Bt 457 mn or 4% from that in 2013. The net profit of the Company and its subsidiaries in 2014 was Bt 3,271 mn. The Company and its subsidiaries paid dividend to the shareholders, totaling Bt 1,793 mn. For the Treasury Stock, the Company has already completed the share repurchase program since 18 December 2014. As at 18 December 2014, the total number of shares repurchased by the Company was 142,730,000 shares, amounting to Bt 990 mn. The Company appropriated the full required amount of retained earnings to a reserve for the treasury shares.

Capital Structure

As at 31 December 2014, the Company and its subsidiaries had the total liabilities of Bt 10,055 mn, or 44% of total assets. The shareholders' equity was Bt 12,927 mn, or 56% of total assets. Debt to equity ratio was at 0.78 time.

Liquidity

As at 31 December 2014, the Company and its subsidiaries had cash and cash equivalent of Bt 1,501 mn, decreasing by Bt 1,496 mn from the year 2013. The summary of net cash generated and used is as follows: -

- | | |
|--|----------------|
| - Net cash generated from operating activities | Bt 6,809 mn. |
| - Net cash used for investing activities | Bt (2,761) mn. |
| - Net cash used for financing activities | Bt (5,544) mn. |

Treasury Stock Program for Financial Management

During the year 2010, the Company decreased its 2,032,127,200 paid-up shares by writing off 634,400,000 treasury shares of the first Treasury Stock Program and 1,397,727,200 treasury shares of the second Program.

Additionally, during the year 2011, the Company decreased its 155,240,000 paid-up shares by writing off the treasury shares of the third Treasury Stock Program.

During the year 2012, the Company totally had 106,857,000 treasury shares, according to the fourth Treasury Stock Program for financial management, approved by the Board of Directors at the meeting No.8/2011, for a total of Bt 299 mn. The Company appropriated the full required amount of retained earnings to a reserve for the treasury shares.

During the year 2013, the Company decreased its 106,857,000 paid-up shares by writing off the treasury shares, following the resolution of the Company's Board of Directors Meeting No. 5/2012. The Company completely reversed all the appropriated retained earnings for treasury shares.

During the year 2014, the Company totally had 142,730,000 treasury shares, according to the fifth Treasury Stock Program for financial management, approved by the Board of Directors at the meeting No.3/2014, for a total of Bt 990 mn. The Company appropriated the full required amount of retained earnings to a reserve for the treasury shares.

Report on the Responsibilities of the Board of Directors for Financial Report

The Board of Directors (“BOD”) of Jasmine International Public Company Limited (“the Company”) is responsible for overseeing the preparation of the financial reports of the Company and its subsidiaries to be in accordance with the generally accepted accounting principles and also ensuring that the aforementioned financial reports are completely audited by the Company’s auditor based on appropriate accounting policy that is consistently applied and that material information therein is adequately disclosed in Notes to the financial statements for the benefits of shareholders and investors.

The Board of Directors provides good corporate governance and maintains proper, efficient, effective risk management and internal control system to ensure that the Company’s assets usage control is truly for the benefit of the Company. The Board of Directors also ensures that crucial tasks are separated to protect against frauds or activities with significant irregularities.

The Board of Directors has appointed an Audit Committee, comprising independent directors to be responsible for reviewing the reliability and the correctness of the financial reports, and at the same time, increasing efficiency of both internal control system and internal audit. The Audit Committee’s comments on these issues are presented in the Audit Committee Report in the Annual Report.

The Board of Directors is of the opinion that the Company’s internal control system and internal audit are good enough to enhance credibility and reliability to the financial reports of the Company and its subsidiaries for the year ended 31 December 2014 in line with generally accepted accounting principles. The auditor’s opinions are presented in the Auditor’s Report as part of this Annual Report.



(Mr. Pete Bodharamik)
Chief Executive Officer

Audit Committee Report

The Audit Committee of Jasmine International Public Company Limited (the “Company”) consists of three independent directors, chaired by Dr.Vichit Yamboonruang with Mrs.Chantra Purnariksha and Dr.Yodhin Anavil as members. Each possesses the qualifications stipulated under the Audit Committee Charter which is in line with the regulations and the Best Practice Guidelines of Audit Committee, stipulated by the Office of the Securities and Exchange Commission (the “SEC”) and the Stock Exchange of Thailand (the “SET”).

The Audit Committee carries out the duties assigned by the Board of Directors (the “BOD”) within the BOD-approved scope of responsibility; thus, auditing and verifying the Company’s performance to be well in compliance with the principles of good corporate governance in addition to ensuring the Company’s adequate internal control system, for the optimum benefit of all the stakeholders. The Committee also supervises the executives to work with responsibility and honesty in alignment with the Company’s policies. In 2014, the Committee fulfilled its duties as summarized below:-

1. The verification of the accuracy, the completeness, and the reliability of the quarterly and the annual financial statements of the Company and the consolidated financial statements for the year 2014, audited by the Company’s external auditor; in addition to the consideration on the reasonableness of irregular items for normal business, disclosed in the financial statements. In completing this task, the Company’s executives and auditors were invited to join every Audit Committee Meeting to give clarification on these matters.
2. The verification of the effectiveness and the appropriateness of the internal control system based on the internal audit result report and the internal control system assessment result report, prepared in line with the SEC guidelines. The Audit Committee also provided useful recommendations that enhanced more efficiency for the Company’s internal control system.
3. The verification of the compliance with the codes and corporate governance principles of the Company. According to the Audit Committee’s finding, the executives and the employees of the Company complied with all the codes, rules and regulations in a strict manner meanwhile the BOD strongly supported employees at all levels to be moral conscious and always aware of the importance of ethics at all times.
4. The supervision of the audit work and the verification of the audit result report that was directly presented to the Committee by the Office of Internal Audit to ensure the efficiency and the effectiveness of internal audit activities

Furthermore, the Committee approved the internal audit plan for the year 2015, prepared based on the Company’s significant risks and an emphasis on auditing the effectiveness of the performance of each control operation unit to cover all the existing systems.

5. The verification of the Company's operation to be in compliance with not only the Securities and Exchange Act, the rules and the regulations of the SEC and the SET and other laws applicable to the business of the Company, but also the obligations imposed by a contract entered into with the third party, including claims; this task was accomplished in collaboration with the Company's lawyers and the Regulatory & Compliance Department.
6. The consideration on related party transactions or the transactions that may involve conflicts of interests and the provision of the opinions thereon with prudence and reasonableness, principally taking into account, the Company's stakeholders and adequate information disclosure in compliance with the SEC regulations
7. The selection and the nomination for appointment of the Company's auditor, including the consideration on the remuneration thereof for the year 2015, based on the previous year's performance, knowledge, proficiency, auditing experience, independence of the auditor, and the appropriateness of the proposed audit fee amount. The Audit Committee was of the opinion that the auditor from EY Office Limited had proper independence, knowledge, experience, and satisfactorily reliable performance in the past year; therefore, the Committee deemed it appropriate to propose the appointment of the auditor from EY Office Limited to be the Company's auditor for the year 2015 along with the reasonable audit fee amount for the BOD to consider and further submit for the shareholders' approval at the Annual General Meeting of Shareholders.

The Audit Committee completed its role and the BOD-assigned duties as stated above. In view of the Committee, the Company's internal control system and the internal audit were appropriate and adequate; the annual audit plan was well carried out in accordance with the objectives and corporate risks; the Office of Internal Audit achieved its goals as planned; the financial statements were prepared in line with the generally accepted accounting principles so they were reliable; the disclosure of material information in the financial statements was accurate, adequate and timely; the report on related party transactions was done with respect to transparency –void of conflicts of interest—and the optimum benefit of the stakeholders, brought about by fair conditions and reasonable prices; last but not least, the Company complied with the applicable laws and all the relevant regulations, properly.



(Dr. Vichit Yamboonruang)
Chairman of Audit Committee

Independent Auditor's Report

To the Shareholders of Jasmine International Public Company Limited

I have audited the accompanying consolidated financial statements of Jasmine International Public Company Limited and its subsidiaries, which comprise the consolidated statements of financial position as at 31 December 2014, and the related consolidated statements of 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 Jasmine International 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 qualified audit opinion.

Basis for Qualified Opinion

- a) As described in Note 9 to the financial statements, a concession provider had ceased making payment to a subsidiary for service under the co-investor agreement made between the subsidiary and the concession provider as from September 2008 to 4 October 2011, the end date of the co-investor agreement, as the revenue sharing rates are still being disputed between a concession provider and the subsidiary. The subsidiary took the dispute to the Arbitration Institute and is currently awaiting this ruling from the Arbitration Institute. The ruling to the revenue sharing rate negotiation may significantly impact on the balance of such trade receivable as at 31 December 2014 amounting to Baht 2,518 million (2013: Baht 2,518 million) in the consolidated financial statements and may significantly impact on the value of the investment in the subsidiary as at 31 December 2014 amounting to Baht 1,946 million (2013: 1,946 million) in the separate financial statements. I was unable to audit to satisfy myself as to the balances of such trade receivable and the value of the investment in the subsidiary, and this constitutes a limitation imposed by circumstance.

- b) As described in Note 35.6 to the financial statements, the Central Bankruptcy Court read the judgement of the Supreme Court, rejecting the rehabilitation plan and cancelling the Central Bankruptcy Court's business rehabilitation order. As a result the rights of claim of the creditors of the Company returned to what they were prior to the rehabilitation order. Since the Company has operated in accordance with the rehabilitation plan for a long time and has, in particular, completed repayment of debt to the creditors in various forms under the rehabilitation plan, the legal advisor is of the opinion that, whether the Company will be required to pay to any particular creditor depends solely on whether any creditors present themselves and their rights to the Company, and no creditors have presented themselves since the time that the Central Bankruptcy Court read the judgement of the Supreme Court. The Company was therefore of the opinion that it was highly unlikely that the Company would have to pay any obligations in respect of such events and did not record a provision with respect to the judgement of the Supreme Court. The Company and the legal advisor made a preliminary assessment and found that additional liabilities of up to Baht 1,343 million, might arise from such event. The Company therefore disclosed the event in the notes to financial statements and believed that such practice complied with the relevant financial reporting standards. However, in August 2014, five financial institutions filed lawsuits petitioning the Court to order the Company to make debt repayments equivalent to a total of approximately Baht 1,833 million (principal of Baht 1,093 million and interest of Baht 740 million). The Company has assessed the conditions of accounting under these new circumstances, and believes that the Company should record provision whenever creditors present themselves by filing lawsuits with the court. However, two of the five financial institutions are creditors whom the rights of claims were assigned by various former creditors, and the legal advisor is of the opinion that it is uncertain that these two creditors will receive payment of the amount claimed in the petitions. Therefore, the Company recorded provision amounting to Baht 277 million (principal of Baht 260 million and interest of Baht 17 million) for the three financial institutions who are the original creditors named in applications for payment in the Company's rehabilitation plan (principal of Baht 667 million and interest of Baht 320 million) in the financial statements of the current year since it is highly likely that the Company will be liable for these amounts. This was determined based on the claims filed by the three financial institutions less the approximate amounts of settlements made in any form under the rehabilitation plan, in accordance with the legal advisor's opinion. The petitions of the five financial institutions are in the process of being considered by the Central Intellectual Property and International Trade Court. The ultimate outcome of the cases cannot be determined at present. The Company believes that the amount of provision recorded in the accounts is adequate and appropriate in the current circumstances. This constitutes a limitation imposed by circumstance and I was unable to perform review and audit procedures to satisfy myself as to the amount of additional provision that the Company needs to record as a result of the cancellation of the rehabilitation order.
- c) As described in Note 35.7 to the financial statements, a subsidiary was unable to deliver tablets to two government agencies as scheduled in the relevant agreements, as a result of a massive fire at a production facility where a part for the tablets was produced. As stipulated in the sale and purchase agreements, the subsidiary is obliged to pay a penalty for delayed shipment at a daily rate of 0.2 percent of the price of the unshipped tablets. During 2014, counterparties of the agreements submitted letters to the subsidiary to terminate the sale and purchase agreements and asked the subsidiary to pay a penalty totaling Baht 148 million. However, the subsidiary submitted letters to these counterparties objecting the imposition of the penalty. The management of the subsidiary clarified that the delay in shipment was due to force majeure and the subsidiary did not breach the agreement. However, in November 2014, a counterparty filed a lawsuit against the subsidiary with the Administrative Court, requesting the subsidiary pay a penalty in amount of Baht 190 million, the outcome has not been known. As a result, the subsidiary is unable to conclude if and to what extent penalties and damages will be incurred. Therefore, the subsidiary does not record provision for such penalties and damages in the accounts. I was unable to perform review and audit procedures to satisfy myself as to the penalties and damages that may be incurred as a result of the above, and this constitutes a limitation imposed by circumstance.

Qualified Opinion

In my opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Jasmine International Public Company Limited and its subsidiaries and of Jasmine International Public Company Limited as at 31 December 2014, 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 matters:

1. Matters between subsidiaries and an unrelated company
 - 1.1 The balance receivable under a troubled debt restructuring agreement, of approximately Baht 54 million, as described in Note 12 to the financial statements
 - 1.2 The settlement of outstanding balances of approximately Baht 877 million and the leased line service agreements, as described in Note 12 to the financial statements
 - 1.3 The court proceedings and various disputes described in Note 35.8 to the financial statements
2. As described in Note 35.5 to the financial statements, regarding the delay in the delivery of work of a subsidiary, with a contract value of Baht 31 million, on which a penalty is charged at a rate of 0.2 percent of the contract value per each day of delay

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

Other matter

The consolidated financial statements of Jasmine International Public Company Limited and its subsidiaries, and the separate financial statements of Jasmine International Public Company Limited as at 31 December 2013 and for the year then ended, were audited by another auditor of our firm who expressed a qualified opinion on those statements with respect to limitation imposed by circumstance related to the matters similar to a) and b) as stated in the above Basis for Qualified Opinion paragraph and drew attention to the matters similar to 1) and 2) as stated in the above Emphasis of Matters paragraph, under his report dated 11 February 2014.



