



ANNUAL REPORT

2018

JASMINE INTERNATIONAL PUBLIC COMPANY LIMITED

ENHANCE
NATIONWIDE
NETWORK



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

Abbreviation used in 2018 Annual Report

ACT	= ACeS (Thailand) Company Limited
ACU	= Acumen Company Limited
ARS	= ACeS Regional Services Company Limited
CCS	= Cloud Computing Solutions Company Limited
CP	= Chaengwatana Planner Company Limited
IKSC	= Internet Knowledge Service Center Company Limited
INC	= In Cloud Company Limited
JAS	= Jasmine International Public Company Limited
JASMBB	= JAS Mobile Broadband Company Limited
JASIF	= Jasmine Broadband Internet Infrastructure Fund
JAS-W3	= The Warrant Representing the Rights to Purchase the Ordinary Shares of Jasmine International Public Company Limited. No. 3
Ji-NET	= Jasmine Internet Company Limited
JIOC	= Jasmine International Overseas 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
SHW	= Smart Highway Company Limited
TJP	= T.J.P. Engineering Company Limited
TKSC	= Telecom KSC Company Limited
TLDT	= Thai Long Distance Telecommunications Company Limited
TTTBB	= Triple T Broadband Public Company Limited
TTTI	= Triple T Internet Company Limited
SEC	= The Office of the Securities and Exchange Commission
CAT	= CAT Telecom Public Company Limited
NBTC	= The National Broadcasting and Telecommunications Commission
SET	= The Stock Exchange of Thailand
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



To Our Shareholders,

In the year 2018, hi-speed broadband internet was still considered as the core business of Jasmine International Public Company Limited (JAS). Operated by Triple T Broadband Public Company Limited, a subsidiary of JAS, the business has shown continuing growth as demonstrated by a high volume of 3 million subscribers today representing an increase growth in operating revenue of over 4%, compared to the previous year of 2017.

The Company has continuously expanded its optical fiber cable networks to cover all regions nationwide to be in line with the government policy of driving the country into the modern Digital Economy and in this regard, people across the country have been provided with equitable opportunities to gain access to the Company's hi-speed broadband internet and benefit greatly from it.

The Company places a high priority on its responsibility towards society and is committed to complementing Good Governance with Businesses Development policies for Sustainable Growth that has been introduced into communities and villages in even remote areas throughout the country through effective campaigns such as: "JAS CSR for Children" that promotes knowledge and learning skills for the development of Thai students and youths; "Free Broadband Internet for Education" and "JAS Uniting in Mangrove Planting and Restoring Natural Abundance".

On behalf of the JAS Board of Directors, I would like to take this opportunity to thank our shareholders, all respected customers, business partners, business allies and financial institutions for your continuing trust and support in our business operations.

A handwritten signature in blue ink, appearing to read 'Sudhitham', with a stylized flourish at the end.

(Mr. Sudhitham Chirathivat)
Chairman of the Board of Directors

To Our Shareholders,

Triple T Broadband Public Company Limited, also known as 3BB, the company operating the core business under JAS, is committed to continuing its leadership in hi-speed broadband internet, as evidenced by its expansion of optical fiber cable networks to cover everywhere nationwide and its dedication to expand the customer base by providing a variety of packages and launching new campaigns to meet the diverse demands of the customers in parallel with upgrading the existing xDSL subscribers to the members of FTTx service. All these attempts enabled 3BB a record of up to 3,000,000 subscribers in 2018; this number included approximately 1,027,000 FTTx subscribers. For the year 2018, 3BB had 709,000 net additional FTTx subscribers, compared to the year 2017 in which it had 201,000 net additional FTTx subscribers.

The Company has been conducting Researches and Development (R&D) for broadband internet technology earnestly in order to increase the efficiency of its networks across the country with confidence that this will ultimately enhance the Company's more competitiveness that will lead further to sustainable growth and stability, forever maintaining the Company's reputation as leader of hi-speed broadband internet.

The disposal of the additional Optical Fiber Cables to Jasmine Broadband Internet Infrastructure Fund (JASIF), which is now being proceeded, will enable the Company to obtain more fund for the expansion and the upgrading of the service networks as well as availing the opportunity for the Company to consider paying special dividend to the shareholders.

On a last note, on behalf of JAS Board of Directors, executives and employees, I would like to thank all the shareholders, respected customers, business partners, business allies and financial institutions for your continued trust and support.



(Mr. Pete Bodharamik)
Chief Executive Officer





Board of Directors



Mr. Sudhitham Chirathivat

Chairman of the Board of Directors and
Independent Director

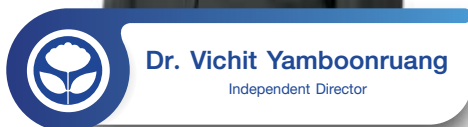


Mr. Pete Bodharamik

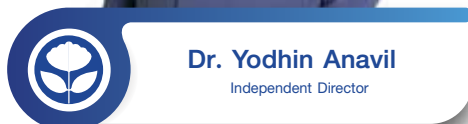
Chief Executive Officer and Director



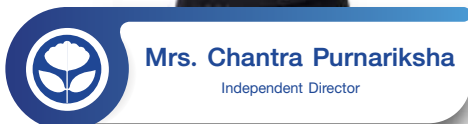
Board of Directors



Dr. Vichit Yamboonruang
Independent Director



Dr. Yodhin Anavil
Independent Director



Mrs. Chantira Purnariksha
Independent Director



Board of Directors



Ms. Saijai Kitsin
Director and President



Mr. Pleumjai Sinarkorn
Director




Mr. Terasak Jerauswapong
Director



Board of Directors




 **Mr. Subhoj Sunyabhisithkul**
Director



 **Mr. Yordchai Asawathongchai**
Director



 **Mr. Sittha Suviratvitayakit**
Director



Business Policy and Business Operation Overview



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. 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 (the “SET”) , with funds raised from both the local and the foreign money markets and capital markets to be used for business expansion.

At Present, 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 complement one another. To achieve such goal, the Company fully utilizes potentiality in its well synergized human capital and telecom networks. Nowadays, the Company has invested in the following core businesses:-

1. Broadband Business that provides high-speed connectivity, 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, National Internet Exchange service (NIX), Co-Location service and satellite communications;
3. System Integration Business that provides equipment sourcing, design, and implementation of telecommunications and IT systems, as well as the distribution of computer systems and other related equipment; included also in this business category are telecommunications services and cloud computing that is a technology providing users with ICT services; thus, an operator who needs the ICT system for running his business may choose to rent cloud services from the company instead of acquiring them by own investment. Two types of cloud service that the company provide for the customers are: Infrastructure-as-a-service and Software-as-a-Service;
4. Other Businesses that include property business : offering office rental and related services for Jasmine International Tower.

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

Vision

To be a leader in providing communications technology services and meeting the needs of every clientele type as well as continued commitment toward social responsibility

Mission

- 1) Providing complete service coverage in every neighborhood nationwide
- 2) Continued improvements in quality and speed for every type of service provided along with continued progress towards research and development
- 3) Continued development & training of our employees to allow for the best efficiency in the workplace and quality of service.
- 4) Utilizing synergy between technology and personnel
- 5) Remain dedicated to our social responsibilities by giving back to our communities nationwide

Goal

To be the leading provider of quality high speed broadband internet with complete national coverage

1.2 Significant Changes and Development

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

Changes in Control Power of the Company

2016

There was no change in control power of the Company.

2017

On 17 January 2017, JAS Board of Directors at the meeting No.1/2017 resolved to appoint Miss Saijai Kitsin as the Director and President.

2018

On 23 February 2018, JAS Board of Directors at the meeting No.1/2018 resolved to acknowledge the resignation from the director position in the Board of the Company of Mr. Somboon Patcharasopak and also resolved to appoint Mr. Sittha Suviratvitayakit as director in the Board of the Company in place of Mr. Somboon Patcharasopak. To this regard, Mr. Sittha Suviratvitayakit would retain his office only for the remaining term of Mr. Somboon Patcharasopak.

Changes in Nature of Business

In 2018, Jasmine International Group still had 4 business groups. Of these 4, the business that remarkably reported significant progress was Broadband Internet business under TTTBB and TTTI, which emphasized not only the expansion of networks to provide the FTTx service, utilizing the most up-to-date fiber optic networks, but also the continuous development of broadband Internet networks to enable the provision of Internet speed of up to 10 Gbps, enhancing the speed and properties that surpass the ones generally offered by Internet service via mobile phone networks. In addition, TTTBB and TTTI have also kept on developing more value-added services; for instances, Internet Protocol Television (“IPTV”), Cloudbox storage, and etc. to meet a variety of demands of the customers.

Changes in Shareholding Structure and Management

- Acquisition and Disposal of Assets of Jasmine International Group

2016

On 19 September 2016, JAS Board of Directors at the meeting No.9/2016 resolved to acknowledge the tender offer for the entire securities of JAS to be made by Mr. Pete Bodharamik (the “Offeror”). In this regard, The Siam Commercial Bank Public Company Limited acted as the tender offer preparer and financial supporter for the making of a tender offer for the entire securities of JAS, in the credit facility of up to Bt 42,500,000,000; the details of which are set out as follows.

Offering price	: JAS Bt 7.25 per share JAS-W3 Bt 3.68 per unit
Date for the official submission of the tender offer	: 28 September 2016
Number of securities to be offered	: 1. The Offeror had 1,844,046,870 existing shares and JAS had 1,200,000,000 outstanding shares bought back (Treasury Stocks). The remaining shares to be offered for this tender offer were 4,091,732,612 shares. 2. The Offeror had 553,944,543 units of JAS-W3. The remaining JAS-W3 to be offered for this tender offer were 2,733,604,634 units

On 10 November 2016, JAS received a copy of the Report on Result of the Tender Offer (Form 256-2) from Mr. Pete Bodharamik, as the Offeror, the number of securities to be offered is as follows.

- JAS 2,451,199,582 shares
- JAS-W3 1,429,351,214 units

Thus, Mr. Pete Bodharamik totally held 4,295,246,452 JAS shares and 1,983,295,757 JAS-W3 units.

2017

On 27 April 2017, the 2017 Annual General Meeting of Shareholders passed a resolution to approve TTTBB, a subsidiary of JAS, to enter into the transactions in relation to the Jasmine Broadband

Internet Infrastructure Fund (“JASIF/the Fund”) as follows :-

- Approving the disposal of the additional Optical Fiber Cables of not exceeding 980,000 core k.m. (the “Additional Assets”) to JASIF. TTTBB would transfer a portion of the Additional Assets to JASIF on the execution date of the Additional Assets Sale and Purchase Agreement and the remaining assets will be gradually transferred over a period to be agreed upon by the parties, which shall be within 3 years from the first date on which such assets are transferred;
- Approving the entering into the asset acquisition transaction by means of leasing the additional Optical Fiber Cables from JASIF and providing the Fund a guarantee of the lease payment for the additional Optical Fiber Cables. TTTBB was desirous to lease the Additional Assets from the Fund in the form of a “Master Lease Agreement” of 80 percent of the total Additional Assets the Fund would have received (or would have received from time to time) in order to use the Additional Assets in the business operation of broadband Internet. The lease term is approximately 12 years. In addition, TTTBB was desirous to provide the Fund a guarantee of asset lease payment under the “Asset Lease Payment Guarantee Agreement” of 20 percent of the total Additional Assets the Fund would have received (or would have received from time to time). In this regard, the guarantee period is three years, and the Fund is entitled to renew the Asset Lease Payment Guarantee Agreement for another three years per renewal until the Master Lease Agreement is expired;
- Approving the subscription of newly-issued investment units of JASIF : Due to JASIF’s issuance of the newly-issued investment units in order to utilize a part of the proceeds derived to acquire the Additional Assets from TTTBB, JAS was desirous to additionally purchase the newly-issued investment units of the Fund at the amount of not exceeding one-third (or approximately not exceeding 33.33 percent) of the total number of the newly-issued investment units;
- Approving the appointment of Mr. Pete Bodharamik, JAS Chief Executive Officer, or his delegated person to be authorized to undertake any act relevant to the entering into the acquisition and the disposal of assets detailed above.

On 5 June 2017, JAS Board of Directors at the meeting No. 4/2017 resolved to dissolve 4 dormant subsidiaries as follows :-

- Compunet Corporation Company Limited
- Premium Real Estate Company Limited
- Jasmine Smart Shop Company Limited
- Pakkred Planner Company Limited

JAS registered the dissolution of these 4 companies with the Ministry of Commerce on 11 July 2017 and later registered the completion of their liquidation, accordingly on 23 November 2017.

On 10 November 2017, JAS Board of Directors at the meeting No. 7/2017 resolved to approve JAS to apply for a short-term loan, amounting Bt 340,000,000 with interest of 2.08 percent per annum, totaling Bt 347,072,000, with the term of loan for 6 months and with an extension right for another 6 months, from JTS, a subsidiary, in which JAS has the total direct and indirect shareholding of 50.91 percent. The loan would be used as the working capital for JAS business.