Supachai Phanyawattano

Certified Public Accountant (Thailand) No. 3930

EY Office Limited

Bangkok: 27 February 2015

Jasmine International Public Company Limited and its subsidiaries
Statement of financial position
As at 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Assets					
Current assets					
Cash and cash equivalents	7	1,500,914,886	2,997,079,330	554,828,803	1,839,343,790
Current investments - deposits with financial institutions	8	894,058,619	859,923,284	20,219,422	319,365,442
Trade and other receivables	9	3,169,301,544	3,673,378,671	1,578,707,708	664,518,401
Unbilled receivables		62,627,231	91,240,024	-	-
Short-term loans to related parties	6	-	-	298,000,000	298,000,000
Inventories	10	27,374,822	39,520,045	-	-
Prepaid project costs		182,882	23,518,022	-	-
Input tax pending payments		407,632,594	327,145,419	2,968,277	956,032
Prepaid expenses		245,504,811	66,852,213	927,164	7,131,964
Other current assets		104,330,489	116,547,280	40,714,864	42,919,794
Total current assets		6,411,927,878	8,195,204,288	2,496,366,238	3,172,235,423
Non-current assets held for sale	11	2,797,539,471	64,434,424	-	-
		9,209,467,349	8,259,638,712	2,496,366,238	3,172,235,423
Non-current assets					
Restricted deposits with financial institutions		307,708,154	121,563,099	8,333,225	8,209,866
Accounts receivable under troubled debt restructuring	12	54,029,879	54,029,879	-	-
Investments in subsidiaries	13	-	-	2,942,132,681	2,942,130,263
Investments in associates	14	23,572,482	23,423,870	16,481,967	16,481,967
Investment properties	15	585,557,346	615,853,293	-	-
Property, plant and equipment	16	12,501,710,626	12,288,194,788	6,242,978	10,179,569
Computer software	17	5,081,262	10,615,877	-	-
Prepaid rent	18	-	-	188,008,914	201,828,081
Advance payments for investment projects to related party	6	4,885,984	4,861,233	4,885,984	4,861,233
Deferred tax assets	29	208,556,087	282,041,016	142,579,151	212,580,264
Other non-current assets		81,238,592	73,167,399	5,948,522	7,531,669
Total non-current assets		13,772,340,412	13,473,750,454	3,314,613,422	3,403,802,912
Total assets		22,981,807,761	21,733,389,166	5,810,979,660	6,576,038,335

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

Jasmine International Public Company Limited and its subsidiaries
Statement of financial position (Continued)
As at 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks		2,457,986,917	982,552,126	-	-
Trade and other payables		2,950,260,312	2,636,565,061	68,304,500	31,993,485
Accrued project costs		168,048,259	278,799,483	-	-
Current portions of the long-term liabilities					
Long-term loans	21	1,054,225,376	922,322,160	94,257,376	62,838,160
Liabilities under finance lease agreements	22	36,399,025	43,697,317	-	-
Accounts payable for equipment	23	372,868,798	692,387,277	-	-
Debts under former rehabilitation plan	24	-	102,979,816	-	102,979,816
Income tax payable		273,500,173	166,256,999	-	-
Advances received for goods and services		468,838,804	417,126,219	-	-
Undue output tax		420,473,585	375,923,000	12,983,528	12,598,994
Provision for reversal of judgement by the Supreme Court	35.6	276,829,518	-	276,829,518	-
Other current liabilities		80,027,959	48,551,811	3,984,336	12,489,938
Total current liabilities		8,559,458,726	6,667,161,269	456,359,258	222,900,393
Non-current liabilities					
Long-term liabilities - net of current portions					
Long-term loans	21	1,161,129,362	2,216,754,706	345,609,748	441,240,595
Liabilities under finance lease agreements	22	71,207,584	50,256,119	-	-
Accounts payable for equipment	23	-	84,970,069	-	-
Provision for long-term employee benefits	25	253,923,498	233,133,729	14,859,343	13,326,833
Other non-current liabilities		9,355,660	11,861,106	9,564,540	9,534,541
Total non-current liabilities		1,495,616,104	2,596,975,729	370,033,631	464,101,969
Total liabilities		10,055,074,830	9,264,136,998	826,392,889	687,002,362

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

Jasmine International Public Company Limited and its subsidiaries
Statement of financial position (Continued)
As at 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Shareholders' equity					
Share capital					
Registered					
7,137,394,378 ordinary shares of Baht 0.5 each	26	3,568,697,189	3,568,697,189	3,568,697,189	3,568,697,189
Issued and fully paid-up					
7,137,394,378 ordinary shares of Baht 0.5 each	26	3,568,697,189	3,568,697,189	3,568,697,189	3,568,697,189
Discount on ordinary shares		(224,549,619)	(224,549,619)	(224,549,619)	(224,549,619)
Retained earnings					
Appropriated					
Statutory reserve - the Company	27	331,107,500	237,530,495	331,107,500	237,530,495
- subsidiaries	27	518,608,045	476,658,414	-	-
Treasury share reserve	26	991,662,088	-	991,662,088	-
Unappropriated		7,434,161,926	7,074,818,665	1,083,383,521	2,081,409,728
Other components of shareholders' equity		258,177,239	258,177,239	225,948,180	225,948,180
Equity attributable to owners of the Company		12,877,864,368	11,391,332,383	5,976,248,859	5,889,035,973
Less: Treasury shares	26	(991,662,088)	-	(991,662,088)	-
Equity attributable to owners of the Company - net		11,886,202,280	11,391,332,383	4,984,586,771	5,889,035,973
Non-controlling interests of the subsidiaries		1,040,530,651	1,077,919,785	-	-
Total shareholders' equity		12,926,732,931	12,469,252,168	4,984,586,771	5,889,035,973
Total liabilities and shareholders' equity		22,981,807,761	21,733,389,166	5,810,979,660	6,576,038,335

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

Jasmine International Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Profit or loss:					
Revenues					
Sales and service income		12,268,494,315	11,122,974,862	-	-
Other income					
Management fee income	6	-	-	498,000,000	498,000,000
Interest income		57,665,887	95,225,997	24,103,302	30,918,312
Dividend income from subsidiaries	13	-	-	1,855,555,167	1,464,740,617
Exchange gains		-	-	-	-
Others		84,885,202	41,885,486	21,995,096	12,113,251
Total other income		142,551,089	137,111,483	2,399,653,565	2,005,772,180
Total revenues		12,411,045,404	11,260,086,345	2,399,653,565	2,005,772,180
Expenses					
Cost of sales and services		4,713,232,196	4,474,844,613	-	-
Selling and servicing expenses		853,053,408	704,633,783	-	-
Administrative expenses		2,035,981,533	1,858,333,101	149,640,458	132,935,856
Doubtful accounts and bad debt		162,713,399	206,767,604	-	-
Losses on impairment of assets	11	37,495,799	15,125,000	-	-
Exchange losses		32,782,299	6,747,022	-	-
Loss on recording provision for reversal of judgement by the Supreme Court	35.6	276,829,518	-	276,829,518	-
Total expenses		8,112,088,152	7,266,451,123	426,469,976	132,935,856
Profit before share of profit from investments in associates, finance cost and income tax		4,298,957,252	3,993,635,222	1,973,183,589	1,872,836,324
Shares of profit from investments in associates	14	148,612	121,313	-	-
Profit before finance cost and income tax		4,299,105,864	3,993,756,535	1,973,183,589	1,872,836,324
Finance cost		(296,881,714)	(311,644,128)	(31,642,370)	(49,356,099)
Profit before income tax		4,002,224,150	3,682,112,407	1,941,541,219	1,823,480,225
Income tax	29	(759,698,438)	(605,476,072)	(70,001,113)	(72,548,424)
Profit for the year		3,242,525,712	3,076,636,335	1,871,540,106	1,750,931,801
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		3,242,525,712	3,076,636,335	1,871,540,106	1,750,931,801

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

Jasmine International Public Company Limited and its subsidiaries
Statement of comprehensive income (Continued)
For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Profit attributable to:					
Equity holders of the Company		3,270,859,205	3,002,513,301	1,871,540,106	1,750,931,801
Non-controlling interests of the subsidiaries		(28,333,493)	74,123,034		
		3,242,525,712	3,076,636,335		
Total comprehensive income attributable to:					
Equity holders of the Company		3,270,859,205	3,002,513,301	1,871,540,106	1,750,931,801
Non-controlling interests of the subsidiaries		(28,333,493)	74,123,034		
		3,242,525,712	3,076,636,335		
Basic earnings per share	31				
Profit attributable to equity holders of the Company		0.46	0.42	0.26	0.25
Weighted average number of ordinary shares (shares)		7,095,850,049	7,137,394,378	7,095,850,049	7,137,394,378

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

Jasmine International Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2014

(Unit: Baht)

Consolidated financial statements														
Equity attributable to owners of the Company														
Other components of shareholders' equity														
Total equity attributable to owners of the Company														
Equity attributable to non-controlling interests of the subsidiaries														
Total shareholders' equity														
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The accompanying notes are an integral part of the financial statements.

Jasmine International Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (Continued)

For the year ended 31 December 2014

(Unit: Baht)

Consolidated financial statements														
Equity attributable to owners of the Company														
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The accompanying notes are an integral part of the financial statements.

Jasmine International Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (Continued)

For the year ended 31 December 2014

(Unit: Baht)

	Note	Separate financial statements										
		Issued and fully paid-up share capital	Discount on ordinary shares	Retained earnings			Treasury shares	Other components of shareholders' equity				
				Appropriated		Unappropriated		Other comprehensive income	Other changes by the owners			
				Statutory reserve	Treasury shares reserve				Premium on ordinary shares from expired warrants	Premium on capital reduction	Total other components of shareholders' equity	
Balance as at 1 January 2013		3,622,125,689	(224,549,619)	149,983,905	298,642,766	1,006,932,594	(298,642,766)	(2,724)	25,169,527	200,781,377	225,948,180	4,780,440,749
Dividend paid to the Company's shareholders	34	-	-	-	-	-	(642,336,577)	-	-	-	-	(642,336,577)
Total comprehensive income for the year		-	-	-	-	-	1,750,931,801	-	-	-	-	1,750,931,801
Reduce paid-up share capital by writing off treasury shares	26	(53,428,500)	-	-	-	-	(245,214,266)	298,642,766	-	-	-	-
Reversal of appropriated retained earnings for treasury shares	26	-	-	-	(298,642,766)	298,642,766	-	-	-	-	-	-
Transferred to statutory reserve	27	-	-	87,546,590	-	(87,546,590)	-	-	-	-	-	-
Balance as at 31 December 2013		3,568,697,189	(224,549,619)	237,530,495	-	2,081,409,728	-	(2,724)	25,169,527	200,781,377	225,948,180	5,889,035,973
Balance as at 1 January 2014		3,568,697,189	(224,549,619)	237,530,495	-	2,081,409,728	-	(2,724)	25,169,527	200,781,377	225,948,180	5,889,035,973
Dividend paid to the Company's shareholders	34	-	-	-	-	(1,784,327,220)	-	-	-	-	-	(1,784,327,220)
Total comprehensive income for the year		-	-	-	-	1,871,540,106	-	-	-	-	-	1,871,540,106
Treasury shares purchased during the year	26	-	-	-	-	-	(991,662,088)	-	-	-	-	(991,662,088)
Transferred to treasury share reserve	26	-	-	-	991,662,088	(991,662,088)	-	-	-	-	-	-
Transferred to statutory reserve	27	-	-	93,577,005	-	(93,577,005)	-	-	-	-	-	-
Balance as at 31 December 2014		3,568,697,189	(224,549,619)	331,107,500	991,662,088	1,083,383,521	(991,662,088)	(2,724)	25,169,527	200,781,377	225,948,180	4,984,586,771

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

Jasmine International Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Cash flows from operating activities					
Profit before tax		4,002,224,150	3,682,112,407	1,941,541,219	1,823,480,225
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities					
Depreciation and amortisation		2,058,976,165	1,900,091,118	19,187,378	20,827,729
Doubtful accounts		78,747,827	57,428,045	-	-
Bad debt		83,965,572	149,339,559	-	-
Writes off assets		3,640,130	10,699	-	-
Record of allowance for impairment of assets	11	37,495,799	15,125,000	-	-
Losses (gains) on sales of equipment		2,189,129	7,421,441	(19,118)	(114)
Dividend income from investments in subsidiaries	13	-	-	(1,855,555,167)	(1,464,740,617)
Shares of profit from investments in associates	14	(148,612)	(121,313)	-	-
Unrealised exchange losses		44,010,055	15,376,541	-	-
Realised exchange gains from accounts payable or equipment		(11,325,556)	(6,847,489)	-	-
Loss on recording provision for reversal of judgement by the Supreme Court	35.6	276,829,518	-	276,829,518	-
Provision for long-term employee benefits	25	24,947,740	23,647,301	1,532,510	1,015,402
Interest income		(57,665,887)	(95,225,997)	(24,103,302)	(30,918,312)
Interest expenses		296,422,075	306,122,107	31,642,370	49,356,099
Profit from operating activities before changes in operating assets and liabilities		6,840,308,105	6,054,479,419	391,055,408	399,020,412
Operating assets decrease (increase)					
Trade and other receivables		338,246,020	(191,956,345)	(186,239,866)	46,131,776
Unbilled receivables		28,612,793	551,754,397	-	-
Inventories		229,981,278	194,555,415	-	-
Prepaid project costs		23,335,140	(11,145,593)	-	-
Input tax pending payments		(80,487,175)	(44,069,974)	(2,012,245)	(866,143)
Prepaid expenses		(178,652,598)	(34,397,243)	6,204,800	(3,095,070)
Other current assets		18,335,553	(162,214)	(2,648,852)	(1,049,968)
Other non-current assets		(8,095,944)	(3,977,891)	1,558,396	(335,335)
Accounts receivable under troubled debt restructuring		-	48,380,616	-	-
Operating liabilities increase (decrease)					
Trade and other payables		176,117,560	(136,988,156)	36,855,811	18,539,829
Accrued project costs		(110,751,224)	(120,085,239)	-	-
Advances received for goods and services		51,712,585	(57,546,872)	-	-
Undue output tax		44,550,585	4,169,200	384,534	(10,802,450)
Other current liabilities		31,476,148	(21,441,202)	(8,505,602)	7,950,204
Other non-current liabilities		(6,663,417)	(6,252,353)	29,999	-
Cash from operating activities		7,398,025,409	6,225,315,965	236,682,383	455,493,255
Cash paid for income tax		(588,729,227)	(600,441,279)	(801,932)	(15,821,816)
Net cash from operating activities		6,809,296,182	5,624,874,686	235,880,451	439,671,439