2018

On 11 May 2018, the Extraordinary General Meeting of Shareholders No.1/2018 (the “EGM No.1/2018”) of JAS passed a resolution to approve TTTBB, JAS subsidiary, to enter into the transaction in relation to JASIF as follows :-

- Approving the disposal of the additional Optical Fiber Cable to JASIF;
- Approving the entering into the asset acquisition transaction by means of leasing the additional Optical Fiber Cable from JASIF and providing the Fund a guarantee of asset lease payment to be obtained from the leasing out of the additional Optical Fiber Cables
- Approving the subscription of newly-issued investment units of JASIF in proportionate to their investment units holding (Rights Offering). In the case where the holders of investment units of the Fund waive their rights to purchase the newly-issued investment units, the Company may exercise its right to purchase the investment units remaining from such Rights Offering. This may result in the Company’s subscription of the investment units to be in excess of one-third of the total number of the newly-issued investment units, but not exceeding the transaction size for the subscription of the newly-issued investment units as approved by the shareholders’ Meeting. The Company’s investment unit holding will not exceed one-third of the entire paid-up newly-issued investment units.
- Approving the appointment of Mr. Pete Bodharamik, Chief Executive Officer, or his delegated person to undertake actions in connection with the entering into the asset acquisition and disposal transactions as detailed above.

Please see the additional details with respect to the entering into the transaction in relation to JASIF in the Invitation Letter to the EGM No.1/2018.

On 15 May 2018, JAS Board of Directors at the meeting No. 4/2018 resolved to sell investment units (the “Units”) of JASIF to certain investors. The Company entered into an agreement to sell 540,000,000 Units on 15 May 2018, subject to certain conditions stated therein. The sale price was determined through a book building process. The proposed sell-down of the Units is strictly a financing exercise to fund, amongst other things, working capital needs and to pay the Company’s indebtedness and liabilities. The Company previously held 1,833,150,000 Units. Following the sale of the Units, the Company still holds a remaining 1,293,150,000 investment units, representing approximately 23.51 per cent of the total number of issued investment units of the Fund.

JAS Board of Directors’ meeting also resolved that the Company subscribe for newly-issued investment units of JASIF (pursuant to the resolutions of the EGM No. 1/2018 held on 11 May 2018 that was announced on the SET on the same day). The Company intended to exercise such resolution (and seek other applicable approvals) to increase its shareholding in the Fund in order to hold at least 25 per cent of the total number of issued investment units of the Fund.

- Treasury stock Program for Financial Management

2016

JAS Board of Directors at the meetings No. 2/2016, convened on 7 March 2016 and No.3 /2016 convened on 22 March 2016 and the 2016 Annual General Meeting of Shareholders, convened on

29 April 2016, respectively, passed the resolutions to approve a treasury stock program for financial management. JAS share repurchase of 1,200 million shares at the par value of Bt 0.50 per share or equaled to 16.82 percent of the total paid-up shares was offered to general shareholders at the price of Bt 5.00 per share; the maximum amount for this share repurchase was Bt 6,000 million (The number of JAS ordinary shares on the dates in which the resolutions were passed was 7,133,530,653 shares). The repurchase period was 1-10 June 2016. As at the completion date of treasury stock, JAS totally repurchased 1,200 million shares, equivalent to 16.82 percent of the total paid-up shares, amounting to Bt 6,000 million in total. On 14-16 December 2016, JAS undertook the resale of its repurchased shares on the SET. Later, it decreased the registered capital from Bt 5,245,998,283.50 to Bt 4,645,998,283.50 and the paid-up capital from 3,568,478,557.50 to 2,968,478,557.50 by way of writing off the 1,200 million repurchased shares, at the par value of Bt 0.50 per share, amounting to Bt 6,000 million; the repurchased share write off transaction was completed on 23 December 2016.

- Dividend Payment

2016

On 29 April 2016, the 2016 Annual General Meeting of Shareholders passed a resolution to approve paying dividend for the year 2015 to the shareholders of the entire 7,133,530,653 ordinary shares at the rate of Bt 0.30 per share, totaling Bt 2,140,059,195.90.

On 21 June 2016, JAS Board of Directors at the meeting No.6/2016 resolved to approve the payment of interim dividend from the retained earnings as at 31 March 2016 to the existing common shareholders of the total 5,933,530,653 shares (excluding 1,200,000,000 repurchased shares), at the rate of Bt 0.15 per share, amounting to the total dividend payment of Bt 890,029,597.95.

On 10 November 2016, JAS Board of Directors at the meeting No. 12/2016, resolved to approve the payment of interim dividend from the retained earnings as at 30 September 2016 to the existing common shareholders of the total 5,936,957,115 shares (excluding 1,200,000,000 repurchased shares), at the rate of Bt 0.15 per share, amounting to the total dividend payment of Bt 890,543,567.25.

2017

On 27 April 2017, the 2017 Annual General Meeting of Shareholders passed a resolution to approve paying dividend for the year 2016 to the shareholders of the entire 6,260,785,882 ordinary shares at the rate of Bt 0.25 per share, amounting to the total dividend payment of Bt 1,565,196,470.50.

On 9 August 2017, JAS Board of Directors at the meeting No.5/2017 resolved to approve the payment of interim dividend from the retained earnings as at 30 June 2017 to the existing common shareholders of the total 6,494,856,062 shares, at the rate of Bt 0.20 per share, amounting to the total dividend payment of Bt 1,298,971,212.40.

On 10 November 2017, JAS Board of Directors at the meeting No.7/2017 resolved to approve the payment of interim dividend from the net profit during the year 2017 to the existing common shareholders of the total 6,670,625,606 shares, at the rate of Bt 0.15 per share, amounting to the total dividend payment of Bt 1,000,593,840.90.

2018

On 30 April 2018, the 2018 Annual General Meeting of Shareholders passed a resolution to approve paying dividend for the year 2017 to the shareholders of the entire 7,418,442,616 ordinary shares at the rate of Bt 0.20 per share, amounting to the total dividend payment of Bt 1,483,688,523.20.

On 7 June 2018, JAS Board of Directors at the meeting No.5/2018 resolved to approve the payment of interim dividend from the retained earnings as at 31 March 2018 to the existing common shareholders of the total 7,697,328,569 shares, at the rate of Bt 0.30 per share, amounting to the total dividend payment of Bt 2,309,198,570.70.

- Warrants Representing the Rights to Purchase the Ordinary Shares of Jasmine International Public Company Limited No.3 (JAS-W3)

On 28 April 2015, the Extraordinary General Meeting of Shareholders No.1/2015 of JAS passed the resolutions to approve the issues regarding the issuance and the allocation of JAS-W3 as follows:-

1. Approving the issuance and the allocation of not exceeding 3,497,332,189 units of JAS-W3 Warrants to the existing shareholders of JAS in proportion to their shareholding (Right Offering) in the allocation ratio of 2.04 existing ordinary shares (with the par value of Bt 0.50 per share) to one unit of JAS-W3 Warrant (2.04:1). However, JAS should not be allocated JAS-W3 Warrant with respect to 142,730,000 shares that JAS had bought back. In this regard, the unit price of JAS-W3 Warrant was Bt -0- (Nil), and the exercise ratio is one JAS-W3 Warrant for one ordinary share of JAS (with the par value of Bt 0.50 per share) at the exercise price to buy the ordinary shares under the JAS-W3 Warrants at Bt 4.30 per share (with the exception of any right adjustment). Any fraction of the shares or JAS-W3 Warrants from the calculation (if any) shall be rounded down. The conditions and details of JAS-W3 Warrants were set out in the letter of invitation to the EGM that JAS delivered to the shareholders;
2. Approving the increase in the registered capital of JAS by Bt 1,748,666,094.50 from the existing registered capital of Bt 3,568,697,189 to Bt 5,317,363,283.50 by issuing 3,497,332,189 new shares, with a par value of Bt 0.50 per share to accommodate the exercise of JAS-W3 Warrants;
3. Approving the allocation of not exceeding 3,497,332,189 newly issued shares at the par value of Bt 0.50 per share, to accommodate the exercise of JAS-W3 Warrants.

On 6 July 2015, JAS notified the date of the issuance and the allocation of JAS-W3 Warrants to be on 6 July 2015.

On 30 April 2018, the 2018 Annual General Meeting of Shareholders passed the resolutions to approve the issues regarding JAS-W3 as follows:-

1. Approving the increase in the registered capital of JAS by Bt 131,687,249.50 from the existing registered capital of Bt 4,645,998,283.50 to Bt 4,777,685,533 by issuing a total of 263,374,499 ordinary shares, at the par value of Bt 0.50 per share to accommodate the exercise of JAS-W3 Warrants and also the amendment to Clause 4 of the Memorandum of Association to be in accordance with the increase in the registered capital.

2. Approving the allocation of not exceeding 263,374,499 ordinary shares, at the par value of Bt 0.50 per share so that JAS had a sufficient number of ordinary shares allocated for accommodating the exercise of the remaining 1,940,897,775 JAS-W3 units.

Adjustment of Exercise Price and Exercise Ratio of JAS-W3 Warrants

On 25 February 2016, JAS adjusted the exercise price and the exercise ratio of JAS-W3 Warrants due to its dividend payment's exceeding 80 percent of the net profit after tax of JAS separate financial statement **and** consolidated financial statement for any accounting period. Details of the adjustment of exercise price and exercise ratio of JAS-W3 Warrants are as follows.

- Exercise price **adjusted from** Bt 4.30 per share **to** Bt 4.098 per share
- Exercise ratio **adjusted from** 1 unit of Warrant is entitled to purchase 1 ordinary share **to** 1 unit of Warrant is entitled to purchase 1.049 ordinary share

On 13 June 2016, JAS adjusted the exercise price and the exercise ratio of JAS-W3 Warrants as its Treasury Stock Program might deprive JAS-W3 holders of the rights and the benefits that they were entitled to. Details of the adjustment of exercise price and exercise ratio of JAS-W3 Warrants are as follows.

- Exercise price **adjusted from** Bt 4.098 per share **to** Bt 3.904 per share
- Exercise ratio **adjusted from** 1 unit of Warrant is entitled to purchase 1.049 ordinary share **to** 1 unit of Warrant is entitled to purchase 1.101 ordinary share

On 12 March 2018, JAS adjusted the exercise price and the exercise ratio of JAS-W3 Warrants due to its dividend payment's exceeding 80 percent of the net profit after tax of JAS separate financial statement **and** consolidated financial statement for any accounting period. Details of the adjustment of exercise price and exercise ratio of JAS-W3 Warrants are as follows.

- Exercise price **adjusted from** Bt 3.904 per share **to** Bt 3.807 per share
- Exercise ratio **adjusted from** 1 unit of Warrant is entitled to purchase 1.101 ordinary share **to** 1 unit of Warrant is entitled to purchase 1.129 ordinary share

On 21 June 2018, JAS adjusted the exercise price and the exercise ratio of JAS-W3 Warrants due to its dividend payment's exceeding 80 percent of the net profit after tax of JAS separate financial statement **and** consolidated financial statement for any accounting period. Details of the adjustment of exercise price and exercise ratio of JAS-W3 Warrants are as follows.

- Exercise price **adjusted from** Bt 3.807 per share **to** Bt 3.667 per share
- Exercise ratio **adjusted from** 1 unit of Warrant is entitled to purchase 1.129 ordinary share **to** 1 unit of Warrant is entitled to purchase 1.172 ordinary share