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

Jasmine International Public Company Limited and its subsidiaries
Cash flow statement (Continued)
For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Cash flows from investing activities					
Decrease (increase) in current investments		(34,135,335)	43,930,240	299,146,020	146,739,954
Decrease (increase) in restricted deposits with financial institutions		(186,145,055)	22,850,381	(123,359)	(155,564)
Dividend received from investments in subsidiaries		-	-	1,127,605,726	1,513,140,617
Proceeds from sales of equipment		6,835,973	7,262,530	21,838	214,000
Interest income		60,596,136	89,890,518	29,759,016	27,091,614
Acquisitions of investment properties	15	(3,127,652)	(5,718,352)	-	-
Acquisitions of plant and equipment		(2,602,750,977)	(1,721,783,375)	(1,434,341)	(3,401,256)
Acquisitions of computer software	17	(2,551,519)	(2,232,099)	-	-
Net cash from (used in) investing activities		(2,761,278,429)	(1,565,800,157)	1,454,974,900	1,683,629,365
Cash flows from financing activities					
Interest expenses		(284,180,037)	(286,299,317)	(32,187,166)	(44,512,771)
Decrease in short-term loans from banks		(802,358,112)	(450,439,253)	-	-
Cash received from short-term loans to related parties		-	-	-	144,000,000
Repayment of accounts payable for equipment		(600,657,658)	(543,473,520)	-	-
Repayment of long-term loans from banks	21	(923,722,128)	(471,783,992)	(64,211,631)	(62,838,160)
Repayment of debts under former rehabilitation plan	24	(102,979,816)	(38,293,599)	(102,979,816)	(38,293,599)
Cash paid for acquisition of non-controlling interest		(2,418)	-	(2,418)	-
Dividend paid to the Company's shareholders	34	(1,784,327,220)	(642,336,577)	(1,784,327,220)	(642,336,577)
Dividend paid to non-controlling interests of the subsidiaries		(9,053,223)	(28,252,133)	-	-
Repayment of liabilities under finance lease agreements		(45,239,497)	(79,646,693)	-	-
Cash paid to purchase treasury shares	26	(991,662,088)	-	(991,662,088)	-
Net cash used in financing activities		(5,544,182,197)	(2,540,525,084)	(2,975,370,339)	(643,981,107)
Net increase (decrease) in cash and cash equivalents		(1,496,164,444)	1,518,549,445	(1,284,514,987)	1,479,319,697
Cash and cash equivalents at beginning of year		2,997,079,330	1,478,529,885	1,839,343,790	360,024,093
Cash and cash equivalents at end of year		1,500,914,886	2,997,079,330	554,828,803	1,839,343,790
Supplemental cash flow information					
Non-cash transactions					
Purchase of equipment for which no cash has been paid		2,625,693,296	1,502,356,966	-	-
The settlement of outstanding balances between the Company and its subsidiaries by offset dividend receivables and debts under former rehabilitation plan		-	-	-	805,578,080

Jasmine International Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2014

1. Corporate information

Jasmine International Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the investments in the companies involved in the telecommunications business and its registered address is 200, 29th - 30th Floor, Moo 4, Chaengwatana Road, Pakkred, 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 Jasmine International Public Company Limited ("the Company") and the following subsidiaries ("the subsidiaries"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2014	2013
			Percent	Percent
<u>Held by the Company</u>				
Jasmine Submarine Telecommunications Co., Ltd.	Operator of submarine optical fiber cable network and repair and maintenance services for local submarine cable systems	Thailand	100	100
Acumen Co., Ltd.	Satellite telecommunications service provider and internet service provider	Thailand	100	100
Jasmine Telecom Systems Plc. (Another 9% held by T.J.P. Engineering Co., Ltd. and another 9% held by ACeS Regional Services Co., Ltd.)	Design, installation and testing of telecommunication systems	Thailand	33	33
Jasmine Internet Co., Ltd.	Internet service provider and international calling card services	Thailand	98	98
T.J.P. Engineering Co., Ltd. (Another 20% held by Acumen Co., Ltd.)	Survey, design and construction for civil work of telecommunication projects	Thailand	80	80
Jasmine International Overseas Co., Ltd. (Another 34% held by ACeS (Thailand) Co., Ltd. and another 26% held by ACeS Regional Services Co., Ltd.)	Investment holding	Thailand	40	40
Chaengwatana Planner Co., Ltd.	Rehabilitation plan administrator	Thailand	100	100
Three BB Co., Ltd.	Ceased operation	Thailand	100	100
Jasmine Smart Shop Co., Ltd.	Ceased operation	Thailand	100	100
Mobile Communication Services Co., Ltd.	Not yet operate	Thailand	70	70
Compunet Corporation Limited	Ceased operation	Thailand	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2014	2013
			Percent	Percent
<u>Held by subsidiaries</u>				
Cloud Computing Solutions Co., Ltd. (98% held by Jasmine Telecom Systems Plc.)	Design and provision of computer system integration services, software development and sale of computer products	Thailand	-	-
Smart Highway Co., Ltd. (67% held by Acumen Co., Ltd.)	Domestic high speed data communication service provider	Thailand	-	-
Triple T Broadband Plc. (99% held by Acumen Co., Ltd.)	Service provider in telecommunications services, fixed-line services and data communication network services	Thailand	-	-
Triple T Internet Co., Ltd. (100% held by Triple T Broadband Plc.)	Internet service provider	Thailand	-	-
In Cloud Co., Ltd. (100% held by Triple T Broadband Plc.)	Development, distribution and service in several kinds of software	Thailand	-	-
ACeS (Thailand) Co., Ltd. (59% held by Jasmine International Overseas Co., Ltd.)	Investment holding	Thailand	-	-
ACeS Regional Services Co., Ltd. (98% held by ACeS (Thailand) Co., Ltd.)	Marketing and distribution of equipment and providing services to satellite-based cellular phone users	Thailand	-	-
Pakkret Planner Co., Ltd. (100% held by Jasmine International Overseas Co., Ltd.)	Rehabilitation plan administrator	Thailand	-	-
Clippership Investments (BVI) Limited (100% held by Jasmine International Overseas Co., Ltd.)	Ceased operation	British Virgin Island	-	-
Thai Long Distance Telecommunications Co., Ltd. (90% held by Jasmine Submarine Telecommunications Co., Ltd.)	Operator of submarine optical fiber cable network and repair and maintenance service for local submarine cable systems	Thailand	-	-
Jastel Network Co., Ltd. (100% held by Jasmine Submarine Telecommunications Co., Ltd.)	Circuit leasing service and local and international data communication services	Thailand	-	-
Premium Assets Co., Ltd. (54% held by Acumen Co., Ltd. and 46% held by Jasmine Submarine Telecommunications Co., Ltd.)	Office rental	Thailand	-	-

- b) Subsidiaries are fully consolidated as from 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) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
 - e) 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 or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements, which present investments in subsidiaries and associates 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 them were made to amend wording and terminology, or to provide interpretations and accounting guidance to users of the accounting standards. These financial reporting standards do not have any significant impact on 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 and its subsidiaries believes that in most cases they have not resulted in changes in key principles. However, some of these financial reporting standards involve changes to key principles, as follows:

Accounting Standard:

TAS 19 (revised 2014)	Employee Benefits
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Financial Reporting Standards:

TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement

Based on the preliminary analysis, the management of the Company and its subsidiaries believes that the accounting standard and financial reporting standards will not have any significant impact on the financial statements of the Company and its subsidiaries.

4. Significant accounting policies

4.1 Revenue recognition

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.

Revenues from providing telecommunications network service, internet service and other businesses related to the internet business, and management service are recognised when services have been rendered.

Revenue from design and installation of telecommunication systems including provision of related equipment is recognised when services have been rendered taking into account the stage of completion.

Sales of international calling cards are recognised when the service has been rendered. The prepaid value in such cards is recorded as deferred service income in current liabilities.

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of 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.

4.3 Trade and other receivables

Trade and other receivables 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.

4.4 Inventories

Inventories are valued at the lower of weighted average cost (specific cost for computer) and net realisable value.

4.5 Non-current assets held for sale

Non-current asset is classified as non-current asset held for sales if their carrying amount will be recovered principally through a sales transaction rather than through continuing use, the asset is available for immediate distribution in its present condition and a sale is considered highly probable. A non-current asset held for sales is not depreciated while it is classified as held for sale. Moreover, it is stated at the lower of the carrying amount and fair value less cost to sell.

4.6 Investments

- a) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in comprehensive income, and will be recorded in profit or loss when the securities are sold. In addition, the Company and its subsidiaries treat available-for-sale investments as impaired in profit or loss when the management judges that there has been a significant or prolonged decline in fair value below their cost or when other objective evidence of impairment exists.

The fair value of marketable securities is based on the latest bid price of the last working day of the year.

- b) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for loss on impairment in value (if any).
- c) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- d) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method net of allowance for loss on impairment.

The weighted average method is used for computation the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.7 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 5 - 24 years. Depreciation of the investment properties is recognised in profit or loss.

No depreciation is provided for land classified as investment properties.

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.

4.8 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment.

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	-	20 and 24 years
Building improvements	-	5 - 12 years
Leasehold improvements	-	5 years
Telecommunications equipment	-	3 - 15 years
Satellite transmission equipment	-	5 years
Tools and equipment	-	3 and 5 years
Furniture, fixtures and office equipment	-	3 and 5 years
Motor vehicles	-	5 years

Depreciation is recognised in profit or loss.

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.

4.9 Computer software

Computer software is initially recognised at cost. Following the initial recognition, computer software is carried at cost less any accumulated amortisation and allowance for loss on impairment (if any). The cost of internally generated computer software comprises any directly attributable cost of developing the asset for its intended use.

Computer software with finite lives is amortised on a straight-line basis over the economic useful lives of 3 and 10 years and tested for impairment whenever there is an indication that the software may be impaired. The amortisation period and the amortisation method of such software are reviewed at least at each financial year end. The amortisation expense is recognised in profit or loss.

4.10 Prepaid rent and amortisation

Prepaid rent is stated at cost less accumulated amortisation. Amortisation is calculated on a straight-line basis over the lease period of 30 years. Amortisation is recognised in profit or loss.

4.11 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

They also include associates and individuals which directly or indirectly own a voting interest in the Company and its subsidiaries that give them significant influence over the Company and its subsidiaries, key management personnel, directors and officers of the Company and its subsidiaries with authority in the planning and direction of the operations of the Company and its subsidiaries.

4.12 Long-term leases

Leases of plant or 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 and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term liabilities, while the interest element is charged to profit or loss over the lease period. The asset acquired under finance leases is depreciated over the useful life of the asset.

Leases of plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

4.13 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the functional currency of the Company and its subsidiaries.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at 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.

4.14 Impairment of assets

At the end of reporting period, the Company and its subsidiaries perform impairment reviews in respect of the assets whenever events or changes in circumstances indicate that an asset may be impaired. 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.

An impairment loss is recognised in profit or loss.

4.15 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

Defined 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 contributions of the Company and its subsidiaries 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.

4.16 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.

4.17 Treasury shares

Treasury shares are stated at cost and presented as a deduction from shareholders' equity in the statement of financial position. If the selling price of treasury shares is greater than the purchase price of treasury shares, the Company recognises the difference under the caption of "Premium on treasury shares". If the selling price of treasury shares is less than the purchase price of treasury shares, the difference is initially deducted from premium on treasury shares, with the remainder deducted against retained earnings.

4.18 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current 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. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards 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:

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.

Allowance for impairment on non-current assets held for sale

The subsidiaries consider allowance for impairment of non-current assets held for sale when net realisable value is below book value. The management of subsidiaries use judgement to estimate impairment loss, taking into consideration the fair values, the types and the characteristics of the assets.

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 plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is 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 Company and its subsidiaries have contingent liabilities as a result of litigations. The Company and its subsidiaries' management have used judgement to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

6. Related party transactions

The following are relationships with companies and individuals that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

Name of entities	Nature of relationship
Subsidiaries	The group of companies that the Company has power to set financial and operating policies in order to generate benefits from their activities.
Mono Group	Common directors
Palit Palangngan Co., Ltd.	Common directors

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Transfer Pricing Policy
	2014	2013	
<u>Transactions with related companies</u>			
Sales and service income	35	46	Contract price or normal business price charged to other customers
Rental and other service income	55	44	Contract price or normal business price charged to other customers
Cost of sales and services	1	2	Contract price
Other expenses	40	29	Contract price or normal business price charged to other customers

(Unit: Million Baht)

	Separate financial statements		Transfer Pricing Policy
	2014	2013	
<u>Transactions with subsidiaries</u>			
(eliminated from the consolidated financial statements)			
Management fee income	498	498	Contract price
Rental and other service income	42	39	Contract price or normal business price charged to other customers
Interest income	5	5	Base on the deposit interest rate of commercial bank plus 0.5 percent
Other expenses	28	29	Contract price

As at 31 December 2014 and 2013, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<u>Trade receivables - related parties (Note 9)</u>				
Related companies				
Mono Group	17	18	-	-
Total trade receivables - related parties	17	18	-	-
<u>Other receivables - related parties (Note 9)</u>				
Subsidiaries	-	-	424	238
(eliminated from the consolidated financial statements)				
Less: Allowance for doubtful accounts	-	-	(16)	(16)
Total other receivables - related parties - net	-	-	408	222
<u>Short-term loans to related parties</u>				
Subsidiaries	-	-	304	304
(eliminated from the consolidated financial statements)				
Less: Allowance for doubtful accounts	-	-	(6)	(6)
Total short-term loans to related parties - net	-	-	298	298
<u>Dividend receivables from subsidiaries (Note 9)</u>				
Subsidiaries	-	-	1,171	443
(eliminated from the consolidated financial statements)				
Total dividend receivables from subsidiaries	-	-	1,171	443
<u>Advance payments for investment projects to related party</u>				
Related company				
Palit Palangngan Co., Ltd.	16	16	16	16
Less: Allowance for doubtful accounts	(11)	(11)	(11)	(11)
Total advance payments for investment projects to related party - net	5	5	5	5

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Other payables - related parties (Note 20)				
Associate	4	4	-	-
Related companies				
Mono Group	13	17	-	-
Total other payables - related parties	17	21	-	-

During 2014, movements of short-term loans to related parties were as follows:

(Unit: Million Baht)

	Separate financial statements			
	Balance as at 31 December 2013	Movements during the year		Balance as at 31 December 2014
		Increase	Decrease	
Short-term loans to related parties				
Subsidiaries				
Acumen Co., Ltd.	298	-	-	298
Jasmine Smart Shop Co., Ltd.	6	-	-	6
Total	304	-	-	304
Less: Allowance for doubtful debts	(6)	-	-	(6)
Net	298	-	-	298

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	202	177	44	33
Post-employment benefits	16	15	2	2
Total	218	192	46	35

Guarantee obligations with subsidiaries

The Company has outstanding guarantee obligations with its subsidiaries, as described in Note 35.2 to the financial statements.