Business Trend of Jasmine International Group in 2019

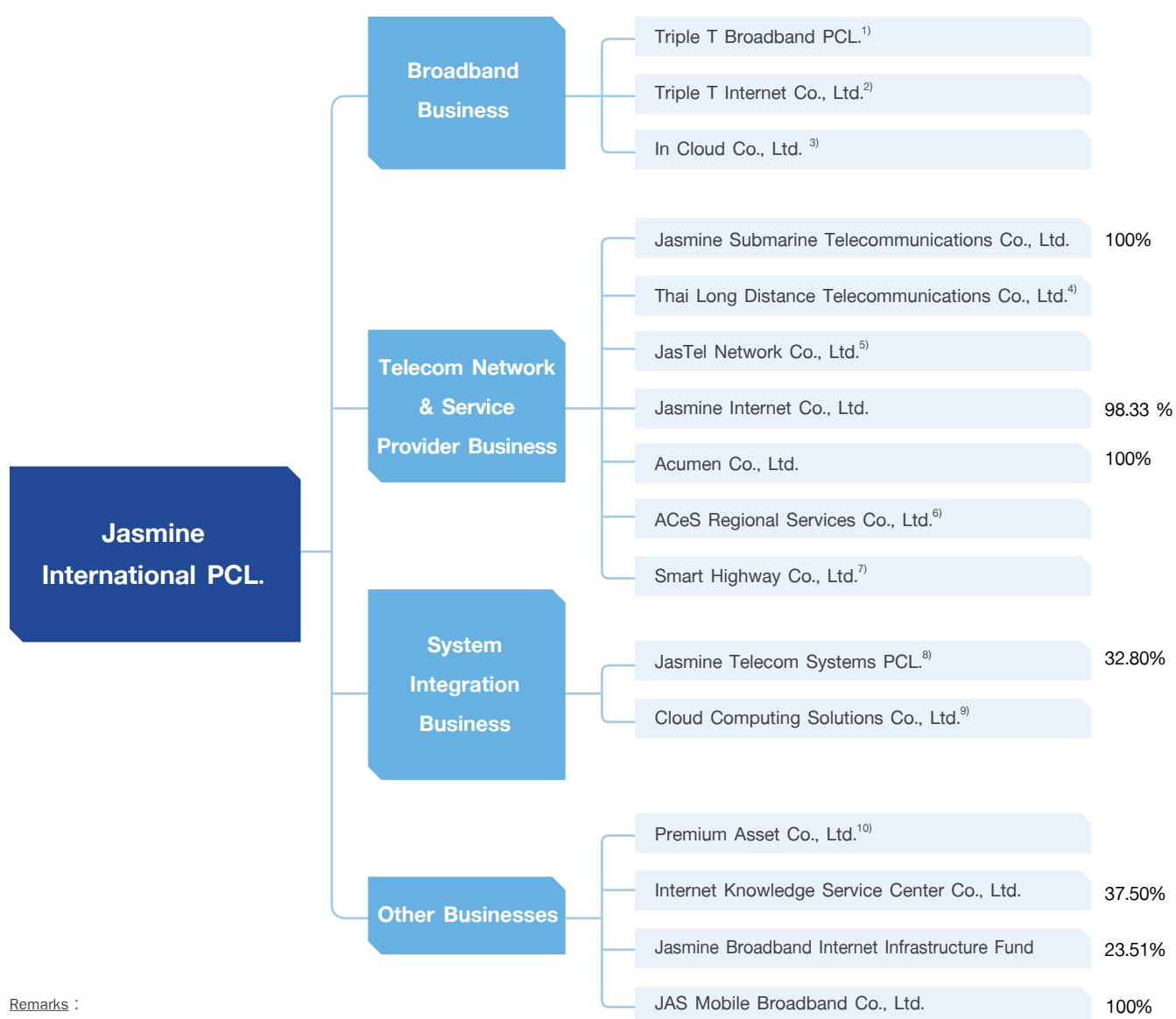


Providing hi-speed broadband Internet service is still the core business of Jasmine International Group (“JAS Group”). Presently, JAS Group has invested in expanding its optical fiber networks to cover every area nationwide and at the same time increasing its service speeds to serve the demand of the customers unlimitedly. As a consequence, the Group has reported a steady growth of customers and as at the end of the year 2018, it had a large number of the FTTx subscribers –up to 1,000,000 subscribers out of the total 3,000,000 subscribers. The Company expects that the number of the FTTx subscribers will be increasing rapidly. The Company is committed to being the leader in hi-speed broadband Internet service offering who is the first both in terms of service speed and service quality so as to assure the subscribers of excellent service standard established by JAS Group.

As today’s technologies; for instances, data transmission, data storage, data processing, artificial intelligence etc., change fast, bringing about changes to many businesses, the Company takes it as an opportunity to further develop hi-speed broadband Internet, using lots of the existing customer bases, potential and availability of both equipment and manpower as its ground. To this regard, JAS Group has introduced Big Data and AI systems and applied them organization-wide to gain more understanding about customer behavior, improve service efficiency, provide the customers with innovative products and last but not least, to prepare itself to be in readiness for working in cooperation with the Group’s partners to offer a variety of services to different lines of business such as health care, education, entertainment, smart home, IOT, ect., which the Group can not only build on their huge volume of customers for future success, but also add more values to its businesses.

Apart from the above-mentioned, the company will consider disposing its Optical Fiber Cables (“OFCs”) that are capable of providing hi-speed broadband Internet everywhere nationwide to JASIF. The Company is confident that it will be able to pay dividend to its shareholders at a high rate per share.

1.3 Shareholding Structure of Jasmine International Group



Remarks :

- 1) = 99.82% held by ACU
- 2) = 99.99% 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 percent, 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 related businesses. The Company puts emphasis on supporting 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

This business group comprises service providers of high-speed Internet, high-speed connectivity, digital networks, Internet, software and applications, including nationwide WiFi. The companies under this business group are as follows:-

- Triple T Broadband PCL., with Type 3 Telecommunications Business license, it provides high-speed connectivity 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 Internet business.

2. Telecom Network & Service Provider Business

This business group comprises network service providers of; for instances, marine services and submarine optical fiber maintenance service on the eastern and the western coast lines; local and international private leased-circuit; International Internet Gateway; data center service; and satellite communication. The companies under this business group are as follows:-

- Jasmine Submarine Telecommunications Co., Ltd. that provides marine services and submarine optical fiber maintenance service on the eastern coast lines of Thailand;
- Thai Long Distance Telecommunications Co., Ltd. that provides marine services and submarine optical fiber maintenance service on the western coast lines of Thailand;

- 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 alternative routes for back-up. JasTel has high-capacity bandwidth that accommodates huge volumes of data delivery. Its automatic control system is 24 hour monitored. JasTel also offers Internet Protocol Virtual Private Network (IP-VPN) service, leased line Internet service, Managed Network service locally and internationally via networks of optic fiber and copper cable, National Internet Exchange service (NIX) and Co-Location service that is a space rental service for an installation of Internet server and router for customers who are operators / Internet service providers and corporate clients;
- Jasmine Internet Co., Ltd. that provides a variety of Internet services for both individual and corporate clients. Its services include broadband Internet (FTTx), data center, Branch Connex via Asymmetric Digital Subscriber Line (“ADSL”), Very high bit rate Digital Subscriber Line (“VDSL”), FTTx and 4G in addition to WiFi service, Voice over Internet Protocol (VoIP), Electronic Data Interchange (EDI), and international calling card. Besides, Ji-NET also provides consultancy, design and sourcing for IP solutions; for instances, IP camera service, WiFi Hotspots and Firewall service etc. to its customers;
- Acumen Co., Ltd., that provides wireless communication services in the form of satellite communications via Very Small Aperture Terminal (VSAT) nationwide; targets are clients in the areas that cannot be reached by wired communications, petroleum exploration & production business operators, government agencies and state enterprises that require these services. The company is also a distributor of Mikrotik network equipment from Latvia and Anritsu optical power meters from Japan;
- ACeS Regional Services Co., Ltd. that offers calling service via Internet and international calling cards called “CyberVoice” that are 2-way calling cards, uniquely different from common international calling cards in that customers can use them 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 also a provider of satellite phone service under “Asia Cellular Satellite (ACeS)” project in Thailand and several Asian countries. Users can use either a mobile or fixed handset and pay by a pre-paid method. ACeS signal transmission service works well everywhere at all times, be it in the forests or at sea. The company is also a provider of user terminals which are small mobile handset and fixed handset for users who want to use the service from a fixed indoor location in a remote area, inaccessible to other communications services. In addition, the company engages in providing satellite phone service for fishing vessels and commercial vessels.

3. System Integration Business

This business group comprises telecom system integrator, computer system and peripherals distributor, telecommunications service provider and cloud computing service provider. The companies under this business group are as follows:-

- Jasmine Telecom Systems PCL., a company that engages in telecommunications business as a System Integrator, proficient in equipment sourcing, system design and network implementation; its clients are both the governmental and the private sectors;
- Cloud Computing Solutions Co., Ltd., a 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 of hardware and software rent on the Internet. The company also engages in consultancy, design, and implementation of computer and IT network systems, including application software development and maintenance service for the customers in both the government and the private sector.

4. Other Businesses

The companies under this business group are as follows:-

- Premium Asset Co., Ltd. that engages in space rental and related services for Jasmine International Tower; the company emphasizes providing services that suit the lessees' space usage. Strengths of the company lie in its being a hub of telecommunications and data backup system that is provided for the customers. Jasmine International Tower is a modern office building that is located in a good area, safe from flood disaster, ensuring the lessees of their business continuity. These advantages attract the interest of the company's customers;
- Internet Knowledge Service Center Co., Ltd., a holding company, holding shares in KSC Commercial Internet Co., Ltd. that is an Internet Service Provider (ISP);
- Jasmine Broadband Internet Infrastructure Fund, a mutual fund established to mobilize funds from general and institutional investors for investment in not only telecommunications infrastructure business that has potential for return on investment to the Fund, but also in other assets, securities, and/or instruments as allowed by the security law in order for the Fund to be able to pay the return to the unit holders in the long run;
- JAS Mobile Broadband Co., Ltd., that has been established with an objective to operate mobile phone system business.

2.2 Revenue Contribution from Each Business Group

In 2018, the Company's total revenue was Bt 22,144 mn. This amount was from the contribution of the following business groups :-

1. Broadband Business whose contribution for the year 2018 was Bt 17,373 mn or 78.45 percent of the total revenue of Jasmine International Group;
2. Telecom Network & Service Provider Business whose contribution for the year 2018 was Bt 937 mn or 4.23 percent of the total revenue of Jasmine International Group;
3. System Integration Business whose contribution for the year 2018 was Bt 39 mn or 0.18 percent of the total revenue of Jasmine International Group;
4. Other Businesses whose contribution for the year 2018 was Bt 3,795 mn or 17.14 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	2018		2017		2016	
			Revenue	%	Revenue	%	Revenue	%
<u>The Company and the subsidiaries</u>								
Broadband Business	TTTBB	99.82% held by ACU	514	2.32	815	4.46	¹⁾ 2,436	13.42
	TTTI	99.99% held by TTTBB	16,859	76.13	16,307	89.16	14,517	79.98
	INC	100% held by TTTBB	-	-	-	-	-	-
Total			17,373	78.45	17,122	93.62	16,953	93.40
Telecom Network & Service Provider Business	JSTC	100	20	0.09	23	0.13	16	0.09
	TLDT	90% held by JSTC	-	-	-	-	-	-
	JasTel	100% held by JSTC	661	2.98	646	3.53	583	3.21
	Ji-NET	98.33	208	0.94	230	1.26	261	1.44
	ACU	100	4	0.02	9	0.05	43	0.24
	ARS	98.04% held by ACT	44	0.20	59	0.32	63	0.35
	SHW	67.40% held by ACU	-	-	-	-	1	0.01
Total			937	4.23	967	5.29	967	5.33
System Integration Business	JTS	32.80% held by JAS, 9.06% held by ARS and 9.05% held by TJP	19	0.09	17	0.09	27	0.15
	CCS	97.87% held by JTS	20	0.09	31	0.17	32	0.18
Total			39	0.18	48	0.26	59	0.33
Other Businesses	JAS	-	²⁾ 3,649	16.48	2	0.01	6	0.03
	PA	53.85% held by ACU and 46.15% held by JSTC	146	0.66	146	0.80	148	0.82
	TJP	80% held by JAS and 20% held by ACU	-	-	3	0.02	-	-
	Others ³⁾	-	-	-	-	-	18	0.10
Total			3,795	17.14	151	0.83	172	0.94
Grand Total for the Company and the subsidiaries			22,144	100.00	18,288	100.00	18,151	100.00
<u>Associated Companies</u>								
Other Businesses	IKSC ⁴⁾	37.50	-	-	0.5	0.04	0.3	0.03
	TKSC ⁴⁾	40	-	-	-	-	-	-
	JASIF	23.51	899.5	100.00	1,095.3	99.96	1,018.9	99.97
Grand Total for the associated companies			899.5	100.00	1,095.8	100.00	1,019.21	100.00

Remarks : ¹⁾Revenue obtained from the sale of assets to JASIF in 2016 of Bt 2,160 mn

²⁾Gain on sale of investment in associated company

³⁾Comprising JIOC, MCS, Three BB, ACT, JASMBB

⁴⁾In 2018, the data was prepared by the management of this company itself.

The Company and its subsidiaries have had no comparative proportion between local and overseas distribution during 2017-2018.

3. Risk Factors

The Risk Management Committee of the Company realizes that risk management is important to the Company's business operation. Thus, it has set up the risk management policy, control activities and monitoring system and has also conducted risk factor analyses by taking into account both internal and external risk factors so as to evaluate risk management in every area to be appropriate and in line with the Company's policies and strategies. Additionally, the Committee has promoted risk management to its personnel corporate-wide, fostering the awareness that managing corporate risks is a duty so everyone can play a part in managing risks to an acceptable level. Significant risk factors of the Company are as follows:-

Business Operational Risks

1. Revenue

The Company's revenue is mainly from broadband Internet business. Thus, to increase the revenue, the Company has a policy to introduce a small package of VDSL 20/10 Mbps for residential and condominium customers who do not require high Internet speeds or whose living areas cannot be accessed by FTTx service in addition to expanding and upgrading the Fiber Optic networks nationwide; keeping on maintaining both service quality and network stability and acquiring new customers in order to expand its customer base by emphasizing its strengths in service quality, installation and after-sales service.

The Company has managed risks that arise from depending on broadband Internet revenue alone to be at a controllable level as it is evident that the Company has been growing steadily with an all along continuous increase of customers.

2. Finance

Despite the tendency of higher interest rate, the Company has planned to seek for sources of investment fund that suit its investment plans and demand for money; for instances, supplier credit, financial institutions and companies in Jasmine International Group that have excess liquidity. Besides, to manage its finance, the Company may consider asking for an extension of the repayment term (in case of necessity), taking into account cash flow of each period. As for risks from exchange rate, the Company has timely managed to conduct Cross Currency Swop (CCS) for debts to be repaid in THB. It has also deposited money in foreign currency deposit accounts as a reserve for such debt repayment.

3. Human Resources

As personnel are considered a factor that drives business toward success, the Company places a high value on developing them to surpass the people of the Company's rivals, especially in terms of service offering capability. It arranges training courses to equip them with knowledge and skills and also implants in them the awareness of the importance of their own duties, responsibilities and quality service offering. Courses for technicians are well arranged continuously, be it on technical or product-and-service knowledge, so as to enable each of them to truly understand the Company's services and to have good service mind. The Company's measures of employee retention include incentive and fair compensation offering.

4. Market and Competition

Due to the fact that in the previous year price competition was rather severe, the Company has managed to maintain and, at the same time, increase its market shares, primarily, by way of emphasizing the capability of its networks that cover the villages nationwide. In addition, to continue expanding its customer base for the steady growth of the broadband Internet business, the Company has introduced a small VDSL package to serve the needs of both residential and condominium customers who do not require very high Internet speeds meanwhile launching 3BB Reward Campaign, the program that offers the customers reward points that can be redeemed for router discount, Internet up speed, souvenirs and special privileges.

5. Operation and Maintenance

Realizing that stability of networks and other important related systems is crucial for the quality of service offering, the Company; therefore, has invested in acquiring an efficient network management system that is capable not only of managing the entire network system, but also checking each equipment functioning therein. In addition, the Company has improved the quality of its existing networks so as to keep them efficient all the time. Also, a lot of new personnel have been hired to reinforce the technical team for the expansion of networks and the implementation of preventive action to maintain both the networks and the related equipment to be always stable for good service offering. Besides, for effective operation and maintenance, the Company systematically reviews the contingency plan for cases of emergency and discontinuity of network system and other important systems.

Risks that have Effects on the Rights or Investment of Security Holders

As at 7 January 2019, Mr. Pete Bodharamik held 4,572,490,053 shares of JAS, equivalent to 56.18 percent of the entire paid-up shares of the Company. Thus, his shareholding proportion enables him to control almost all the resolutions of a shareholders' meeting, except for the ones required by law or the Company's Articles of Association to be passed by the votes of not less than $\frac{3}{4}$ of the total votes of the shareholders' meeting. However, the checks and balance for a matter proposed by the major shareholder can be done provided that a lot of shareholders attend the shareholders' meeting. Furthermore, the Company has complied with Corporate Governance Policy. It has 4 independent directors, 3 of whom are also the audit committees, being responsible for overseeing the accuracy, the completeness and the reliability of the financial reports, including the compliance with the Securities and Exchange Act and other laws applicable to the business of the Company.

Legal Disputes

The information on risks, arising from legal disputes, is disclosed in details in Topic 5 : Legal Disputes of JAS Annual Registration Statement (Form 56-1) and Items 33.5-33.9 of Notes to the Financial Statements. The summary is as follows:-

Legal Disputes of the Company

On 19 August 2013, the Central Bankruptcy Court read the judgment 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. Due to the Company's compliance with the rehabilitation plan for a long period of time, especially in terms of debt repayment to the creditors which had already been made in different forms, the legal advisor, is of the opinion that whether the Company will be required to pay to any particular creditor depends on whether the creditors present themselves and exercise their rights.

Subsequently, in August 2014, an asset management company and financial institutions, altogether five entities, filed lawsuits petitioning the Central Intellectual Property and International Trade Court ("Central Intellectual Property Court") to order the Company to make debt repayments of approximately Baht 1,856 million, comprising principal of Baht 1,113 million and interest of Baht 743 million. The Company considered recording the provision whenever lawsuits are filed with the court. However, since the rights of claim of two plaintiffs were assigned by various former creditors, the legal advisor is of the opinion that it is uncertain that these two plaintiffs will receive payment of the amount claimed in the petitions. Therefore, the Company recorded provision for the three plaintiffs (amounting approximately to Baht 1,010 million, comprising principal of Baht 686 million and interest of Baht 324 million) who are the original creditors named in applications for payment in the Company's rehabilitation plan, amounting to Baht 326 million (principal of Baht 260 million and interest of Baht 66 million) (2017: Baht 313 million, principal of Baht 260 million and interest of Baht 53 million) in the financial statements since it is highly likely that the Company will be liable for these amount. This was determined based on the claims filed by the three plaintiffs less the approximate amounts of settlements made in any form under the rehabilitation plan, in accordance with the legal advisor's opinion.

During the year 2018, the Central Intellectual Property Court issued judgements on the cases between the Company and four plaintiffs that filed the lawsuits. The Central Intellectual Property Court issued judgements ordering the Company to make debt payments totalling Baht 1,095 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2018), together with interests due under the lawsuits until the full payments are made. The Company considers that for the three plaintiffs who are the original creditors should record the additional provision in respect of interests since there is a higher possibility that the Company may have financial obligation in respect of interest due as a result of the judgements of Central Intellectual Property Court in the three cases. The Company therefore records an additional provision amounting to Baht 170 million. Moreover, the Company considers that other two plaintiffs who are assigned creditors should record the provisions in both of principal and interest following to the original creditors since there are higher possibilities that the Company may have financial obligation as a result of the judgements of Central Intellectual Property Court.

The Company records an additional provision amounting to Baht 430 million in the profit or loss for the current year, resulting in the total provision for reversal of judgement by the Supreme Court amounting to Baht 926 million (principal of Baht 428 million and interest of Baht 498 million).

The Company already filed an appeal against two plaintiffs to the Court of Appeal for Specialised Cases. For the other two plaintiffs, it is in the process of filing an appeal to the Court of Appeal for Specialised Cases. The ultimate outcomes of these lawsuits that are not finalized cannot be determined at this time. The Company has decided that the amount of reserves recorded in the accounts is adequate and appropriate in the current circumstances.

Legal Disputes of the Subsidiaries

In September and December 2013, JTS entered into agreements with two government agencies to sell tablet personal computers in Zone 4 (Northern and North-eastern regions). However, due to fire incident at tablet spare part factory that was considered force majeure, JTS was unable to deliver tablets to contracting government agencies. Later, in 2014, the counterparties under the agreements submitted letters to JTS, requesting for the termination of the sale and purchase of tablet agreements with JTS and the penalty payment as stipulated in the agreements.

In November 2014 and March 2015, the two counterparties filed lawsuits, requesting JTS to pay a penalty for its inability to deliver tablet as stipulated in the agreements and to make payment under the performance bonds, together with interest at the rate of 7.5 percent per annum, totaling approximately Baht 196 million. On 22 February 2018, the Central Administrative Court issued a judgment on the case between JTS and the government agency who filed the lawsuit, requesting JTS to pay penalties totaling approximately Baht 5.4 million. The Central Administrative Court issued a judgment ordering JTS to pay penalties totaling approximately Baht 2.66 million to that government agency. On 23 March 2018, JTS filed appeals to the Supreme Administrative Court. At present, the cases are under the Court's consideration. In addition, on 4 May 2018, the Central Administrative Court issued a judgment on the case between JTS and another government agency that filed the lawsuit, requesting JTS to pay penalties of approximately Baht 190 million in total. The Central Administrative Court issued a judgment ordering JTS to pay penalties totaling approximately Baht 7.2 million, together with interest at the rate of 7.5 percent per annum, starting from the date following the filing of the case until the full payment is made. On 4 June 2018, JTS filed appeals to the Supreme Administrative Court. At present, the cases are under the Court's consideration.

In the event that JTS is required to pay penalties and compensation to the two government agencies, JTS can reclaim all losses from the local company who is the seller of the tablets to JTS, in accordance with a condition stipulated in the sale and purchase of tablet agreements.

For litigation and disputes between TT&T and JAS subsidiaries, please see JAS Annual Registration Statement (Form 56-1), Topic 5 : Legal Disputes and Notes to the Financial Statements, Item 33.8.

General Information and other Significant Information

4. General Information and other Significant Information

4.1 General Information

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
- Website : www.jasmine.com
- Number and Type of
Total Paid-up Shares
(as at 7 January 2019)
 - : 1. Registered capital 4,777,685,533 Baht
 - divided into 9,555,371,066 Ordinary shares
 - 2. Each with the par value of 0.50 Baht
 - 3. Total paid-up capital 4,069,432,931.50 Baht
 - 4. Total number of 8,138,865,863 Shares
 - paid-up ordinary shares

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

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	5,555,254,203	ACU 5,545,246,773 shares = 99.82%
Triple T Internet Co.,Ltd. 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120 Tel 0-2100-2255 Fax 0-2100-2129	Engages in providing Internet service and Internet applications to residential clients and corporate clients	10,000,000	TTTBB 9,999,300 shares = 99.99%
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 provision of the service of general software and software system that supports the value added services of Broadband business	100,000	TTTBB 99,997 shares = 100%
2. Telecom Network & Service Provider Business			
Jasmine Submarine 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 eastern coast lines of Thailand	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 of Thailand	30,900,000	JSTC 27,809,993 หุ้น = 90%

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

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			
<p>JasTel Network Co., Ltd.</p> <p>200, Moo 4, 7th Fl, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120</p> <p>Tel 0-2100-3183 Fax 0-2100-3184</p>	Engages in circuit leasing service and local as well as international data communications service	5,200,000	JSTC 5,199,993 shares = 100%
<p>Jasmine Internet Co., Ltd.</p> <p>200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120</p> <p>Tel 0-2100-3700 Fax 0-2100-3793</p>	Engages in a variety of Internet services	1,500,000	JAS 1,474,900 shares = 98.33%
<p>Acumen Co., Ltd.</p> <p>200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120</p> <p>Tel 0-2100-3000 Fax 0-2100-3222</p>	Engages in wireless communication services in the form of satellite communications via Very Small Aperture Terminal (VSAT)	7,600,000	JAS 7,599,994 shares = 100%
<p>ACeS Regional Services Co., Ltd.</p> <p>200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120</p> <p>Tel 0-2100-3000 Fax 0-2100-3416</p>	Engages in satellite mobile phone service both in Thailand and several Asian countries and the distribution of IP-Phones	102,000,000	ACT 99,999,993 shares = 98.04%
<p>Smart Highway Co., Ltd.</p> <p>200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120</p> <p>Tel 0-2100-3000 Fax 0-2100-3222</p>	Engages in high-speed data communications service via leased line	1,550,000	ACU 1,044,693 shares = 67.40%
3. System Integration Business			
<p>Jasmine Telecom Systems PCL.</p> <p>200, Moo 4, 9th Fl., Jasmine International Tower, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120</p> <p>Tel 0-2100-8300 Fax 0-2962-2523</p>	Engages in providing turnkey telecommunications services	<p>706,457,300</p> <p>(As at 24 January 2019)</p>	<p>- JAS 231,714,400 shares = 32.80%</p> <p>- ARS 64,027,700 shares = 9.06%</p> <p>- TJP 63,918,000 shares = 9.05%</p>

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

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, providing consulting services, the design and implementation of computer system 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 - JSTC	69,999,993 shares = 53.85% 60,000,000 shares = 46.15%
Internet Knowledge Service Center Co., Ltd. 2/4,10 th Fl., Chubb Tower, Vibhavadi Rungsit Rd.,Thungsonghong Sub-district, Laksi District, Bangkok 10210 Tel 0-2779-7777 Fax 0-2779-7111	A holding company	12,000,000	JAS	4,500,000 shares = 37.50%
Jasmine Broadband Internet Infrastructure Fund BBL Asset Management Co., Ltd. 175 Sathorn City Tower, 7 th , 21 st and 26 th Fl., South Sathorn Rd., Tungmahamek, Sathorn District, Bangkok 10120 Tel 0-2674-6488 (press 8) Fax 0-2679-5955	A mutual fund, established to mobilize funds from general and institutional investors for investment in telecommunications infrastructure business	5,500,000,000	JAS	1,293,150,000 units = 23.51%
JAS Mobile Broadband Co., Ltd. Jasmine International Tower 200, Moo 4, Chaengwatana Rd., Pakkred Sub-district, Pakkred District, Nonthaburi 11120	Engages in mobile phone business	122,071	JAS	122,068 shares = 100%

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				
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 - ACT - ARS	4,594,134 shares = 39.82% 3,994,325 shares = 34.18% 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%
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 shares = 80% 399,995 shares = 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 Internet and e-commerce businesses	10,000,000	JAS	6,999,993 shares = 70%

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>			
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%
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 0-2779-7777 Fax 0-2779-7111	Engages in the distribution of computers, telecommunications equipment and software	100,000	JAS 40,000 shares = 40%
Palit Palangnang 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%

General Information of Reference Persons

- Registrar** : Thailand Securities Depository Co., Ltd.
No. 93, Ratchadaphisek Road,
Khwaeng Dindaeng, Dindaeng District,
Bangkok 10400
Tel. (66) 0 2009 9000 Fax (66) 0 2009 9476
- 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 & Partners Ltd.
22nd Floor, Mercury Tower, 540 Ploenchit Road,
Khwaeng Lumpini, Pathumwan District, Bangkok 10330
Tel. (66) 0 2264 8000 Fax (66) 0 2657 2222

4.1 Other Significant Information

- None -

5. Shareholders

5.1 Major Shareholder

The top 10 largest shareholders of JAS as at the latest closing date of the share register book (22 June 2018) are as follows:-

(The total number of shares: 7,697,328,569 shares)