7. Cash and cash equivalents

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash	7	11	-	-
Bank deposits	1,438	2,258	555	1,143
Bills of exchange	56	728	-	696
Total	1,501	2,997	555	1,839

8. Current investments - deposits with financial institutions

Included in the balances of current investments as at 31 December 2014 are savings and fixed deposits of the Company and its subsidiaries amounting to approximately Baht 266 million (2013: Baht 211 million) and of the Company only amounting to approximately Baht 11 million (2013: Baht 9 million) which have been pledged to secure credit facilities.

9. Trade and other receivables

The outstanding balances of trade and other receivables as at 31 December 2014 and 2013 are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade receivables - related parties (Note 6)	17	18	-	-
Trade receivables - unrelated parties	3,524	3,833	55	55
Other receivables - related parties (Note 6)	-	-	424	238
Other receivables - unrelated parties	94	215	-	-
Dividend receivable from subsidiaries (Note 6)	-	-	1,171	443
Total	3,635	4,066	1,650	736
Less: Allowance for doubtful debts	(466)	(393)	(71)	(71)
Trade and other receivables - net	3,169	3,673	1,579	665

The balances of trade accounts receivable as at 31 December 2014 and 2013, aged on the basis of due dates, are summarised below.

(Unit: Million Baht)

Age of receivables	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Related parties				
Not yet due	7	12	-	-
Past due				
Up to 3 months	7	5	-	-
Longer than 3 - 6 months	3	1	-	-
Longer than 6 - 12 months	-	-	-	-
Longer than 12 months	-	-	-	-
Total (Note 6)	17	18	-	-

(Unit: Million Baht)

Age of receivables	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Unrelated parties				
Not yet due	195	574	-	-
Past due				
Up to 3 months	154	154	-	-
Longer than 3 - 6 months	141	117	-	-
Longer than 6 - 12 months	82	56	-	-
Longer than 12 months	2,952	2,932	55	55
Total	3,524	3,833	55	55
Less: Allowance for doubtful accounts	(466)	(393)	(55)	(55)
Net	3,058	3,440	-	-
Trade accounts receivable - net	3,075	3,458	-	-

During 2014, Triple T Internet Co., Ltd. ("TTTI"), a subsidiary, wrote-off trade accounts receivable as bad debt amounting to approximately Baht 76 million (2013: Baht 160 million).

Subsidiaries have assigned their rights over collection of major trade accounts receivable to banks to secure credit facilities obtained from those banks.

As at 31 December 2014, an outstanding trade receivable balances of Jasmine Submarine Telecommunications Co., Ltd. ("JSTC"), a subsidiary, amounting to Baht 2,518 million (2013: Baht 2,518 million), are receivable for service under a co-investor agreement made between JSTC and TOT Plc. ("TOT"), its concession provider. TOT had ceased making payment as from September 2008 to 4 October 2011, the end date of the co-investor agreement, because the revenue sharing rates are still being disputed between TOT and JSTC. In order to finalise the revenue sharing rate, on 22 December 2014, JSTC took the dispute to the Arbitration Institute, Office of Dispute Resolution, the Judiciary, for a ruling, and is currently awaiting this ruling. However, the management and legal advisor of JSTC believe that above recording is consistent with the co-investor agreement.

Currently, JSTC and Thai Long Distance Telecommunications Co., Ltd. ("TLDT"), a subsidiary, are in the process of preparing a request to TOT to provide maintenance for a submarine optical fiber cable networks on the coasts of Thailand which incurred under the joint investment contracts between TOT and JSTC.

JSTC and TLDT transferred their rights over the collection of their share of the revenues from TOT, under the above joint investment contracts, to secure long-term loan of JSTC, as described in Note 21 to the financial statements.

10. Inventories

(Unit: Million Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2014	2013	2014	2013	2014	2013
Satellite transmission equipment	4	4	(1)	(3)	3	1
Finished goods and spare parts	24	41	-	(2)	24	39
Total	28	45	(1)	(5)	27	40

11. Non-current assets held for sale

The non-current assets held for sale as at 31 December 2014 and 2013 are detailed below.

(Unit: Million Baht)

	Consolidated financial statements					
	Cost		Allowance for impairment of assets		Inventories-net	
	2014	2013	2014	2013	2014	2013
Uninstalled public telephones	93	120	(93)	(55)	-	65
Cost of optical fiber cable	2,798	-	-	-	2,798	-
Total	2,891	120	(93)	(55)	2,798	65

As at 31 December 2014, Jasmine Telecom Systems Plc. ("JTS"), a subsidiary, has 3,046 public telephones that have yet to be installed, amounting to Baht 37 million. However, since the telephones that the subsidiary has not yet been able to sell have now been outstanding for a long time, for prudent reasons the management of JTS recorded full amount of loss on impairment of these public telephones in profit or loss in the current year.

The balance as at 31 December 2014 included the cost of optical fiber cable that a subsidiary will sell to an infrastructure fund for broadband Internet business, as described in Note 16 to the financial statements.

12. Accounts receivable under troubled debt restructuring

On 22 April 2008, TT&T Public Company Limited ("TT&T"), a former related company, filed a petition for business rehabilitation with the Central Bankruptcy Court for the purpose of restructuring its debt and on 22 July 2009, the Central Bankruptcy Court ordered the appointment of P Planner Co., Ltd. as the rehabilitation plan preparer. On 11 August 2010, the Official Receiver held a creditors' meeting to consider the rehabilitation plan and the creditors passed an extraordinary resolution to accept the plan. Subsequently, on 5 October 2010, the number of creditors, including the subsidiaries, submitted objections to the plan to the Central Bankruptcy Court. However, on 28 December 2010 the Court had an order accepting the business rehabilitation plan of TT&T. However, during the year 2011 the subsidiaries filed an appeal against the approval of the business rehabilitation plan to the Supreme Court. At present, the case is being considered by the Supreme Court.

According to the TT&T's rehabilitation plan, the subsidiaries will receive settlement of both principal and interest receivable in cash and by conversion to ordinary shares in TT&T in accordance with term and condition as stipulated in the plan.

As at 31 December 2014, certain subsidiaries had an outstanding balance totaling approximately Baht 54 million that were receivable from TT&T, under the rehabilitation plan of TT&T, and which was to be settled in cash over 4 years from the year 2011 to the first quarter of the year 2014. However, since 2013, the subsidiaries have not yet received the repayment from TT&T for four installments which was the cause of default under the rehabilitation plan. Thus, on 26 March 2014, PCL Planner Company Limited, the rehabilitation plan's administrator of TT&T, submitted a proposal to the Official Receiver to amend the existing rehabilitation plan of TT&T in order to resolve the event of aforementioned default. Under the proposal, the outstanding balance of the subsidiaries, will be fully repaid in cash in a single payment on the last working day of the first quarter of 2015. On 20 May 2014, the creditors' meeting passed an extraordinary resolution approving the proposal to amend the rehabilitation plan, and on 21 August 2014 the Central Bankruptcy Court approved the proposed amendment. The subsidiaries considered that the proposal will not have significantly impact on the recoverable amount of the outstanding balance receivable as recorded in the accounts. In addition, the outstanding balances receivable from TT&T includes outstanding claims for which is being disputed and being considered by the Central Bankruptcy Court, amounting to Baht 32 million. The management of the subsidiaries believes that the claims approved by the Court will not materially differ from the balance of claims recorded in the accounts of the subsidiaries.

In addition, the rehabilitation plan stipulates that the settlement of the balances between Triple T Broadband Plc. ("TTTBB"), a subsidiary, and TT&T in 2009 by way of the assignment of promissory notes amounting to Baht 707 million that were issued by TT&T, and which were endorsed by TT&T Subscriber Services Co., Ltd. ("TT&T SS"), a subsidiary of TT&T, for transfer to TTTBB, and notification by TTTBB of its intention to offset balances with TT&T by way of exercising its rights in proceeds payable by TT&T to TT&T SS, and TT&T SS transfers of claims amounting to Baht 170 million to TTTBB to offset debt payable by TTTBB to TT&T, constituted settlement that are out of line with the purpose of the contract and thus do not constitute a complete and legitimate debt settlement transaction. Grounds for this are that TTTBB has to settle the debt by the method stipulated in the concession agreement of TT&T, whereby TTTBB has to directly settle debt to TOT and TOT will then allocate the settled amount to TT&T in accordance with the revenue sharing rate agreed under the concession. Non-cash settlements by TTTBB, such as by exercising claims or promissory notes and/or direct settlement with TT&T are out of line with the purpose of the contracts and do not constitute a complete and legitimate debt settlement transaction.

However, the legal advisor of TTTBB has expressed an opinion that TTTBB is entitled to make direct settlement of leased line service payable under the leased line service contract made with TT&T as a result of objection of payment method because TTTBB and TT&T are direct counterparties. In addition, the making payment of leased line service payable by endorsing and transferring promissory notes to TT&T as stated above means that TT&T is the issuer and the holder of the promissory notes at the same time. Therefore, rights and liabilities under the promissory notes in the debt are subject to the same person, and fully in harmony. Therefore, debt by the promissory notes and the service payable will be suspension in an equal amount of the promissory notes. Moreover, that TTTBB notified TT&T of its intention to offsetting by way of exercise its rights from TT&T SS as discussed above means that TTTBB is a debtor and creditor of TT&T at the same time; TT&T and TTTBB are therefore mutual with the same purpose of debt and TTTBB is eligible to offset payable with TT&T in an equal amount.

Moreover, the plan stipulates that the plan preparer has authority to refuse to acknowledge rights over the leased line service contracts, including any additional revisions of agreements and/or memorandums, and all agreements regarding the leased line service rate, as described in Note 35.4 b) to the financial statements, pursuant to section 90/40 or 90/41 bis of the Bankruptcy Act. However, the legal advisor of TTTBB expressed an opinion that the exercising rights of the plan preparer will not retrospectively have any impact on the rights and obligations under the said contracts.

However, the management of TTTBB is confident that TTTBB has correctly complied with legal opinions of its legal advisor for the matters mentioned above, and therefore does not reflect the effect of these matters in its accounts.

13. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Million Baht)

Company's name	Paid-up capital		Cost		Dividend received during the year	
	2014	2013	2014	2013	2014	2013
Jasmine Submarine Telecommunications Co., Ltd.	1,550	1,550	1,946	1,946	441	98
Acumen Co., Ltd.	760	760	760	760	1,410	1,349
T.J.P. Engineering Co., Ltd.	200	200	160	160	-	-
Mobile Communication Services Co., Ltd.	100	100	70	70	-	-
Jasmine Telecom Systems Plc.	706	706	58	58	-	12
Compunet Corporation Ltd.	260	260	100	100	-	-
Jasmine Smart Shop Co., Ltd.	110	110	110	110	-	-
Three BB Co., Ltd.	52	52	52	52	-	-
Jasmine International Overseas Co., Ltd.	115	115	46	46	-	-
Jasmine Internet Co., Ltd.	15	15	7	7	5	6
Chaengwatana Planner Co., Ltd.	0.1	0.1	-	-	-	-
			3,309	3,309	1,856	1,465
Less: Allowance for impairment of investments			(367)	(367)		
Total investments in subsidiaries - net			2,942	2,942		

- 13.1 As described in Note 9 to the financial statements, at present, JSTC is in negotiation with TOT, a concession provider, regarding the revenue sharing rates under the co-investor agreement made with TOT. The management of JSTC believes that the recorded revenue of such service is consistent with the co-investor agreement.
- 13.2 The majority of the share certificates of the investments of the Company and JTS have been pledged or delivered to a security agent as collateral to secure long-term debts under former rehabilitation plan, as described in Note 24 to the financial statements.

14. Investments in associates

14.1 Details of associates

(Unit: Million Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements							
			Shareholding percentage		Cost		Carrying amounts based on equity method		Share of profit from investments in associates during the year	
			2014 (%)	2013 (%)	2014	2013	2014	2013	2014	2013
Internet Knowledge Service Center Co., Ltd.	Communication equipment rental	Thailand	38	38	49	49	23	23	-	-
Premium Real Estate Co., Ltd.	Ceased operation	Thailand	49	49	402	402	-	-	-	-
Telecom KSC Co., Ltd.	Not yet operate	Thailand	40	40	-	-	-	-	-	-
Total					451	451	23	23	-	-

(Unit: Million Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements							
			Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
			2014	2013	2014	2013	2014	2013	2014	2013
Internet Knowledge Service Center Co., Ltd.	Communication equipment rental	Thailand	(%)	(%)						
			38	38	49	49	(33)	(33)	16	16
Premium Real Estate Co., Ltd.	Ceased operation	Thailand	49	49	402	402	(402)	(402)	-	-
Telecom KSC Co., Ltd.	Not yet operate	Thailand	40	40	-	-	-	-	-	-
Total					451	451	(435)	(435)	16	16

14.2 Summarised financial information of associates

Financial information of the associates is summarised below.

(Unit: Million Baht)

Company's name	Paid-up capital as at 31 December		Total assets as at 31 December		Total liabilities as at 31 December		Total revenues for the year ended 31 December		Profit for the year ended 31 December	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Internet Knowledge Service Center Co., Ltd.	50	50	72	72	9	9	1	1	-	1
Premium Real Estate Co., Ltd.	820	820	10	12	-	-	-	-	-	-
Telecom KSC Co., Ltd.	1	1	-	-	-	-	-	-	-	-

14.3 The shares of profit for the year ended 31 December 2014 of all associates were calculated from the financial statements for the year ended 31 December 2014 prepared by their managements and have not been audited by their auditors.

15. Investment properties

The net book value of investment properties as at 31 December 2014 and 2013 is presented below.

(Unit: Million Baht)

	Consolidated financial statements
31 December 2014	
Cost	947
<u>Less</u> Accumulated depreciation	(362)
Net book value	585
31 December 2013	
Cost	932
<u>Less</u> Accumulated depreciation	(316)
Net book value	616

A reconciliation of the net book value of investment properties for the years 2014 and 2013 is presented below.

(Unit: Million Baht)

	Consolidated financial statements	
	2014	2013
Net book value at beginning of year	616	662
Acquisition	3	5
Transfers to property, plant and equipment - net book value	8	(10)
Depreciation	(42)	(41)
Net book value at end of year	585	616

As at 31 December 2014, the fair value of the investment properties was Baht 1,715 million (2013: Baht 1,691 million).

The fair values of the above investment properties were determined in 2013 based on valuations performed by an accredited independent valuer. The fair value of the land awaiting sale were determined based on market prices, while that of the office building for rent were determined using the income approach. The main assumptions used in the valuation were as to yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

The subsidiary received rental income from investment properties amounting to Baht 31 million and Baht 28 million in 2014 and 2013, respectively.

The subsidiary has operating leases in respect of the lease of building space. The terms of the agreements ranging from 1 year to 3 years. As at 31 December 2014 and 2013, future minimum rental income generated from the investment properties under those lease agreements is as follows.

(Unit: Million Baht)

	Consolidated financial statements	
	As at 31 December	
	2014	2013
Less than 1 year	35	35
1 to 3 years	29	28

16. Property, plant and equipment

(Unit: Million Baht)

	Consolidated financial statements										
	Land	Buildings, leasehold improvement and building improvement	Gateway station for the ACeS Satellite - based mobile project	Motor vehicles	Telecommunications equipment	Satellite transmission equipment	Tools and equipment	Furniture, fixtures and office equipment	Others	Assets under installation	Total
Cost											
1 January 2013	97	917	774	281	13,083	521	331	627	107	999	17,737
Additions	3	85	-	68	445	14	56	70	2	2,481	3,224
Disposals	-	-	-	(3)	(3)	(66)	-	(42)	-	(7)	(121)
Transfers from investment properties	3	7	-	-	-	-	-	-	4	-	14
Transfers in (out)	-	-	-	-	1,355	23	5	53	5	(1,618)	(177)
31 December 2013	103	1,009	774	346	14,880	492	392	708	118	1,855	20,677
Additions	1	35	-	64	926	12	55	78	1	4,057	5,229
Disposals	-	-	-	(11)	(8)	(21)	(1)	(19)	(8)	(4)	(72)
Transfer to non-current assets held-for-sale	-	-	-	-	(3,087)	-	-	-	-	(281)	(3,368)
Transfer to investment properties	(3)	(7)	-	-	-	-	-	-	(2)	-	(12)
Transfers in (out)	-	-	-	-	1,958	21	10	15	17	(2,219)	(198)
31 December 2014	101	1,037	774	399	14,669	504	456	782	126	3,408	22,256

(Unit: Million Baht)

	Consolidated financial statements (Continued)										
	Land	Buildings, leasehold improvement and building improvement	Gateway station for the ACeS Satellite - based mobile project	Motor vehicles	Telecommunications equipment	Satellite transmission equipment	Tools and equipment	Furniture, fixtures and office equipment	Others	Assets under installation	Total
Accumulated depreciation											
1 January 2013	-	474	150	180	3,995	377	226	476	78	-	5,956
Depreciation for the year	-	61	-	60	1,470	63	52	114	14	-	1,834
Depreciation on disposals	-	-	-	(3)	(2)	(61)	-	(40)	-	-	(106)
Transfer from investment properties	-	2	-	-	-	-	-	-	2	-	4
31 December 2013	-	537	150	237	5,463	379	278	550	94	-	7,688
Depreciation for the year	-	63	-	50	1,684	53	49	96	14	-	2,009
Depreciation on disposals	-	-	-	(9)	(7)	(19)	(1)	(20)	(7)	-	(63)
Transfer to non-current assets held-for-sale	-	-	-	-	(570)	-	-	-	-	-	(570)
Transfer to investment properties	-	(2)	-	-	-	-	-	-	(2)	-	(4)
31 December 2014	-	598	150	278	6,570	413	326	626	99	-	9,060

Consolidated financial statements (Continued)											
	Land	Buildings, leasehold improvement and building improvement	Gateway station for the ACeS Satellite - based mobile project	Motor vehicles	Telecommunications equipment	Satellite transmission equipment	Tools and equipment	Furniture, fixtures and office equipment	Others	Assets under installation	Total
Allowance for impairment											
1 January 2013	-	-	624	-	-	79	-	-	-	-	703
Allowance for impairment on transfer out	-	-	-	-	-	(2)	-	-	-	-	(2)
31 December 2013	-	-	624	-	-	77	-	-	-	-	701
Allowance for impairment on transfer out	-	-	-	-	-	(7)	-	-	-	-	(7)
31 December 2014	-	-	624	-	-	70	-	-	-	-	694
Net book value											
31 December 2013	103	472	-	109	9,417	36	114	158	24	1,855	12,288
31 December 2014	101	439	-	121	8,099	21	130	156	27	3,408	12,502
Depreciation for the year											
2013 (Baht 1,665 million included in cost of service, and the balance in selling, servicing and administrative expenses)											
2014 (Baht 1,861 million included in cost of service, and the balance in selling, servicing and administrative expenses)											

(Unit: Million Baht)

	Separate financial statements				
	Leasehold improvement	Furniture and office equipment	Tools and equipment	Motor vehicles	Total
Cost					
1 January 2013	54	27	2	4	87
Additions	-	3	-	-	3
Disposals	-	(3)	-	(2)	(5)
31 December 2013	54	27	2	2	85
Additions	-	1	-	-	1
Disposals	-	(2)	-	-	(2)
31 December 2014	54	26	2	2	84
Accumulated depreciation					
1 January 2013	44	23	2	4	73
Depreciation for the year	4	3	-	-	7
Depreciation on disposals	-	(3)	-	(2)	(5)
31 December 2013	48	23	2	2	75
Depreciation for the year	3	2	-	-	5
Depreciation on disposals	-	(2)	-	-	(2)
31 December 2014	51	23	2	2	78
Net book value					
31 December 2013	6	4	-	-	10
31 December 2014	3	3	-	-	6
Depreciation for the year					
2013 (included in administrative expenses)					7
2014 (included in administrative expenses)					5

As at 31 December 2014, certain plant and equipment items of the Company and its subsidiaries had been fully depreciated but were still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment of those assets amounted to approximately Baht 3,358 million, of which Baht 62 million is from the Company (2013: Baht 1,701 million and Baht 53 million, respectively).

As at 31 December 2014, subsidiaries had motor vehicles and equipment under finance lease agreements with net book values amounting to Baht 117 million (2013: Baht 115 million).

In 2005, Premium Assets Co., Ltd. ("PA"), a subsidiary, purchased Jasmine International Tower from a financial institution at a price of Baht 1,200 million. The Company has prepaid rent in space in this building, as described in Note 18 to the financial statements, and therefore presents this prepaid rent as part of the purchase building in the consolidated financial statements, in order that the presentation of information reflects its underlying economic substance.

The part of equipment for providing telecommunications network services has been acquired under long-term installment agreements as described in Note 23 to the financial statements. Title to and ownership of the equipment will pass to subsidiaries when the subsidiaries have made full payment of the contract price.

On 25 November 2013, the Extraordinary General Meeting of Shareholders No. 1/2556 passed a resolution approving the Company and/or its subsidiaries to sell certain assets relating to the broadband Internet business to an infrastructure fund for broadband Internet business (the "Fund"). The selling price was expected to be approximately Baht 70,000 million. However, on 27 October 2014 a meeting of the Extraordinary General Meeting of the Company's Shareholders passed a resolution to approve an amendment to the resolution of the Extraordinary General Meeting of the Company's Shareholders No. 1/2556, in order to approve the sale of only optical fiber cable to the Fund, with the selling price to be approximately Baht 55,000 - 70,000 million, and to approve the rental of optical fiber cable of the Company and/or its subsidiary from the Fund for their operations, and to approve the Company and/or juristic persons who will be designated by the Company to subscribe for the investment units of the Fund in the amount of no more than one third of the total number of investment units. On 20 January 2015, the Securities and Exchange Commission ("SEC") approved the establishment of the Fund. The planned sale was expected to be completed within one year and the subsidiary therefore reclassified the cost of optical fiber cable to non-current assets held for sales.

On 9 February 2015, the Company had purchased 1,833.1 million shares, for a total of Baht 18,331 million or 33.33 percent of the total number of investment units.

Subsequently, on 10 February 2015 the subsidiary entered into an asset sale and transfer agreement with the Fund to sell optical fiber cable assets at a price of Baht 55,000 million. The subsidiary is to transfer 800,000 core kilometers of optical fiber cable (equivalent to Baht 45,527 million) on the contract date and will gradually transfer 180,000 core kilometers of optical fiber cable (equivalent to Baht 9,473 million) over two years. The subsidiary also entered into a lease agreement to lease 80% of the optical fiber cable assets back from the Fund (the "Main Lease agreement") for a period of approximately 11 years (ending 22 February 2026) at the starting rate of Baht 425 per core kilometer per month, and a revenue guarantee contract with the Fund whereby the subsidiary will lease the remaining 20% of the optical fiber cable assets for a period of three years, with the fund has an option to renew for further periods of three years each until the end of the Main Lease agreement, at the starting rate of Baht 750 per core kilometer per month. In addition, the subsidiary entered into an asset maintenance agreement with the Fund, whereby the subsidiary will receive a monthly service fee at the starting rate of Baht 200 per core kilometer per year. The maintenance agreement will expire on 22 February 2026. The subsidiary will record the asset sale transaction in the first quarter of the year 2015.

17. Computer software

The net book value of computer software as at 31 December 2014 and 2013 is presented below.

(Unit: Million Baht)

	Consolidated financial statements
31 December 2014	
Cost	151
Less: Accumulated amortisation	(146)
Net book value	5
31 December 2013	
Cost	149
Less: Accumulated amortisation	(138)
Net book value	11

A reconciliation of the net book value of Computer software for the years 2014 and 2013 is presented below.

(Unit: Million Baht)

	Consolidated financial statements	
	2014	2013
Net book value at beginning of year	11	34
Acquisition	2	2
Amortisation	(8)	(25)
Net book value at end of year	5	11

18. Prepaid rent

In 1998, the Company entered into a 30-year agreement to lease space in an office building (Jasmine International Tower) from Premium Real Estate Co., Ltd., an associate, and paid advance rental of Baht 415 million. Subsequently, in 2000, the associate transferred ownership of the building to financial institutions in settlement of liabilities, in accordance with a debt restructuring agreement.

In 2005, PA acquired the building back from the financial institution, as described in Note 16 to the financial statements. As a result, in order to present information in accordance with its underlying economic substance, the Company has presented its prepaid rent as part of the purchase building in the consolidated financial statements.

The prepaid rent balances as at 31 December 2014 and 2013 are as follows:

(Unit: Million Baht)

	Separate financial statements	
	2014	2013
Prepaid rent	415	415
Less: Accumulated amortisation	(227)	(214)
Prepaid rent - net	188	201
Amortisation expenses recognised in profit or loss	13	14

19. Short-term loans from banks

Short-term loans from banks of subsidiaries carry interest at the rate tied to MLR. The loans are secured by the assignment of their rights over collection of trade accounts receivable of the subsidiaries as described in Note 9 to the financial statements.

20. Trade and other payables

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade payables - unrelated parties	2,302	2,171	-	-
Retention payable	187	112	-	-
Accrued expenses	59	72	14	11
Other payables - related parties (Note 6)	17	21	-	-
Other payables - unrelated parties	385	261	54	21
Total trade and other payables	2,950	2,637	68	32

TTTBB has ongoing disputes with TT&T, a former related party, related to the debt settlements in 2009 by way of the assignment of promissory notes and transfer of rights in the receivable totaling Baht 877 million and leased line service agreements, as described in Note 12 to the financial statements.

21. Long-term loans

(Unit: Million Baht)

Loan	Interest rate (% per annum)	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
1	MLR	440	504	440	504
2	MLR	767	813	-	-
3	MLR	168	182	-	-
4	MLR	840	1,640	-	-
Total		2,215	3,139	440	504
Less: Current portion		(1,054)	(922)	(94)	(63)
Long-term loans - net of current portion		1,161	2,217	346	441

Details of the above loans are summarised below.

1. This long-term loan is long-term debts under the former rehabilitation plan that were loans from Bangkok Bank Plc. ("the bank"). As at 1 January 2012, the Company classified this loan as current liabilities, since they were due in 2012. However, the Company requested the bank to extend the terms of the loans, and on 29 June 2012, the Company entered into an agreement to extend the terms of loans amounting to Baht 613 million under the Company's former rehabilitation plan, whereby this amount is repayable in quarterly installments over six years, at Baht 16 million per quarter payable in 2012-2014, Baht 24 million per quarter in 2015 - 2016, and Baht 63 million in each of the first to third quarters of 2017, with the balance payable in the fourth quarter of 2017. As at 31 December 2014 and 2013, the Company has classified this loan as current and non-current liabilities, with reference to the above agreement to extend the terms of the loans.