Name of Shareholder *	Number of Shares	% of Total Shares
1. Mr.Pete Bodharamik	4,295,246,452	55.80
2. LGT BANK (SINGAPORE) LTD	332,082,971	4.31
3. Thai NVDR Co., Ltd.	315,703,572	4.10
4. SCB Securities Co., Ltd. - 101S	225,896,500	2.93
5. Mr.Tidchuan Nanawaratorn	109,000,000	1.42
6. Mr.Pitan Ongkosit	108,026,600	1.40
7. Mr.Jirasit Wuttikrai	88,000,000	1.14
8. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	68,305,932	0.89
9. Mrs.Tanya Tuchinda	65,085,000	0.85
10. Mr.Krirkrai Tribunyatkul	42,800,117	0.56

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

Thai NVDR Co., Ltd.	% of Shareholding
- STATE STREET BANK AND TRUST COMPANY	0.73
- JP MORGAN SECURITIES PLC	0.69
- THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, SINGAPORE BRANCH	0.67
- HSBC (SINGAPORE) NOMINEES PTE LTD	0.59

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 -

Dividend Payment Policy of the Company and the Subsidiaries

6. Dividend Payment Policy of the Company and the Subsidiaries

The Board of Directors has the policy to propose 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 each year as shown in the Company's separate financial statement. Details about dividend payment during the past 3 years are as follows:-

Dividend Payment Type	2018		2017		2016	
	Rate (Bt)/Share	Ratio (%)	Rate (Bt)/Share	Ratio (%)	Rate (Bt)/Share	Ratio (%)
Interim dividend payment No. 1	0.30	92.05 of unappropriated retained earnings	0.20	48.11 of unappropriated retained earnings	0.15	11.13 of unappropriated retained earnings
Interim dividend payment No. 2	-	-	0.15	31.99 of retained earnings during the year	0.15	58.35 of unappropriated retained earnings
Annual dividend payment	0.28*	97.27 of retained earnings as at 31 December	0.20	42.48 of net profit for the year	0.25	62.9 of unappropriated retained earnings
Total dividend payment for the whole year	0.58	113.59 of net profit for year	0.55	108.33 of net profit for the year	0.55	134.45 unappropriated retained earnings

Remarks : * Dividend payment for the year 2018 must be approved by the 2018 Annual General Meeting of Shareholders on 24 April, 2019.

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 JTS separate financial statement. Such dividend payment must not significantly affect JTS normal 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.
- TTTBB has a policy to pay the dividend in the ratio of not less than 40 percent of its annual net profit of the separate financial statement after corporate tax and legal reserves. The payment will be after TTTBB's compliance with 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 authority 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, the dividend payment depends on their operating results and 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 the previous year

In 2018, the Company had 8 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	7
2.	Dr. Vichit Yamboonruang	Independent Director and Chairman of Audit Committee	8
3.	Dr. Yodhin Anavil	Independent Director, Member of Audit Committee and Chairman of Remuneration and Nomination Committee	8
4.	Mrs. Chantra Purnariksha	Independent Director and Member of Audit Committee	8
5.	Mr. Pete Bodharamik	Director* and Chief Executive Officer	8
6.	Mr. Sittha Suviratvitayakit**	Director	7
7.	Mr. Subhoj Sunyabhisithkul	Director*	6
8.	Mr. Terasak Jerauswapong	Director* and Member of Risk Management Committee	8
9.	Mr. Pleumjai Sinarkorn	Director and Member of Remuneration and Nomination Committee	8
10.	Mr. Yordchai Asawathongchai	Director and Member of Risk Management Committee	8
11.	Ms. Saijai Kitsin	Director and President, Secretary to the Board of Directors and Corporate Secretary	7

Remarks : * Authorized signatory director

** Being appointed director in place of Mr. Somboon Patcharasopak on 2 March 2018

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 signatory director

2) Acumen Company Limited.

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

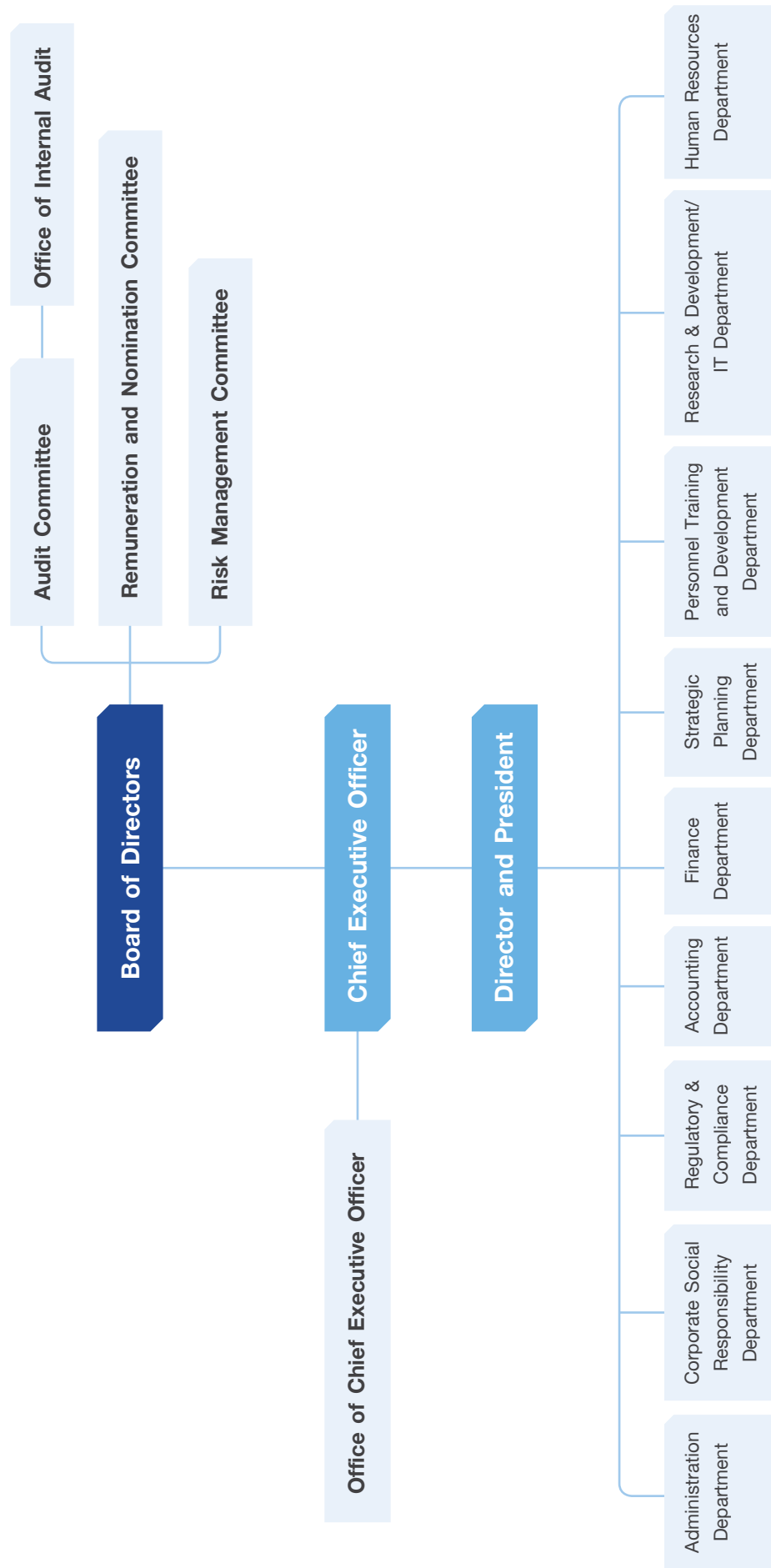
Remarks : *Authorized signatory director

7.2 Executives

The Company has 6 executives as follows:-

- | | | | |
|----|-----------------|----------------|--|
| 1. | Mr. Pete | Bodharamik | Chief Executive Officer |
| 2. | Ms. Saijai | Kitsin | Director and 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 |

JAS Management Structure and Organization Chart

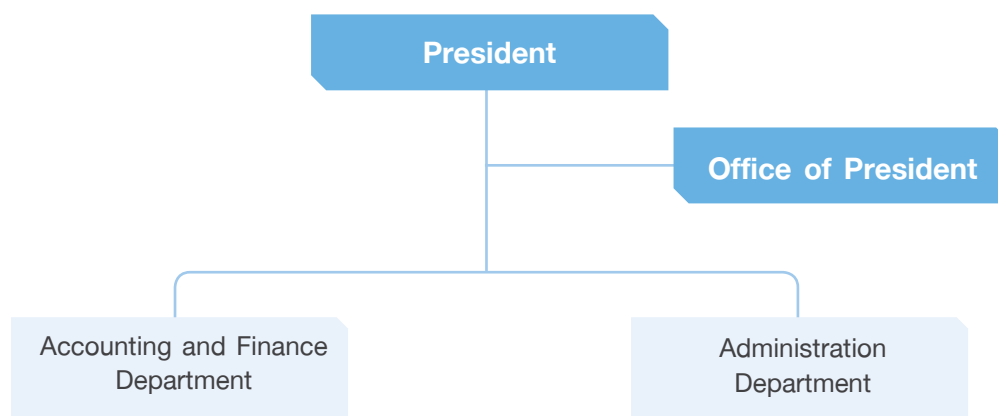


Executives of the Subsidiaries that Operate the Core Businesses

1) Jasmine Submarine Telecommunications Company Limited. 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 |

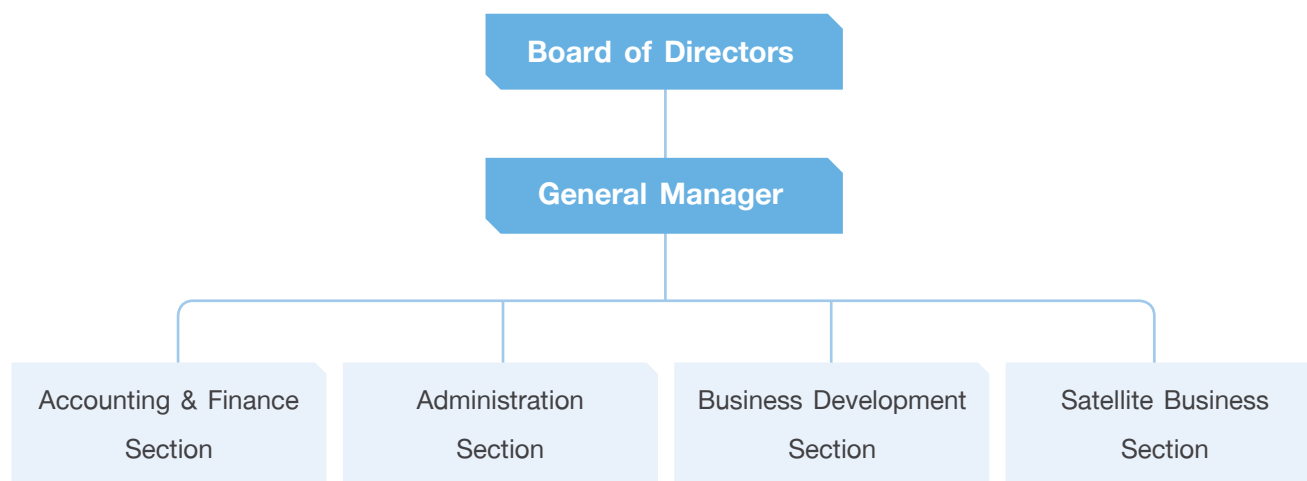
JSTC Organization Chart



2) Acumen Company Limited. has 4 executives as follows:-

- | | | | |
|----|---------------|------------------|--|
| 1. | Mrs. Nonglug | Pongsrihadulchai | General Manager |
| 2. | Mr. Kamchai | Vongklednark | Assistant General Manager |
| 3. | Mrs. Jirawat | Prayoonyuang | Assistant Vice President, Satellite Business Section |
| 4. | Mrs. Kanchana | Surbkitwanchai | Senior Manager, Accounting & Finance Section |

ACU Organization Chart



7.3 Corporate Secretary

The Company's Corporate Secretary is Ms. Saijai Kitsin. Roles and responsibilities of the 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 the directors or the 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 the directors and the 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 the 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 propose 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

Cash Remuneration

1) The 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:-

Position	Remuneration/Month/Head (Baht)	Gratuity/Year/Head (Baht)
Chairman of the Board of Directors (Receiving increasing amount)	80,000	1,040,000
Independent Director	50,000	-
Executive Director *	30,000	240, 000
Chairman of Audit Committee	35,000	-
Audit Committee Member	25,000	740,000
Chairman of the Remuneration and Nomination Committee	20,000	-
Remuneration and Nomination Committee Member	10,000	-
Chairman of the Risk Management Committee	20,000	-
Risk Management Committee Member	10,000	-

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

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

Director's Name	Year 2018 (Baht)	Remuneration Details
1. Mr. Sudhitham Chirathivat	2,600,000	Salary, Gratuity and other benefits**
2. Dr. Vichit Yamboonruang	1,934,563	Salary, Gratuity and other benefits**
3. Dr. Yodhin Anavil	1,930,817	Salary, Gratuity and other benefits**
4. Mrs. Chantra Purnariksha	1,727,231	Salary, Gratuity and other benefits**
5. Mr. Pete Bodharamik*	-	-
6. Mr. Sittha Suviratvitayakit	549,510***	Salary, Gratuity and other benefits**
7. Mr. Subhoj Sunyabhisithkul	721,739	Salary, Gratuity and other benefits**
8. Mr. Terasak Jerauswapon	731,412	Salary, Gratuity and other benefits**
9. Ms. Saijai Kitsin	758,652	Salary, Gratuity and other benefits**
10. Mr. Pleumjai Sinarkorn	753,731	Salary, Gratuity and other benefits**
11. Mr. Yordchai Asawathongchai	711,412	Salary, Gratuity and other benefits**

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

** Other benefits covered the right to reimburse the medical treatment expenses for inpatient department (IPD), outpatient department (OPD) and other medical expenses that arise from illness and the right to apply for sports club and hotel membership. The remuneration amounts vary according to each director's preference and usage of the benefits.