2. This long-term loan is the loan of JSTC, payment of an interest to be made in monthly basis and payment of principal to be made at the end of each March, June, September and December, with quarterly installments of Baht 11 million during 2012 - 2014, Baht 23 million during 2015 - 2016, Baht 57 million in 2017 and Baht 91 million in 2018. Jastel Network Co., Ltd. ("JTN"), a subsidiary, is assuming joint responsibility for the debt. In addition, this loan is secured by all rights and benefits pertaining to concession agreements as described in Note 9 to the financial statements and guaranteed by TLDT.
3. This long-term loan is the loan of Cloud Computing Solutions Co., Ltd. ("CCS"), a subsidiary, repayable in 2011 in 3 installments, which are in August, September and December 2011, and in 28 quarterly installments from March 2012 to December 2018. The loan is guaranteed by JTS. The loan agreement contains an additional condition relating to repayment, whereby, if CCS receives settlements from TT&T and/or cash receipts from sales of TT&T shares received under TT&T's rehabilitation plan, CCS agrees to pay the bank all funds received to settle the loan interest first, with any remaining amount to be used to settle the loan principal. If the amount received is more than the interest and principal of any installment, CCS agrees to use the excess to settle the principal of the next installment due.
4. This long-term loan is the loan of TTTBB, under the loan facility of Baht 2,000 million. The loan is repayable in 14 quarterly installments (Baht 30-210 million per installment), with the first of these due on 31 July 2012, and is to be repaid in full within 31 October 2015. The loan is secured by bank deposits of TTTBB. The loan agreement stipulates certain covenants relating to matters such as the maintenance of certain financial ratios, and the shareholdings of current shareholders.

22. Liabilities under finance lease agreements

(Unit: Million Baht)

	Consolidated financial statements	
	2014	2013
Liabilities under finance lease agreements	117	101
Less: Deferred interest expenses	(9)	(7)
Total	108	94
Less: Current portion	(37)	(44)
Liabilities under finance lease agreements - net of current portion	71	50

The subsidiaries have entered into the finance lease agreements with leasing companies for rental of motor vehicles and equipment for use in their operations, whereby they are committed to pay rental on a monthly basis. The terms of the agreements are generally between 2 and 5 years.

As at 31 December 2014 and 2013, future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Million Baht)

	As at 31 December 2014		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	41	76	117
Deferred interest expenses	(4)	(5)	(9)
Present value of future minimum lease payments	37	71	108

(Unit: Million Baht)

	As at 31 December 2013		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	48	53	101
Deferred interest expenses	(4)	(3)	(7)
Present value of future minimum lease payments	44	50	94

23. Accounts payable for equipment

TTTBB entered into an agreement to purchase equipment from an unrelated company. Under the purchase agreement, TTTBB is obliged to make payment within 3 years. The outstanding balances of such transactions as at 31 December 2014 and 2013, based on due dates, are as follows:

(Unit: Million Baht)

	Consolidated financial statements	
	2014	2013
Accounts payable for equipment	373	788
Less: Deferred interest expenses	-	(11)
Total	373	777
Less: Current portion	(373)	(692)
Accounts payable for equipment - net of current portion	-	85

The above outstanding balance of TTTBB as at 31 December 2014 is secured by Acumen Co., Ltd. ("ACU"), a subsidiary of the Company, and bank deposits of TTTBB amounting to Baht 15 million (2013: Baht 15 million) in accordance with the conditions stipulated in the agreements made with accounts payable for equipment.

24. Debts under former rehabilitation plan

The outstanding balance is debts under the former rehabilitation plan, consisting of the following loans.

- 1) Debt of Baht 30 million was repayable within 9 years, from 2004 to 2012, and carried interest at rates of MLR-2% for the first eight years and MLR+20% for the ninth year.
- 2) Debt of Baht 141 million was repayable in 2013 and carried interest at a rate of MLR - 2%.

As at 31 December 2013, the Company had not yet paid Baht 103 million of loans in 2) because of disputes regarding the amount of interest the creditors calculated on the debt, which was not subject to interest under the former rehabilitation plan. However, the Company settled the full amount in the current year.

Under such rehabilitation plan, the majority of the investments of the Company and JTS had to be pledged, or delivered to the custody of a security agent.

25. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement, was as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Provisions for long-term employee benefits at beginning of year	233	216	13	12
Current service cost	17	16	1	1
Interest cost	8	8	1	-
Benefits paid during the year	(4)	(7)	-	-
Provisions for long-term employee benefits at end of year	254	233	15	13

Long-term employee benefit expenses included in the profit or loss was as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Current service cost	17	16	1	1
Interest cost	8	8	1	-
Total expense recognised in profit or loss	25	24	2	1
Line items under which such expenses are included in profit or loss				
Selling and administrative expenses	25	24	2	1

As at 31 December 2014, cumulative actuarial losses, which were recognised in other comprehensive income of the Company and its subsidiaries, amounted to Baht 30 million (2013: Baht 30 million) and of the Company only of Baht 2 million (2013: Baht 2 million).

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated / Separate financial statements	
	2014	2013
	(% per annum)	(% per annum)
Discount rate	3.75%	3.75%
Future salary increase rate	5%	5%

Amounts of defined benefit obligation for the current and previous four years are as follows:

(Unit: Million Baht)

	Defined benefit obligation		Experience adjustments arising on the plan liabilities	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Year 2014	254	15	-	-
Year 2013	233	13	-	-
Year 2012	216	12	16	1
Year 2011	173	9	-	-
Year 2010	154	8	-	-

26. Registered share capital/Treasury shares/Appropriated retained earnings for treasury shares

On 22 January 2013, the Company registered a decrease in its share capital totaling 107 million shares with the Ministry of Commerce, in accordance with the resolution of the Board of Directors Meeting of the Company No. 5/2555 on 12 December 2012 authorising the Company to reduce capital by writing off the treasury shares that could not be sold through the SET during 2-15 January 2013, totaling 107 million ordinary shares, for a total of Baht 298 million and the Company reversed all the appropriated retained earnings for treasury shares after decreasing paid-up share capital by writing off the treasury shares as stated above.

Subsequently, on 10 June 2014, the Board of Directors of the Company No.3/2557 approved a program to repurchase up to 714 million shares (par value of Baht 0.50 each), or 10 percent of the total number of shares in issue, with a budget of Baht 1,000 million, for liquidity surplus management purposes. The shares are to be repurchased on the Stock Exchange of Thailand within the period of 6 months, starting from 25 June 2014, and can be resold more than 6 months after completing the repurchase (18 December 2014). As at 31 December 2014, the Company had purchased back 142.7 million ordinary shares, for a total of Baht 989.7 million or 2.00 percent of the total number of shares in issue (excluded cost of repurchase treasury shares).

According to letter No. Gor Lor Tor. Chor Sor. (Vor) 2/2548 of the Office of the Securities and Exchange Commission, dated 14 February 2005, concerning the acquisition of treasury shares, a public limited company may purchase back treasury shares in an amount not exceeding the amount of its retained earnings and is to appropriate an equal amount of retained earnings to a reserve for treasury shares, which must be maintained until the Company either sells the treasury shares or reduces its paid-up share capital by an amount equal to the value of the treasury shares which it could not sell. As at 31 December 2014, The Company appropriated the full required amount of retained earnings to a reserve for the treasury shares.

27. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

Pursuant to section 1202 of the Thai Civil and Commercial Code, subsidiaries incorporated under Thai Laws is required to set aside a statutory reserve equal to at least 5 percent of its income each time the subsidiaries pays out a dividend, until such reserve reaches 10 percent of its registered share capital. The statutory reserve can neither be offset against deficit nor used for dividend payment.

28. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Depreciation and amortisation	2,059	1,900	19	21
Salaries, wages and other employee benefits	1,804	1,601	94	80
Telecommunication network rental expenses	1,321	1,253	-	-
Telecommunication license fees	682	564	-	-
Loss on recording provision for reversal of judgement by the Supreme Court	277	-	277	-
Sales promotion expenses	251	181	-	-
Cost of goods sold	220	332	-	-
Electricity expenses	209	200	2	2
Repair and maintenance expenses	172	181	-	-
Doubtful debt and bad debt	163	207	-	-
Rental expenses from operating lease agreements	152	182	4	-
Subcontracting expenses	25	114	-	-
Loss on impairment of assets	37	15	-	-

29. Income tax

Income tax for the years ended 31 December 2014 and 2013 are made up as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Current income tax charge	686	535	-	-
Deferred tax relating to origination and reversal of temporary differences	74	70	70	73
Income tax reported in the statement of comprehensive income	760	605	70	73

Below is the reconciliation of income tax with the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2014 and 2013.

(Unit: Million Baht)

	Consolidated financial statements	
	2014	2013
Accounting profit before tax	4,002	3,682
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by applicable tax rate	800	736
Effects of reversal of temporary differences recognised in the past	14	-
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit: :		
Promotional privileges (Note 30)	(160)	(132)
Unrecognised deferred tax assets		
Loss on recording provision for reversal of judgement by the Supreme Court	55	-
Losses on impairment of assets	7	-
Tax losses of the current year	15	-
Others	29	1
Income tax reported in the statement of comprehensive income	760	605

(Unit: Million Baht)

	Separate financial statements	
	2014	2013
Accounting profit before tax	1,942	1,823
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by applicable tax rate	388	365
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit:		
Dividend income from subsidiaries	(371)	(293)
Loss on recording provision for reversal of judgement by the Supreme Court	55	-
Others	(2)	1
Income tax reported in the statement of comprehensive income	70	73

The components of deferred tax assets are as follows:

(Unit: Million Baht)

	Consolidated statements of financial position		Profit or loss in consolidated statements of comprehensive income	
	As at 31 December		For the years ended 31 December	
	2014	2013	2014	2013
Deferred tax assets				
Allowance for doubtful accounts	22	14	(8)	(6)
Allowance for impairment of assets	-	11	11	(3)
Provision for long-term employee benefits	46	44	(2)	(4)
Unused tax losses	140	212	72	86
Others	-	1	1	(3)
Deferred tax relating to origination and reversal of temporary differences			74	70
Deferred tax assets - net	208	282		

(Unit: Million Baht)

	Separate statements of financial position		Profit or loss in separate statements of comprehensive income	
	As at 31 December		For the years ended 31 December	
	2014	2013	2014	2013
Deferred tax assets				
Unused tax losses	142	212	70	73
Deferred tax relating to origination and reversal of temporary differences			70	73
Deferred tax assets - net	142	212		

As at 31 December 2014 the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 4,596 million (2013: Baht 4,257 million) and the Company only: Baht 3,942 million (2013: Baht 3,703 million), on which deferred tax assets have not been recognised as the Company and its subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

30. Promotional privileges

In Cloud Co., Ltd. ("IC"), a subsidiary, has received promotional tax privileges from the Board of Investment pursuant to promotion certificate No. 2200(7)/2554 issued on 29 September 2011. The privileges include an exemption from corporate income tax for a period of 8 years from the date of the promoted operations commenced generating revenues (31 May 2012).

In 2014, IC had revenues from promoted operations amounting to Baht 840 million (2013: Baht 700 million).

31. Basic 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 held by outsiders in issue during the year.

32. 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 units based on its services and have four reportable segments as follows:

- 1) Broadband internet
- 2) Telecommunications network and service provider
- 3) Provision, design and installation of telecommunications systems
- 4) Other segments

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.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Inter-segment revenues are eliminated on consolidation.

Business operations of the Company and its subsidiaries are mainly carried on in Thailand. Below is the consolidated financial information for the years ended 31 December 2014 and 2013 of the Company and its subsidiaries by segment.

(Unit: Million Baht)

	Broadband internet		Telecommunications network and service provider		Provision, design and installation of telecommunications systems		Other segments		Elimination of inter-segment transactions		Consolidated total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Sales and service income												
Revenue from external customers	10,955	9,542	1,087	1,182	80	265	147	134	-	-	12,269	11,123
Inter-segment revenues	77	54	1,128	938	49	84	142	128	(1,396)	(1,204)	-	-
Total revenues	11,032	9,596	2,215	2,120	129	349	289	262	(1,396)	(1,204)	12,269	11,123
Segment operating profit (loss)	7,352	6,321	184	212	47	135	(28)	(20)			7,555	6,648
Unallocated income and expenses:												
Other income											143	137
Selling and servicing expenses											(853)	(705)
Administrative expenses											(2,036)	(1,858)
Doubtful accounts and bad debt											(163)	(207)
Losses on impairment of assets											(37)	(15)
Exchange losses											(32)	(7)
Loss on recording provision for reversal of judgement by the Supreme Court											(277)	-
Share of profit from investments in associates											-	-
Finance cost											(297)	(312)
Income tax											(760)	(605)
Non-controlling interests of subsidiaries											28	(74)
Profit attributable to equity holders of the Company											3,271	3,002

33. Provident fund

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiaries and their employees contribute to the fund monthly at rates of 3 to 8 percent of basic salary. The fund, which is managed by BBL Asset Management Co., Ltd. will be paid to employees upon termination in accordance with the fund rules. During 2014, the Company and its subsidiaries contributed Baht 69 million, of which Baht 5 million is from the Company, to the fund (2013: Baht 64 million and Baht 4 million, respectively).

34. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2013	Annual General Meeting of the shareholders on 25 April 2014	1,784	0.25
Total for 2014		1,784	0.25
Final dividends for 2012	Annual General Meeting of the shareholders on 29 April 2013	642	0.09
Total for 2013		642	0.09

35. Commitments and contingent liabilities

As at 31 December 2014, the Company and its subsidiaries had the following outstanding commitments and contingent liabilities.

- 35.1 The Company and its subsidiaries had outstanding commitments of approximately Baht 422 million in respect of bid bonds and performance bonds issued by banks and financial institutions on behalf of the Company and its subsidiaries (2013: Baht 815 million) and of the Company only amounting to Baht 10 million (2013: Baht 10 million).
- 35.2 The Company had obligations in respect of its guarantee of letters of guarantee that have been issued by banks on behalf of the subsidiaries totaling Baht 3 million (2013: Baht 3 million).
- 35.3 Subsidiaries had outstanding commitments under the letters of credit with local and overseas suppliers totaling approximately USD 20 million and Baht 210 million (2013: USD 41 million and Baht 61 million).
- 35.4 Long-term service commitments
- a) On 1 May 2006, TTTBB entered into an agreement to provide telecommunications network services to TT&T SS, whereby TTTBB received a monthly services fee as stipulated in the agreement. TTTBB is obliged to comply with certain conditions as stated in the agreement. TTTBB is obliged to provide services until 26 October 2018.
- b) On 1 May 2006, TTTBB entered into an agreement with TT&T, which is to provide leased line services to TTTBB, whereby TTTBB agreed to pay a monthly services fee as stipulated in the agreement. TTTBB is obliged to comply with certain conditions as stated in the agreement until 26 October 2018.

On 12 May 2009, the meeting of Board of Directors of TTTBB passed a resolution whereby TTTBB would enter

into an agreement with TT&T SS to amend the service charge calculation method for telecommunications network services as described in Note 35.4 a) to the financial statements, to service revenue sharing, with TTTBB receiving a 95 percent of service fees charged to customers, assuming that TTTBB (or its subsidiary) and TT&T SS are jointly providing the service to customers. Under this agreement, TTTBB (or its subsidiary) is to invest in telecommunications network services, procurement of routers and advertising. The Meeting also passed a resolution whereby TTTBB would enter into an agreement with TT&T to amend the service charge for leased line services under the agreement made with TT&T, as described in Note 35.4 b) to the financial statements, to 15 percent of average monthly telecommunications network services revenue per circuit received by TTTBB. The management of TTTBB believes that the parties will mutually benefits from the amended conditions.

On 23 February 2011, P Planner Co., Ltd., as rehabilitation plan preparer of TT&T at that time, gave notice of its refusal to acknowledge rights over the leased line service contract, as described in Note 35.4 b) to the financial statements, including any additional revisions of agreements and/or memorandums, and all agreements regarding the leased line service rate, with effective from 25 February 2011 onwards.

35.5 T.J.P. Engineering Co., Ltd. ("TJP"), a subsidiary, has entered into a turn-key agreement with a counterparty, whereby TJP is obliged to deliver work within the period stipulated in the agreement, which is within 29 December 2006. Up to the present, TJP has been unable to make delivery within the stipulated period and the counterparty is therefore entitled to charge a penalty to TJP at a rate of 0.2 percent of the contract value (Baht 31 million) per each day of delay. However, the management of TJP is in the process of negotiation with the counterparty to reduce the scope of work and requesting an extension of the deadline for delivery. The management of TJP believe that TJP will successfully negotiate with the counterparty to reduce the scope of work, extension of the deadline and will complete the project with an immaterial amount of penalty being imposed because the delay was caused by the delay in the delivery of areas by related agencies.

35.6 Following the Central Bankruptcy Court's approval of the business rehabilitation plan ("the plan") of the Company on 7 August 2003, the Company complied with all requirements in the plan. The Court therefore issued an order to terminate the business rehabilitation plan of the Company on 14 September 2006. However, certain creditors of the Company lodged objections to certain issues with the Supreme Court during the rehabilitation process.

On 19 August 2013, the Central Bankruptcy Court read the judgement of the Supreme Court, rejecting the rehabilitation plan and cancelling the Central Bankruptcy Court's business rehabilitation order. As a result the rights of claim of the creditors of the Company returned to what they were prior to the rehabilitation order.

The Company received a legal opinion on 30 October 2013, stating that the judgement of the Supreme Court rendered the rehabilitation plan and all orders of Official receiver ineffective and no longer binding on the creditors and the Company. The rights of claim of creditors on the Company as a debtor would return to what they were prior to the rehabilitation order. Nevertheless, the Company has operated in accordance with the plan for a long time and has, in particular, repaid debt to the creditors in various forms, such as cash repayment, share and asset transfers, and debt to equity swaps. In addition, the legal advisor is of the opinion that, whether and how much the Company will be required to pay to any particular creditor depends on whether the creditors present themselves, exercise their rights and convince the Company that they are the creditors of the amounts claimed. In case of any dispute or disagreement over any matter, the matter will need to be forwarded for consideration by the Civil Court in order to reach settlement. For the reasons mentioned above, because no creditors have presented themselves since the time that the Central Bankruptcy Court read the judgement of the Supreme Court. The Company is therefore of the opinion that it is highly unlikely that the Company will have to pay any obligations in respect of such events and has not recorded a provision with respect to the judgement of Supreme Court.

The Company and the legal advisor made a preliminary assessment, applying the relevant laws, and assessed the value of the assets paid at their current value. It was found that additional liabilities of up to Baht 1,343 million, excluding interest, might arise if the Company were sued by the creditors in the future. Since no creditors have presented themselves, the Company does not have sufficient information available to properly estimate the amount of additional liabilities that should be recorded. The Company therefore disclosed the events in the notes to financial statements and believes that such practice is compliant with relevant financial reporting standards.

However, in August 2014, five financial institutions filed lawsuits petitioning the Central Intellectual Property and International Trade Court to order the Company to make debt repayments under loan agreements, guarantee agreements and rehabilitation agreements of Baht 526 million, USD 25 million and Yen 1,736 million (as at 31 December 2014 equivalent to a total of approximately Baht 1,833 million), comprising principal of Baht 1,093 million and interest of Baht 740 million as a consequence of the Supreme Court's rejection of the rehabilitation plan and cancellation of the business rehabilitation order, as described above. Initially, it was found that all of the debts under the lawsuit were debts for which claims were previously filed under the rehabilitation plan of the Company. The Company has assessed the conditions of accounting under these new circumstances, and believes that the Company should record provision in accordance with financial reporting standards whenever creditors present themselves by filing lawsuits with the court. However, two of the five financial institutions are creditors whom the rights of claims were assigned by various former creditors (principal of Baht 426 million and interest of Baht 420 million), one is not named among the creditors filing claims under the business rehabilitation plan. The legal advisor's opinion is that when the court considers these matters, the two financial institutions will have to convince the Court that they are creditors to whom the rights in the actual amounts claimed were assigned legally and without error. It is likely that the two financial institutions will be unable to prove this without legal issues since these rights have been transferred a number of times both within Thailand and overseas over a considerable period of time. Moreover, if the facts show that the objective of acquiring the rights was solely to sue the Company in order to seek benefit, after the Supreme Court issued its judgement regarding this matter, the transfer of rights of claim could be deemed illegal and could be declared invalid. Therefore, legal advisor is of the opinion that it is uncertain whether the two financial institutions will receive payment of the amount claimed in the petitions. The Company has therefore recorded provision for the other three financial institutions which are original creditors, or creditors as a result of mergers with the original creditors who are named in the claims for payment filed under the Company's rehabilitation plan (principal of Baht 667 million and interest of Baht 320 million). Following the legal advisor's opinion, provision amounting to Baht 277 million (principal of Baht 260 million and interest of Baht 17 million) is recorded in the financial statements of the current year since it is highly likely that the Company will be liable. This was determined based on the amount of the claims filed by the three financial institutions, less the amounts that the Company considers to have been settled under the rehabilitation plan. The petition of the five financial institutions is being considered by the Central Intellectual Property and International Trade Court and the ultimate outcome of the case cannot be determined at this stage. The court's decision may affect the amount of this provision. Since there is still a lack of legal clarity because the Supreme Court did not directly address the effect of the debt settlement made out by the plan administrator in accordance with the terms of the rehabilitation plan, the Company has decided that the amount of reserves recorded in the accounts is adequate and appropriate in the current circumstances. Moreover, if creditors file additional claims in the future and the Company has preliminarily verified their correctness and completeness, the Company will record additional provision for those creditors in the Company's accounts. However, the recording of such provision does not in any way constitute an acceptance of the Company's obligation to pay such liabilities.

- 35.7 In September and December 2013, JTS entered into agreements with two government agencies to sell 357,024 and 12,246 tablet personal computers in Zone 4 (Northern and Northeastern regions) with total contract values of Baht 749 million (excluding value added tax). Under a condition in the agreements, JTS had to deliver all of

the tablets to these government agencies within December 2013 and March 2014, respectively. However, JTS was unable to deliver the tablets as scheduled in the agreements as a result of a massive fire in September 2013 at a production facility in China where a part of the tablets was produced. JTS submitted letters to the government agencies, the counterparties to the agreements, to inform them of the cause of the delay and request extensions of the shipment schedules. The agreements stipulate that JTS is obliged to pay a penalty for delayed shipment at a daily rate of 0.2 percent of the price of the unshipped tablets. During 2014, these counterparties to the agreements submitted letters to JTS to terminate the sale and purchase of tablet agreements with JTS. These counterparties considered JTS to be unable to perform its obligations under the agreements and asked JTS to pay the penalty at the daily rate of 0.2 percent of the price of the unshipped tablets from the dates of delivery stipulated in the agreements to the date of termination of the agreements, a total of Baht 148 million. In addition, the counterparties asked the bank who issued bank guarantees on behalf of JTS as performance bonds for these agreements to pay them a total of Baht 40 million under these letters of guarantee. However, JTS submitted letters to these counterparties objecting to the terminations of the agreements and to the imposition of penalties under the agreements. These clarified that the cause of the delays in the shipments of tablets was the aforementioned massive fire at a production facility, which was an event of force majeure and outside the JTS's control, and JTS had already notified the cause of delay to the both counterparties. JTS therefore believes that it is not obliged to pay penalties and damages to these counterparties. In addition, JTS submitted letters to the bank who issued bank guarantees for JTS, asking it not to pay a total of Baht 40 million to these counterparties. However, in November 2014, the first counterparty (357,024 tablets sale agreement) filed a lawsuit with the Administrative Court requesting JTS to pay a penalty for its inability to deliver tablet as stipulated in the agreement and to pay the amount of the performance guarantee in the bank guarantee, together with interest at a rate of 7.5 percent per annum, or a total amount of Baht 190 million. JTS is in the process of preparing a plea statement in response to the lawsuit for the Administrative Court. As a result of the above, JTS is unable to conclude whether and to what extent penalties and damages will be incurred. Therefore, JTS does not record provision for such penalties and damages in the accounts. Moreover, in the event that JTS is required to pay penalties and damages, JTS can claim all damages from the company which is selling the tablets to JTS, in accordance with a condition stipulated in the sale and purchase agreement made between JTS and another local company. During 2014, JTS submitted a notice of breach of the agreement to this company claiming that it had failed to deliver tablets in accordance with the agreement, and JTS exercised its right to terminate the agreement with this company. In addition, JTS asked the bank who issued a bank guarantee on behalf of this company as a performance bond for the sale of tablets to pay Baht 38 million to JTS under the letter of guarantee and JTS collected this amount and recorded the amount collected under the caption of trade and other payables in the consolidated statement of financial position as at 31 December 2014. Moreover, as at 31 December 2014, JTS had an outstanding balance of deposit paid to this company for the purchase of tablets and other prepaid expenses for which this company is to be responsible for a total of Baht 28 million which was recorded under the caption of trade and other receivables in the consolidated statement of financial position, and JTS is in the process of claiming this amount back from this company.

35.8 Litigation and disputes with TT&T

1. CCS has outstanding balances receivable from TT&T amounting to approximately USD 5 million (as at 31 December 2014 equivalent to totaling approximately Baht 168 million), which is being disputed with TT&T. In 2011, TT&T submitted a dispute proposal to the Thai Arbitration Institute asking CCS to pay a total of Baht 1,780 million, together with interest at the rate of 7.5% per annum from the date of the submission of the dispute until CCS effects whole performance. However, the management of CCS believe that CCS did not breach the agreement and will not have to pay such amount to TT&T. In February 2012, CCS filed an objection against the aforementioned dispute proposal of TT&T with the Thai Arbitration Institute, seeking to revoke the dispute proposal of TT&T and asking the Thai Arbitration Institute to order TT&T to pay a total of

Baht 528 million, together with interest at the rate of 7.5% per annum from the next date after the submission of the objection until TT&T effects whole performance. Subsequently, in July 2012, TT&T filed an answer to the CCS's objection with the Thai Arbitration Institute, asking the Thai Arbitration Institute to reject the CCS's objection that proposed TT&T be ordered to pay a total of Baht 528 million, together with interest. Currently, the disputes are in process of consideration by the arbitrators.

2. Jasmine Internet Co., Ltd. ("JI-Net"), a subsidiary, received a letter dated 13 December 2010 from the Official Receiver, ordering it to pay TT&T leased line costs payable for the period from March 2005 to March 2008, amounting to Baht 20 million, with interest from the due date until full payment is made to TT&T. JI-Net has recorded the full amount of this cost in its accounts, while it believes that it can negotiate the interest with TT&T and it is unlikely that it will have to pay the interest. JI-Net has therefore not recorded the accrued interest in its accounts. Subsequently, the Official Receiver orders JI-Net to pay the leased line costs payable to TT&T. However, JI-Net filed an appeal against the order with the Central Bankruptcy Court. Currently, the appeal is under the consideration of the Central Bankruptcy Court.
3. Smart Highway Co., Ltd. ("Smart"), a subsidiary, received a letter dated 8 November 2010 from the Official Receiver, ordering it to pay TT&T leased line costs payable for the period from July 2006 to April 2008, amounting to Baht 24 million, with interest of Baht 5 million calculated until 31 March 2010, and additional interest from the due date until full payment is made to TT&T. Smart has recorded the full amount of this cost in its accounts, while it believes that it can negotiate the interest with TT&T and it is unlikely that it will have to pay the interest. Smart has therefore not recorded the accrued interest in its accounts. Subsequently, the Official Receiver orders Smart to pay the leased line costs payable to TT&T. Smart filed a complaint with the Central Bankruptcy Court alleging that the official receiver had illegally served a letter on Smart, the Court subsequently issued an order dismissing Smart's complaint and Smart is in the process of appealing this decision to the Supreme Court.
4. From 2007 to 2009, TOT filed charges against TTTBB to numerous police stations, and filed a criminal suit to the Phuket Provincial Court alleging that TTTBB had illicitly used TOT's network. However, TTTBB's management believes that TTTBB had not illicitly used TOT's network equipment, since TTTBB had used network equipment and/or services in accordance with a contract with an unrelated company. With respect to the cases filed at numerous police station, prosecutors have already decided not to proceed with lawsuits. With respect to the case filed with the court, on 28 February 2013 the Court dismissed the case and TOT appealed to the Appeal Court. The Appeal Court affirmed the judgement and the case was finalised.