*** Mr. Sittha Suviratvitayakit was appointed director in place of Mr. Somboon Patcharasopak on 2 March 2018; thus, his gratuities was calculated based on the duration of his directorship.

- 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 of Executives of the Company and the Subsidiaries that Operate the Core Businesses

The Company and the Subsidiary	Number of Executive (Person)	Year 2018 (Baht)	Remuneration Details
Jasmine International PCL.	8	37,808,692	Salary
Jasmine Submarine Telecommunications Co., Ltd.	3	7,110,720	Salary
Acumen Co., Ltd.	4	6,402,000	Salary
Total	15	51,321,412	

Other Forms of Remuneration

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, comprises the contribution as designated by each employee of 3, 4, 5, 6, 7, 8, 10, 12 to 15 percent of his/her basic salary and the Company's contribution at the rate of 3 to 8 percent, depending on each employee's years of service.

7.5 Personnel

Information on Personnel of the Company and the Subsidiaries as at 31 December 2018

Item	Number of Employees (Person)	Remuneration Amount (Baht)	Remuneration Details
1. Jasmine International PCL.	108	99,487,126	Salary and Overtime Wage
2. Jasmine International PCL. and the subsidiaries	12,102	3,341,584,006	Salary and Overtime Wage

Number of Employees in Major Departments of the Company as at 31 December 2018

Department	Number of Employees (Person)
1. Office of Chief Executive Officer	25*
2. Office of Internal Audit	3
3. Administration	14
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	12
10. Human Resources	22
Total	108

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

Personnel Training Policy of the Company

Nowadays, advancement and competition in technologies have great impacts on both social and economic systems, resulting in changes in people's lifestyle as well as business operation. Being well aware of this fact, the Company puts emphasis on developing its human resources to be sustainably efficient and in alignment with its business directions, starting from the stage of personnel recruitment & selection to the stage of enriching them with skills, knowledge and abilities, so that they can be ready to efficiently support the Company's businesses and are always quick to manage unceasing changes.

Regarding training, the Company's training plan places emphasis on arranging practical courses that are beneficial to and required by the jobs of its personnel. In-house training, public training and seminars are appropriately arranged. Lecturers are either expert invited from outside or experienced personnel within the organization. In addition to training and seminars, the Company supports its personnel for more strength in knowledge and skills by way of coaching by supervisors, on the job training and field trips, both within the country and abroad. The efficiency and the effectiveness of all these can be evaluated by the personnel's ability to apply the knowledge they acquire to their jobs and the ability to further pass it on to their colleagues or relevant parties.

In 2018, employees at the executive and supervisory levels were developed for such skills as administration, management, leadership, technology, strategic planning and etc; whereas, employees at the practitioner level were developed in such fields as selling skills, marketing, servicing, technician skills, computer and etc. The average training period of every level was at least 75 hours/person/year.

One of the Company's core values is to develop learning and giving society within the organization. In addition, the Company places importance on its personnel's good quality of life; thus, providing them with good environment, welfare, chances of progress in their career paths, and reasonable compensation. All these, as a consequence, bring about the personnel's work efficiency, love, organizational commitment and loyalty.

The Company is confident that developing human resources to be fully equipped with good knowledge, proficiency, good attitudes and moral would further enhance its business operation to be sustainably successful.



8. Corporate Governance

The Office of the Securities and Exchange Commission (the “SEC”) has issued Corporate Governance Code for Listed Companies 2017, comprising 8 major principles, effective March, 2017. To this regard, in 2018, the Company continued complying well with its Corporate Governance Code (CG Code), that comprises 5 major principles in alignment with the guideline of the CG Code of the SEC, as detailed below.

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 to 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, the Company’s directors and relevant management are present to answer the questions that are raised. Significant question-and-answer issue as well as 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 disposal 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 the regulators of the 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 departments 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 the executives or the outside-party stakeholders such as creditors and customers, etc. The Company 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 a 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 a 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 disclosed 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. The Board plays a vital role in setting up corporate policy and organization overview 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 verified 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 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 are also directors of other companies in details. At present, 3 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 be in compliance 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 transaction. No irregular 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 commencing from 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 set up the scopes of duty and authority for its executives and employees clearly in writing. The Company also conducts the control of assets usage for its own 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 verify 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 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 reports that are 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 the Chief Executive Officer or the Director and 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 to the task of meeting organization.

5. Board of Directors' Self Assessment

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

The Chief Executive Officer's performance is considered by the Board of Directors, based on the evaluation results 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 to 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

Gift Policy

The directors, the executives and/or the employees of the Company and its subsidiaries are prohibited from receiving any benefit from government officers, government sector, private agencies, business partners, or people with whom the Company and its subsidiaries do business, be it in the form of money, assets or others for their own; except for the case of the International New Year or other generally accepted local customary or traditional practices. The gifts that the directors, the executives and/or the employees of the Company and its subsidiaries may receive on those occasions should not be exceeding 3,000 Baht in value. In addition, the directors, the executives and/or the employees of the Company and its subsidiaries are not permitted, in any case, to accept immoderate or inappropriate hospitality and reception.

Report on Compliance with Corporate Governance Policy

In 2018, 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' meetings to report and request for the approval of issues which are significant or require resolutions from the meetings according to the law.
2. In 2018, the Company organized the Annual General Meeting of Shareholders (the 2018 AGM) on 30 April 2018; all the Company's directors attended the meeting. In addition, it organized the Extraordinary General Meeting of Shareholders No.1/2018 (the EGM No.1/2018); all the Company's directors, except Dr. Vichit Yamboonruang, attended the meeting.
3. The shareholders' meetings were held at the Company which is located on the area, reachable by enough public transportation; thus, the shareholders could travel to attend the meetings conveniently.
4. The Company provided the shareholders with adequate time to study detailed information of the documents for the shareholders' meetings beforehand as detailed below:-

- The Company posted the invitation letter to the 2018 AGM on its website (www.jasmine.com) 32 days prior to the meeting date. It also posted the Minutes of the 2018 AGM on the website 14 days after the date of the meeting.
 - The Company posted the invitation letter to the EGM No.1/2018 on its website (www.jasmine.com) 31 days prior to the meeting date. It also posted the Minutes of the EGM No.1/2018 on the website 14 days after the date of the meeting
5. The Company has 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.
6. 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 2018 are as follows:-
- At the 2018 AGM, 56 shareholders assigned the Company's Independent Directors, namely, Mr. Sudhitham Chirathivat, Dr. Vichit Yamboonruang, Dr. Yodhin Anavil and Mrs. Chantira Purnariksha to vote on their behalves. In the like manner, 2 shareholders assigned Mr. Pete Bodharamik, Director, to vote on their behalves.
 - At the EGM No.1/2018, 53 shareholders assigned the Company's Independent Directors, namely, Mr. Sudhitham Chirathivat and Dr. Yodhin Anavil to vote on their behalves. In the like manner, 3 shareholders assigned Mr. Pete Bodharamik, Director, to vote on their behalves.
7. In the shareholders' meeting, all the shareholders were equitably allowed to express their opinions and raise questions to the management who attended the meeting. Voting was in compliance with 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 is 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 the transfer of any companies or private sectors;
 - 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.
8. The Company complied with the policy on the prevention of the inside information usage. Details of this policy are in Subsection 8.5: Control of Inside Information Usage and Section 10 : Internal Control and Risk Management, Topic : Control Activities. In 2018, the Company's executives and other relevant persons strictly conformed to such policy. None ignored or violated it.

3) Regarding the Role of Stakeholders

In the event that a stakeholder's right is violated by the Company, the Company shall do everything in compliance with law. The shareholder can submit a complaint or inform the Company of a trace of such matter at [www.jasmine.com/contact/whistle blowing](http://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 1 December 2017.

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. 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 of 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 of the Company's directors was finally approved by the shareholders' meeting.

As for salary, bonus and other benefits for the executives and the employees, each was considered mainly based on the Company's operating results. Besides cash remuneration, the Company provided its executives and employees with welfares other than those required by law such as provident fund, annual health checkup, and recreational activities.

The Company fairly treated every group of investors, be it individual or institution, local or foreign by providing for analysts or interested investors 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. Investor Relations Unit of the Company is 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.

- Contact person: Mrs. Chuenkamol Treesuttacheep, telephone: 0-2100-3085,
Email Address: churnkamol.t@jasmine.com

Meanwhile, the disclosure of significant data of the Company was assigned to the Regulatory & Compliance Department.

- Contact person: 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 independence 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. The organization structure is practical in which the management power is delegated to the employees of different levels, enabling them to participate in the Company's operations and dexterously perform their duties. The scopes of authorities and financial approval for each management level are clearly explicated in writing.

The Company has clearly segregated the authorities and the roles of the Chairman of the Board of Directors from those of the Chief Executive Officer so as to prevent unlimited power exercising. The Chairman of the Board of Directors is a director, elected and appointed by the Board of Directors; whereas, the Chief Executive Officer is appointed by the Board of Directors, taking into consideration the opinion proposed by the Remuneration and Nomination Committee (as detailed in Subsection 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 to acknowledge its directors, employees and investors in general.
3. The Company has set up and put in writing business operation policies and procedures. They are prudently defined to be malfeasance-preventive in the areas of disbursement, 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, the Company's Article of Association requires that at a Board of Directors' meeting, not less than $\frac{1}{2}$ 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, the Vice Chairman of the Board of Directors shall 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 who attend the meeting may elect one director among them to be Chairman of the Meeting. In summoning a Board of Directors' Meeting, the 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 the benefits of the Company.

In 2018, the Company completely complied with the regulation on such matter. Throughout the year, 8 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 Company's work prior to proposing 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.)

The Company has also set up the Risk Management Committee and the Remuneration and Nomination Committee. The authority and duties of these 2 subcommittees are explained in details in Subsection 8.2.

During the year 2018, the Company's subcommittees arranged their meetings as summarized below:-

- The Audit Committee held 5 meetings. All the committee members completed their attendance.
 - The Risk Management Committee held 4 meetings. All the committee members completed their attendance.
 - The Remuneration and Nomination Committee held 2 meetings. All the committee members completed their attendance.
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, placing value on work environment, work quality and work ethics. An internal auditor is responsible for providing analyses, assessment, suggestions, consultation and information to support the workers and at the same time increasing the efficiency of the internal audit system under the cost-effective budget.

The task of internal audit includes testing and evaluating the adequacy and the efficiency of the internal control system as well as the quality of work within the organization. Duties of internal auditors are as follows:-

- 1) To verify and report the reliability and completeness of financial information, work performance and analytical method and evaluation
- 2) To ensure that the work systems that have significant impacts on the operations and the reports of the Company are in alignment with the Company's policies, work plans, regulations and relevant 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 work plans so as to ensure that they are in compliance with the Company's objectives and that all is carried out as planned, achieving the ultimate goal of the organization
- 6) To provide the Audit Committee with opinions that would help develop the internal control system to be more appropriateness and stronger
- 7) To perform any other task assigned by the Audit Committee

7. In 2018, the Board of Directors and all the subcommittees of the Company evaluated their own performance both as a party and an individual; the Board of Directors also evaluated the performance of the Chief Executive Officer, using the assessment form prepared based on the guideline of the Corporate Governance Center of the SET. The Board of Directors 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.

Evaluation Criteria and average performance evaluation results of the Board of Directors, each subcommittee and the Chief Executive Officer are as detailed below:-

0 = No action has been taken.

1 = A little action has been taken.

2 = The action has been taken to a certain degree.

3 = The action has been well taken.

4 = The action has been excellently taken.

N/A = There is no information or the information cannot be used.

Type of Committee	Evaluation Criteria	Percentage of Average of Good and Excellent Performance Evaluation Result
Board of Directors		
- As a party	1. Structure and Qualifications of the Committee 2. Roles and Responsibilities of the Committee 3. The Committee Meetings 4. Fulfillment of Duties of the Committee 5. Relationship with the Management Support Team 6. Self-development of the Committee and the Development of the Executives	100
- As an Individual	1. Structure and Qualifications of the Committee 2. The Committee Meetings 3. Roles and Responsibilities of the Committee	100
Chief Executive Officer	1. Leadership 2. Strategic Planning 3. Compliance with Strategic Planning 4. Financial Planning and Compliance	99.50

Type of Committee	Evaluation Criteria	Percentage of Average of Good and Excellent Performance Evaluation Result
	5. Relationship with the Board of Directors 6. Relationship with Outside Party 7. Management and Relationship with Personnel 8. Succession 9. Knowledge on Products and Services 10. Personal Qualifications	
Audit Committee		
- As a party	1. Structure and Qualifications of the Committee 2. The Committee Meetings 3. Roles and Responsibilities of the Committee	100
- As an Individual	1. Structure and Qualifications of the Committee 2. The Committee Meetings 3. Roles and Responsibilities of the Committee	100
Risk Management Committee		
- As a party	1. Structure and Qualifications of the Committee 2. The Committee Meetings 3. Roles and Responsibilities of the Committee	100
- As an Individual	1. Structure and Qualifications of the Committee 2. The Committee Meetings 3. Roles and Responsibilities of the Committee	100
Remuneration and Nomination Committee		
- As a party	1. Structure and Qualifications of the Committee 2. Roles and Responsibilities of the Committee 3. The Committee Meetings 4. Fulfillment of Duties of the Committee 5. Relationship with the Management Support Team 6. Self-development of the Committee	100
- As an Individual	1. Structure and Qualifications of the Committee 2. The Committee Meetings 3. Roles and Responsibilities of the Committee	100

8. The Company supports its Directors to attend courses that are beneficial to their roles and duties. In 2018, the Company's Director attended the following course :-

- The Course organized by Thai Institute of Directors Association (IOD)

Audit Committee Forum, topic : "Learn, Unlearned and Relearn – Audit Committee in the Age of Disruption"

9. In November 2018, the Board of Directors' meeting amended the Company's Corporate Governance on the authority and duties of the Chief Executive Officer.

In February 2019, the Board of Directors' meeting considered reviewing the Company's compliance with the principles of Good Corporate Governance in context of its business.

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 Chairman of the Board of Directors

Chairman of the Board of Directors is appointed by the Board of Directors as the chief of the Board; he is required to perform the following duties:-

1. To preside over the Board of Directors' Meeting and conduct the Meeting according to the agenda sequence, in compliance with the Company's Articles of Association and applicable laws; in addition to encouraging the Board members to independently discuss, express opinions and exchange ideas with concern for all the stakeholders and with due circumspection for the optimum benefit of the Company; also, the Chairman of the Board of Directors has the duty to clearly sum up the meeting resolutions for further actions.
2. To preside over a shareholders' meeting and act as chairman of the meeting, conducting the meeting according to the agenda sequence, in compliance with the Company's Articles of Association and applicable laws by appropriately allocating time for each agenda, providing the shareholders with opportunities to express their opinions equitably and ensuring that those questions are properly responded to.
3. To perform any duty specified by law as the duty to be performed by the Chairman of the Board of Directors

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 signatory 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 work of the Director and President and the Management team and determines their remuneration and other benefits; he is also responsible for approving the Company's business plan and adjusting it to suit with current business situation. The Chief Executive Officer is authorized to approve the normal business transaction* of not exceeding

Whereby, the approval for such business transaction does not include the transaction in which the 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 (the "SEC") and/or the SET, has in any other way with the Company or its subsidiaries.

Remarks : * Normal business transaction refers to trading transaction normally undertaken by a listed company or a subsidiary for the purpose of operating business (Source of Definition : Document of the Stock Exchange of Thailand No. BorJor. (Wor.) 47/2547, dated 21 July 2004 Re: Amendment to the Rules on Connected Transactions of the Listed Companies)

Authority and Duties of the Director and President

The Director and President manages, administers, and implements the normal functions of the Company in such a way as to further the interests of the Company. The scope of authority and duties of the Director and President are determined by the Chief Executive Officer as follows:

1. The Director and 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' meeting under all relevant laws and the scope of authority, determined by the Chief Executive Officer.
2. The Director and 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 business activities of the value not exceeding Bt 10 mn only. To this purpose, the Director and President may authorize an individual person to act on his/her behalf in undertaking any specific transaction under the designated authority.

The above-mentioned authority does not include the entering into the transaction in which the Director and President or a person who may have conflicts of interest, as per definition set forth in the Notifications of the SEC and/or the SET, has 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. To perform 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 to the Remuneration and Nomination Committee |

Authority and Duties of the Remuneration and Nomination Committee

Remuneration

1. To set up remuneration policy for the Board of Directors, the subcommittees and the Chief Executive Officer of the Company, appointed by the Board of Directors
2. To determine remuneration and other benefits for the Board of Directors, the subcommittees and the Chief Executive Officer of the Company, 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 Director 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 Director 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. Yordchai | Asawathongchai | 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 to the Risk Management Committee |

Authority and duties of the 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

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 parent, spouse, brother , sister , child, including as spouse of child, executive, major shareholder, authorized person or person nominated as executive or authorized person 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 assistance 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 % 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 connected 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.

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 disposal 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

- 1) Audit Fee : For the previous fiscal year, the Company and its subsidiaries paid the audit fee to EY Office Limited, totaling 11,283,000 Baht.
- 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

Ever since Jasmine International Public Company Limited (JAS) and companies under Triple T Broadband Public Company Limited (3BB), who mainly provides high speed broadband Internet service, have been operating business, devotion is given towards good corporate governance, strictly adhering to good governance principles, and having self awareness on responsibilities towards the community, in order to provide benefits to the community as a whole, while running in parallel with a sustainable growth of the Company.

Running Business under CSR In Process

The Company is driven in being a model to the society, distributing information and news on the current situation of our organisation, and also opening the opportunity for staff to participate in meetings, discussions, decision making processes, and allowing staff to express opinions and comments. Moreover, the Company invites staff to unite in developing a work system, and training and development plan, which contains courses for executives, supervisors, and staff in the organisation. The Company conducts various activities, including the “Thinking Well, Doing Well, and Speaking Well” project, which encourages staff to cooperate and help each other in solving different types of situations, to gain the feeling of being a part of the organisation in unity, and feeling that they are the heart for the organisation in moving forward.

Operating Business with Justice

JAS operates its business by adhering to an ethical framework based on equality and justice with its partners and customers, which includes being responsible for all stakeholders involved, in order to create transparency in operating service provision business.

An Anti-Corruption Business

Ever since JAS has operated business, the Company adheres to righteousness, transparency, and anti-corruption principles, by following anti-corruption policies portraying equality and justice. It is aware of the preventive measures against corruption of both within and outside of the organization. The Company teaches all staff to act in accordance with regulations and principles based on ethics, transparency, and teamwork.

Respecting Human Rights

JAS gives importance and respect towards human rights and forbids both direct and indirect acts that violate the freedom and rights of individuals or groups. Apart from that, the Company is continually aware of the fact that all staff are important assets to the Company. Therefore, policies are set in accordance with treating individuals with honor and respect towards their rights, and continually managing the environment in the work place to be safe for the staffs’ lives and assets. JAS also believes in the potential of people who have visual, hearing, and moving impairments, by providing opportunities for these people to work in the Company and allocating them to different appropriate tasks, in order to develop a good quality of life for their future.

Treating Workers with Justice

JAS develops a framework for staff to be treated with equality and justice, and staff development and training are conducted, including:

1. Treating staff with respect to their health and humanity
2. Providing benefits to staff with justice
3. Taking care of the working environment to be safe to the staffs’ lives
4. Appointing and shifting positions based on staffs’ knowledge, abilities, and appropriateness, as well as rewarding staff who work with honesty and integrity
5. Giving importance towards development of knowledge and ability of staff
6. Listening to comments and suggestions from staff
7. Strictly conducting according to rules and regulations relating to staff

Responsibility towards Customers

To be in accordance with the vision of being the leader in providing high speed internet broadband service, and respond to the needs of all types of customers, the Company is prompt and willing to provide service through following safety standards at all processes. Additionally, JAS greatly emphasizes training for provision of high quality service to staff, in order for them to operate tasks through with their full potential and create maximum satisfaction to customers, as varying developmental courses are available, including:

Courses for Technicians

- Work safety on high places near high voltage electrical line
- Service skills for technician teams
- Professional service standards for technician teams

Courses for Sales Staff

- Mind to Service Excellence
- Super Service Excellence
- Selling skills for 4.0 Era

Courses for Executives and Supervisors

- 3BB Leadership Development Program
- Develop on the strengths and potential of supervisors
- Skills development for supervisors of the new generation



Jasmine International Public Company Limited (JAS) and companies under 3BB supports and helps out flood and windstorm victims from the incident occurred in the southern region of Thailand, by providing 3BB WiFi service to people in this region for free or without having to login, in order for them to be able to communicate with each other.



Taking Care of the Environment

The cooperation and unity between staff is considered eminent towards creating a good consciousness and awareness on staffs' social responsibilities. JAS is dedicated in decreasing the effects towards the environment, and encourages staff to be economical on spending resources, while entailing maximum benefits, such as recycling different materials, including paper and plastics, saving on water usage, and separating wastes. In taking care of the working space, the Company therefore holds the following objectives:

- Develop enforcement on economical paper and water usage, in order to save resources that are available, so as to provide maximum benefits and reduce costs
- Control electrical usage, by disabling electricity in areas that do not actually require usage, while also decreasing usage of electricity during 12:00 – 13:00 hrs
- Control vehicles usage, in order to save petrol, and manage for maximum efficiency of car usage

Collaboration in Community Development

Apart from the aforementioned, JAS also focuses on other different sectors in order to develop a good growth in business. The Company places importance on the collaboration of developing the community and society, because it believes cooperation is a step forwards towards a sustainable growth.

Dual Vocational Education (DVE) Project

Since the year 2015, JAS has been supporting the government's strategic movement for education, for developing human resources to have criteria fitting the needs of private entrepreneurs. Hence, the Company continually participates in the project of Dual Vocational Education (DVE), which opens the opportunity for vocational students to work in the Company, through developing their knowledge and skills, providing an earning for stable living, and various welfare. The Company is currently in agreement and contract with universities nationwide under this project.

Free 3BB WiFi Project

The Company supports the Ministry of Digital Economy and Society (MDES), in providing free WiFi Internet service to numerous public areas, such as educational institutions, governmental service institutes, public transport and train stations, airports, and tourist areas. This acquires the opportunity for citizens and tourists to readily access information and beneficial digital services.

Support for Handicapped Individuals Project

JAS consents for many types of handicapped individuals to work at the Contact Center, such as those with vision impairment, hearing impairment, and moving impairment, by providing payment and welfare according to the organization's standard. This is considered an opportunity for handicapped persons to have a stable career, and to be proud of living in society at a quality level.

Devising and Disseminating Innovation

In order to increase the convenience in providing service, JAS invented and developed varying Mobile Applications, such as 3BB Member, which is an important application allowing 3BB customers to check and make service payment, while also opening a channel for them to receive privileges such as discounts. The application has the following characteristics:

- The user can check the total amount due for service payment, as well as make payment
- The user can request for discount from participants under privilege program
- The user can change package or register for other additional services
- The user can check for promotions of products and additional services
- The user can search for nearby 3BB service centers in his/her area

The Company continues to develop and invent new innovations in order to conform with technological advancement, so as to satisfy the needs of customers as completely as possible.

Corporate Social Responsibility (CSR After Process)

Jasmine International Public Company Limited (JAS) and companies under Triple T Broadband Public Company Limited (3BB) continually commits to enforcing various types of CSR activities, including:

Education Project: 3BB Broadband Internet for Free Education Project

This is one of the most important projects that the Company takes consideration in, with particular emphasis on opening opportunity for students in rural areas to access Internet . As a pioneer in providing Internet access in rural areas, JAS

hence selected a number of primary level schools in rural areas across the country for setting up broadband Internet and 3BB WiFi for free, which still continues since it started in year 2011. The Company was able to provide Internet access to a total of 2,270 schools throughout the country over this course of period. This counts as a chance for students to open their perspectives on learning, while parents and nearby community can also reach information, causing a good achievement in education and for people to build a reputation of themselves and their family.



JAS CSR for Children Project

Jasmine International Public Company Limited (JAS) and its subsidiaries have carried out the “JAS CSR for Children” project continuously. The youth population, whom the Company believes are a powerful force of the country, receives support and development on education and sports skills. JAS also provides education funding, sports equipment, sports clothes, and free lunches, including funding for the essay writing contest titled “Internet and my Daily Life”.



Sports Project



With volleyball considered to be a popular sport in Thailand, the Company supports the women's volleyball team at the Nakornnont Volleyball Club, named "3BB Nakornnont". Woman athletes at this club have such great ability and skills that they were selected for the national team, which is considered a pride of "3BB Nakornnont".



Other CSR Projects

Staffs at the Company cooperated in carrying out the project "JAS Unithing in Mangrove Planting and Restoring Natural Abundance", at the Mangrove Forest Conservation and Prasae Basin Life Center, located in Klang District of Rayong Province. Moreover, JAS participated in helping floods victims by providing aids bags and supporting funds to government agencies under the "Jasmine Uniting in Help Towards Flood Victims" project in Naan, Nakorn Phanom, and Songkhla Provinces.



Jasmine International Public Company Limited (JAS) and companies under Triple T Broadband Public Company Limited (3BB) is fully aware of their social responsibilities, including the enactment of policies encouraging its staff to participate and unite in giving back to the society. Corporate Social Responsibility (CSR) therefore leads to an effective operation and sustainable growth of JAS, as its staff are consistently committed in providing back to the society with thoughtful intentions.