In 2008, TOT filed a lawsuit against TTTBB and TT&TSS with the Civil Court and the Tungsong Provincial Court, seeking compensation of Baht 16.6 million and Baht 7.4 million respectively, and alleging that TTTBB and TT&TSS had illicitly used TOT's bandwidth for Internet services. On 17 December 2010, the Tungsong Provincial Court ordered the dismissal of the case. TOT filed an appeal and the case is under consideration of the Appeal Court. On 29 December 2010, the Civil Court ordered TTTBB and TT&TSS to pay the compensation of Baht 15.5 million plus interest at a rate of 7.5% per annum and an addition of Baht 0.9 million per month plus interest at a rate of 7.5% per annum from December 2008 until TTTBB and TT&TSS cease the infringement. TTTBB and TT&TSS have filed an appeal but the Appeal Court affirmed the judgement of the Civil Court. At present, the case is being considered by the Supreme Court.

During the years 2009 and 2010, TT&T lodged complaints against TTTBB and TTTI at numerous police stations and filed lawsuits with various courts, concerning the use and maintenance of leased lines and the carrying out of work at transmission node locations. In most cases, prosecutors have already decided not

to proceed with lawsuits, except for the complaints filed in the areas under the Praputtabaht and Nhaphalan police stations. With respect to the cases filed with the courts, the case before Udon Thani Provincial Court was dismissed by the Court and TT&T appealed to the Appeal Court, which reversed the judgement of the Udon Thani Provincial Court. At present, the case is under consideration by the Supreme Court. Meanwhile, the case before the Saraburi Provincial Court was dismissed by the Court and TT&T appealed to the Appeal Court, which is considering the appeal; and the case filed with the Chiang Mai Provincial Court was dismissed by the Court and TT&T appealed to the Appeal Court, which affirmed the judgement of the Chiang Mai Provincial Court. At present, the case is under consideration by the Supreme Court.

In November 2010, TTTBB was sued by TT&T, seeking compensation of Baht 16 million on the grounds that TTTBB illicitly used the telecommunication network that TT&T rented from Electricity Generating Authority of Thailand. The Nonthaburi Provincial Court ordered TTTBB to pay the compensation of Baht 16 million, plus interest at a rate of 7.5% per annum on principal of Baht 14.8 million. However, on 16 September 2014 the Appeal Court reversed the judgement of the Nonthaburi Provincial Court and dismissed the case.

In 2010, TTTBB received a notice from the Official Receiver, the Business Reorganisation Department, informing that TT&T requested TTTBB to pay the outstanding debts of Baht 834 million which are subject to an interest rate of 7.5% per annum until the payment is settled. Nearly 90% of the claim was lease line service payable which TTTBB paid to TT&T through the offset debt payable and the assignment of promissory notes in 2009, as described in Note 12 to the financial statements. However, the rehabilitation planner disputed that the payment did not constitute a complete and legitimate debt settlement transaction. The remaining balance is not equal to the liabilities that TTTBB recorded in the accounts. The case is currently under investigation by the Official Receiver.

On 12 January 2011, TTTBB received a notice from the Thai Arbitration Institute, Alternative Dispute Resolution Office, Office of the Judiciary, stating that on 27 December 2010 TT&T had filed a statement of claim demanding TTTBB settle leased line payable totaling Baht 1,447 million, plus interest accrued at a rate of 7.5% per annum until the amount is settled. TT&T later amended the claim to Baht 1,496 million. TTTBB filed an objection and a counterclaim for damages suffered as a result of TTTBB's inability to use the leased line service, amounting to Baht 3,477 million, with the Thai Arbitration Institute on 29 June 2011. On 29 July 2014, the arbitration tribunal unanimously agreed that TT&T was in breach of the agreement and the Chairman of the arbitration tribunal rendered the award stating that the compensation and penalty, which TT&T shall be liable to TTTBB, and the outstanding network rental service fee to be paid by TTTBB, shall be set off against each other and extinguished, while the other claims shall be lifted. On 12 November 2014, TT&T filed a petition with the Civil Court seeking to reverse the Thai Arbitration Institute's order. At present, the case is being considered by the Civil Court.

On 21 February 2011, TTTBB and TTTI sued P Planner Co., Ltd. and its team, who were the rehabilitation plan preparer and administrator of TT&T, seeking compensation of Baht 2,439 million for their obstruction of the provision of internet broadband services of TTTBB and TTTI on TT&T's network under the leased line service agreement between TTTBB and TT&T. The president of the Supreme Court is currently making a determination with respect to the authority of the Court in this respect, and then the case will be considered by the authority Court.

On 24 February 2012, TTTBB was sued by TT&T with the Nonthaburi Provincial Court, seeking compensation of Baht 621 million plus interest at a rate of 7.5% per annum until settlement is made, alleging that TTTBB had continued to use TT&T's network after TT&T had denied that it had the right to do so under the leased

line service agreement. The management of TTTBB is confident that TTTBB did not commit the tort alleged. However, on 6 February 2015 the Nonthaburi Provincial Court dismissed the case.

On 29 November 2013, TT&T filed a lawsuit against TTTBB in a civil case lodged with the Nonthaburi Provincial Court, seeking compensation of Baht 228.7 million plus interest for breach of agreements. The major claims were made the same basis as the collection notice of the Official Receiver of TT&T (excluding the leased line payable). The case is under consideration by the Nonthaburi Provincial Court. In July 2014, TT&T submitted a petition for an interlocutory injunction order during this litigation process to prohibit TTTBB from distributing, transferring, or creating any encumbrance over its assets. On 10 October 2014, TTTBB pledged a fixed deposit account amounting to Baht 228.8 million as a security with the Nonthaburi Provincial Court, without admission the guilt. TT&T therefore did not insist on the interlocutory injunction and withdrew its petition for such injunction.

The ultimate outcomes of these lawsuits and disputes cannot be determined at this time. The management of TTTBB and TTTI is confident that no significant losses will be incurred as a result of these lawsuits and disputes and therefore no provisions for contingent liabilities have been recognised in the accounts.

5. On 13 September 2006, Acumen entered into a Memorandum of Understanding with TT&T. This prescribes that Acumen is to provide financial support to TTTBB, a subsidiary, while TTTBB remains a subsidiary, and that Acumen will allow the shareholders of TT&T to purchase the newly issued shares and/or existing shares of TTTBB held by Acumen in order to adjust the shareholding of TT&T on the date of TTTBB's initial public offering (IPO) or a date 3 years after the date of execution of the agreement. In this regard, if TTTBB's IPO goes ahead, the purchase price of such shares shall be par value (Baht 10) plus a premium of 20 percent per year, or the public offering price of the ordinary shares of TTTBB, whichever is lower. If the IPO does not go ahead, the purchase price shall be a fair price as assessed by an independent financial advisor approved by the SEC.

The legal advisor of Acumen expressed an opinion that the above Memorandum of Understanding has been invalid since 19 June 2008, which is the date on which the SEC submitted a letter to TTTBB notifying it of the rejection of its request for permission to launch an IPO and the registration statement of newly issued securities of TTTBB, on the grounds that the SEC was unable to consider the request made by TTTBB because TTTBB had requested an indefinite extension to provide additional information. This can be held to constitute a denial of approval for TTTBB's IPO by the SEC, and on this basis it can be held that TTTBB commenced the IPO process within 3 years but did not receive approval from the relevant regulator, and thus invalidating the memorandum from the above mentioned date as stipulated in the memorandum of understanding.

In 2009, Acumen purchased ordinary shares in TTTBB by way of a rights offering, and also purchased the shares remaining as a result of TT&T waiving its right to subscribe. However, in June 2014 TT&T, through PCL Planner Co. Ltd (rehabilitation plan administrator of TT&T), filed a Baht 868 million lawsuit against Acumen in a civil case lodged with the Nonthaburi Provincial Court, petitioning for an order for Acumen to transfer shares in TTTBB to the shareholders of TT&T, as stipulated in the memorandum of understanding regarding the exercise of rights to purchase ordinary shares between TT&T and Acumen. The legal advisor and the management of Acumen believe that no significant losses will be incurred as a result of these lawsuits and disputes because, in their opinion, the above memorandum of understanding is no longer valid. The case is now being considered by the Nonthaburi Provincial Court. In addition, TT&T submitted a petition for an interlocutory injunction order during this litigation process to prohibit Acumen, as a shareholder of TTTBB, from passing and resolutions related to the disposal or transfer of, or creation of any encumbrance over

the assets of TTTBB. Subsequently, on 9 September 2014, the Court issued an order dismissing the petition for an interlocutory injunction.

In July 2014, three individuals who are employees of TT&T, filed a lawsuit against Acumen with the Nonthaburi District Court, seeking to have Acumen transfer the 94,237 newly issued or existing shares of TTTBB held by Acumen under memorandum of understanding. The case is now being considered by the Nonthaburi District Court.

On 25 September 2014, Acumen filed a lawsuit against TT&T and related individuals and juristic persons, a total of 13 persons, with the Nonthaburi Provincial Court, in a black case, claiming damages in the amount of Baht 6,350 million on the grounds that the 13 defendants jointly committed a wrongful act against Acumen by using the above memorandum of understanding, which all defendants were well aware that was null and void for a long time, to file a lawsuit against Acumen. They intentionally filed the lawsuit and the petition for an interlocutory injunction order while TTTBB is in the process of applying to establish an infrastructure fund, despite the fact that they will not receive any benefit from the complaint. The lawsuit and the petition for an interlocutory injunction were filed in order to obstruct TTTBB's establishment of the infrastructure fund, and this constitutes a bad faith act before the court, which has caused damage to Acumen.

35.9 Telecommunications licenses

The National Broadcasting and Telecommunications Commission ("NBTC") granted licenses to seven subsidiaries as follows.

Company	Type of license	Authorised service	Period
Acumen Co., Ltd.	Type I	Internet service	25 August 2014 - 24 August 2019
	Type I	Public telephone service	15 December 2010 - 14 December 2015
	Type II	International internet gateway service	8 February 2012 - 7 February 2017
	Type II	Very Small Aperture Terminal (VSAT) service	30 November 2011 - 29 November 2016
Triple T Broadband Plc.	Type III	Telecom services, fixed line telephone service and data communication network service	23 February 2006 - 22 February 2026
Jasmine Internet Co., Ltd.	Type I	Internet service	28 July 2014 - 27 July 2019
	Type I	International calling card service	25 January 2010 - 24 January 2015
Jastel Network Co., Ltd.	Type I	Internet service	6 November 2014 - 5 November 2019
	Type II	Domestic private leased circuit service	30 November 2006 - 29 November 2021
	Type II	International internet gateway service	30 March 2014 - 29 March 2019
	Type III	International private leased circuit service	18 November 2009 - 17 November 2024
Triple T Internet Co., Ltd.	Type I	Internet service	20 June 2014 - 19 June 2019
ACeS Regional Services Co., Ltd.	Type I	Internet service	23 November 2014 - 22 November 2019
	Type I	Telecom services, International calling card service	16 February 2010 - 15 February 2015
Jasmine Telecom Systems Plc.	Type I	Mobile telephone network service	16 June 2011 - 15 June 2016

The subsidiaries are obliged to comply with certain conditions as stated 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.

ACeS Regional Services Co., Ltd. ("ARS"), a subsidiary, a satellite-based cellular phone service provider, is requesting a type III license from NBTC. At the present, ARS has not yet received the license.

36. Financial instruments

36.1 Financial risk management

Financial instruments of the Company and its subsidiaries, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, bank overdrafts, short-term loans, trade and other payables, accounts payable for equipment, liabilities under finance lease agreements, long-term loans, and debts under former rehabilitation plan. 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 and other receivables. 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 Company and its subsidiaries do not have high concentrations of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables stated in the statement of financial position.

Interest rate risk

Exposure to interest rate risk of the Company and its subsidiaries relates primarily to its deposits with financial institutions, short-term loans, accounts payable for equipment, liabilities under finance lease agreements, long-term loans and debts under former rehabilitation plan. However, since most of financial assets and liabilities of the Company and its subsidiaries bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Foreign currency risk

The exposure of the subsidiaries to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The subsidiaries seek to reduce this risk by entering into forward exchange contracts when they considers appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets and liabilities of the subsidiaries denominated in foreign currencies which were unhedged are summarised below.

Foreign currency	Consolidated financial statements				Average exchange rate as at 31 December	
	Financial assets as at 31 December		Financial liabilities as at 31 December			
	2014	2013	2014	2013	2014	2013
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	2	3	62	35	32.96	32.81

36.2 Fair values of financial instruments

Since the majority of financial instruments of the Company and its subsidiaries are short-term in nature. Accounts payable for equipment, liabilities under finance lease agreements, long-term loans and debts under former rehabilitation plan carry interest at rates close to market rates. Their fair value are not expected to be materially different from the amounts presented in the statements 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.

37. Capital management

The primary objective of the capital management of the Company and its subsidiaries is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

As at 31 December 2014, the Group's debt to equity ratio was 0.78:1 (2013: 0.74:1) and the Company was 0.17:1 (2013: 0.12:1).

38. Events after the reporting period

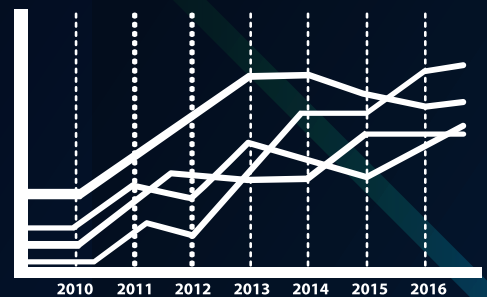
On 23 February 2015, the Company's Board of Directors meeting No. 1/2558 approved for payment of an interim dividend of Baht 1.50 per share, or a total of approximately Baht 10,492 million, from the operating results for the period as from 1 January 2015 to 19 February 2015.

39. Approval of financial statements

These financial statements were authorized for issue by the Company's Board of Directors on 27 February 2015.



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