Internal Control and Risk Management



10. Internal Control and Risk Management

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

The Board of Directors has assigned the Audit Committee to assist it in verifying the adequacy of the internal control system, the accuracy of financial reports and the connected transactions to prevent conflicts of interests in addition to overseeing the Company's compliance with rules, regulations and applicable laws. The Office of Internal Audit is entrusted with the task of auditing the work of all the departments of the Company based on the annual audit work plan approved by the Audit Committee.

The Audit Committee verifies and evaluates the adequacy and the appropriateness of the Company's internal control system with independence via the Office of Internal Audit, whose scope of work is to audit activities of the companies within Jasmine International Group prior to reporting the results of its oversight to the Board of Directors for consideration. This ensures that the Company's internal control system is adequate and appropriate; its business operation is strictly in compliance with relevant laws, rules and regulations; its connected transactions are transparent and its financial reports, accounting reports as well as other reports are prudently verified to be accurate and reliable. At the Board of Directors' meeting No. 2/2019, convened on 18 February, 2019, the Audit Committee reported the results of its evaluation on the adequacy of the internal control system, being conducted following the guidelines defined by the Office of the Securities and Exchange Commission (the "SEC") as summarized below:-

Control Environment

The Company's environment enabled its internal control system to proceed as properly as expected. The Company had both the Legal and the Regulatory & Compliance Departments, playing an important role in supervising the operation to be in compliance with relevant laws and regulations. In addition, it approved the work policies as well as the work manuals meanwhile adjusting the structures of the organization and the working groups appropriately to enhance the efficiency of its management and operation.

Risk Assessment

The Company put emphasis on risk management so as to keep itself in readiness for coping with changes, arising either from the internal or the external risk factors, which might impact its operation; for examples, strategic risk, operational risk, financial risk, compliance risk and ICT risk. To this regard, the Board of Directors had established the Risk Management Committee to supervise risk management of the Company to be appropriate and efficient. This committee also had a duty to follow up the progress of risk management measures and mitigation plans continually and accordingly report the results to the Board of Directors every quarter.

Control Activities

The Company's business operation was under a good and efficient internal control system that kept on monitoring it to be in accordance with the Company's plans and simultaneously in compliance with

relevant rules and regulations. The segregation of duties enhanced the checks and balances. In addition to the segregation of duties, the Company considered delegating management authority appropriately; it also reviewed and clearly defined scopes of duties and financial approval authority granted to each management level.

Information & Communication

The Company's information and communication system was up-to-date and of high quality. Data processing system had been continually developed to accommodate the Company's management of a large amount of data, enhancing its business expansion. IT safety control policies for IT usage and information storage had been set up. In addition, the Company provided efficient internal communication channels by taking into account the appropriateness of information contents. Such channels included intranet system, e-mail and voice-on-the line system for internal public relations. Apart from the above-mentioned, the Company also had the communication channels for whistle-blowing of corrupt practices.

Monitoring Activities

The Company regularly monitored its own operation, both of the executives and the practitioner levels, to be efficient in accordance with its goals. The adequacy of the internal control system was audited and evaluated by the Office of Internal Audit that also provided recommendations on corrective actions for improving the Company's processes and accordingly followed up the results thereof; thus, ensuring the timely appropriate improvement. Audit results were reported to both the executives and the Audit Committee, on a regular basis.

The Audit Committee had evaluated the Company's internal control system and was of the opinion that the internal control system and the risk management of the Company were conducted continuously; both were adequately efficient and suitable for the Company's businesses. Besides, in view of the Audit Committee, the Company also had good corporate governance and in compliance with the applicable laws, rules and regulations.

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 Rattanaramik.
- 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 due to her qualifications, education background, knowledge and experience gained through training courses that 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 the related party transactions as defined in the Notification of the SEC. The business transactions in the year 2018 were all in compliance with the terms and the conditions in the contracts entered into between the Company, its subsidiaries and associate companies for normal business practice (as referred to in Clause 6 of Notes to the Financial Statements for the year 2018). The Company already carried out each transaction according to its procedure for the reasonableness of that particular transaction itself and also for the optimum benefits of the Company. The Audit Committee had reviewed the prices or the ratios of those transactions with the Company's officers and the internal auditors and was of the opinion that those prices were reasonable and accurately disclosed in the financial statements. The Company has its own approval procedures for related party transactions which were of the similar processes of 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 2018, the Company and its subsidiaries executed the following transactions of product sale, service offering, and others with the following related parties:-

Connected Person	Relationship	Nature of Related Party Transaction	Amount (Million Baht)
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 Talent Studio Co., Ltd. 7. Mono Film Co., Ltd. 8. Mono Radio Co., Ltd. 9. Mono Sport 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 56.18% (as at 7 January 2019)	- PA executed contracts for leasing office space at Jasmine International Tower, billboard, facility services and other utility services. - TTTI executed a high-speed Internet service contract wherein stated that the service charge was subject to the circuit speed. ARS signed a contract to supply the UPS power JasTel executed contracts for circuit leasing. - JTS executed contracts for selling cloud equipment and services.	56 24 1 3 1
JASIF	JAS holds 23.51% of the total units	- TTTBB entered into the Asset Sale and Transfer Agreement of the Optical Fiber Cable and other related agreements with JASIF.	241

11.2 In 2018, the Company and its subsidiaries bought the products and equipment and paid for the leases and the services from connected persons as detailed below:-

Connected Person	Relationship	Nature of Related Party Transaction	Amount (Million Baht)
Mono Group, comprising 1. Mono Generation Co., Ltd. 2. Mono Technology Co., Ltd. 3. Mono Broadcast Co., Ltd. 4. Mono Radio Co., Ltd. 5. Mono Film 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 56.18% (as at 7 January 2019)	- TTTI utilized advertising service and media and profit sharing from film broadcast service	25
JASIF	JAS holds 23.51% of the total units	- TTTBB entered into the Lease Agreement of the Optical Fiber Cable with JASIF.	4,184

12. Significant Financial Information

Audit Report Summary

The auditor whose appointment was approved by the 2018 AGM was Mr. Supachai Phanyawattano, Certified Public Accountant (Thailand) No. 3930 or Ms. Krongkaew Limkittikul, Certified Public Accountant (Thailand) No.5874, or Mr. Natthawut Santipet, Certified Public Accountant (Thailand) No.5730 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 2016, 2017 and 2018, due to a limitation imposed by circumstances. In 2018, the Company's financial statements were limited 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. Subsequently, on 19 August 2016, a concession provider submitted a dispute proposal to the Arbitration Institute, asking a subsidiary to return the excess revenue sharing received based on the co-investor agreement and to pay opportunity costs, together amounting to approximately Baht 9,931 million. This is currently being considered by the Arbitration Institute. Furthermore, on 26 August 2016, a concession provider submitted a dispute proposal to the Arbitration Institute, asking a subsidiary and another subsidiary to pay costs, damages with interest and business opportunity costs in total amounting to approximately Baht 258 million. The management and the legal advisor of the subsidiaries believe that the subsidiaries have fully complied with the co-investor agreement; therefore, no provision has been recorded for costs and damages in the financial statements. The ruling to the revenue sharing rate negotiation may significantly impact on the balance of such trade receivable. The costs and damages which may result from the above event may significantly impact on the value of the investment in the subsidiary. The auditor was unable to audit to satisfy himself as to the balances 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 1,856 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 326 million for the three financial institutions who are the original creditors named in applications for payment in the Company's rehabilitation plan. 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. During the year 2018, the Central Intellectual Property Court issued judgments on the cases between the Company and four plaintiffs that filed the lawsuits, ordering the Company to make debt payments totaling Baht 1,095 million together with interests due under the lawsuits until the full payments are made. The Company considers that for the three plaintiffs who are the original creditors should record the additional provision in respect of interest. The Company records an additional provision amounting to Baht 170 million. Moreover, the Company considers that other two plaintiffs who are the assigned creditors should record the additional provision in both of principal and interest amounting to Baht 430 million, resulting in the total provision for reversal of judgment by the Supreme Court, amounting to Baht 926 million. However, the Company filed appeals for the two plaintiffs to the Court of Appeal for Specialised Cases and other two are in the process of filing appeals. 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 circumstances and the auditor was unable to audit to satisfy himself as to the amount of additional provision to be recorded as a result of the cancellation of the rehabilitation order.

The auditor also drew attention to the following matters:-

1. 1. The litigation between a subsidiary and two government agencies, ordering the subsidiary to pay penalties for its failure to deliver tablets according to the agreements : During the year 2018, the Central Administrative Court issued a judgment on the case, ordering the subsidiary to pay penalties together with interest. A provision for penalties and compensation that might be incurred that the subsidiary has recorded in the past, are sufficient to the amount of the penalties according to the judgment of the Central Administrative Court. However, the subsidiary and the two government agencies filed appeals to the Supreme Administrative Court and the subsidiary filed requests to suspend execution to the Central Administrative Court. At present, the cases are under consideration by the Court. The subsidiary's management and legal advisor are confident that no significant losses will be incurred as a result of these lawsuits and disputes.
2. The management of the subsidiary is of the opinion that the settlement of outstanding balances with an unrelated company of approximately Baht 877 million, including the Court proceedings and various disputes, are correct.
3. 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. The management of the subsidiary believes that the subsidiary will successfully negotiate with the counterparty to reduce the scope of work 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					
	2018		2017		2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Balance sheet						
Cash and cash equivalents	899	1.70	3,038	6.01	2,482	5.22
Trade and other receivables	3,180	6.01	3,174	6.28	3,019	6.35
Total current assets	5,832	11.03	7,674	15.18	7,208	15.16
Investments in associates	4,018	7.60	6,234	12.33	6,850	14.41
Property, plant, and equipment	37,987	71.82	31,633	62.58	28,491	59.94
Other non-current assets	196	0.37	196	0.39	177	0.37
Total assets	52,890	100.00	50,549	100.00	47,531	100.00
Short-term loans from banks	968	1.83	3,915	7.74	2,229	4.69
Trade and other payables	3,435	6.49	4,064	8.04	3,198	6.73
Total current liabilities	14,389	27.21	15,993	31.64	10,874	22.88
Long-term liabilities and provision for rental assurance	17,853	33.75	18,220	36.04	23,478	49.39
Total liabilities	34,514	65.26	35,920	71.06	36,264	76.29
Registered capital issued and fully paid-up	3,992	7.55	3,335	6.60	2,968	6.25
Appropriated retained earnings	1,101	2.08	1,021	2.02	1,012	2.13
Unappropriated retained earnings	4,223	7.98	3,239	6.41	4,418	9.30
Total shareholders' equity	18,376	34.74	14,629	28.94	11,267	23.71
Profit and Loss Statement						
Sales and service income	17,995	100.00	17,432	100.00	15,619	100.00
Other income	4,148	23.05	856	4.91	2,532	16.21
Total revenues	22,144	123.05	18,288	104.91	18,151	116.21
Cost of sales and services	11,267	62.61	11,031	63.28	9,711	62.17
Selling, servicing and administrative expenses	4,752	26.41	4,187	24.02	3,914	25.06
Loss on recording provision for reversal of judgment by the Supreme Court	613	3.41	12	0.07	12	0.08
Damages from non-compliance with the conditions precedent to be met before granting a license	-	-	-	-	841	5.38
Doubtful accounts and bad debt	231	1.28	225	1.29	338	2.16
Finance cost	744	4.13	692	3.97	395	2.53
Net Profit (Loss)	4,913	27.30	2,693	15.45	3,002	19.22
Cash flow Statement						
Net cash (used in) operating activities	4,001		3,417		(2,467)	
Net cash from investing activities	1,900		(2,503)		2,832	
Net cash (used in) financing activities	(8,040)		(358)		(5,763)	
Net increase (decrease) in cash and cash equivalents	(2,139)		556		(5,398)	

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		
		2018	2017	2016
Liquidity Ratio				
Current Ratio	(Time)	0.41	0.48	0.66
Quick Ratio	(Time)	0.29	0.39	0.54
Cash Ratio	(Time)	0.26	0.25	(0.17)
Receivable Turnover	(Time)	5.66	5.63	5.12
Average Collection Period	(Day)	64	64	70
Inventory Turnover	(Time)	-	-	-
Holding Period	(Day)	-	-	-
Payable Turnover	(Time)	3.00	3.10	2.79
Average Payment Period	(Day)	120	118	129
Cash Cycle	(Day)	(56)	(55)	(58)
Profitability Ratio				
Gross Profit Margin	%	37.39	36.72	37.83
Operating Profit Margin	%	13.00	13.72	17.69
Other Profit Margin	%	18.73	4.68	13.95
Cash to Profitability Ratio	%	171.05	142.90	(89.25)
Net Profit Margin	%	22.19	14.73	16.54
Return on Equity	%	29.77	20.80	21.23
Efficiency Ratio				
Return on Assets	%	9.50	5.49	6.11
Return on Fixed Assets	%	26.90	21.22	23.40
Total Assets Turnover	(Time)	0.43	0.37	0.37
Financial Policy Ratio				
Debt to Equity Ratio	(Time)	1.88	2.46	3.22
Interest Coverage Ratio	(Time)	6.06	5.68	(4.09)
Leverage Ratio (Cash Basis)	(Time)	0.17	0.34	(0.23)
% Growth Ratio				
Total Assets	%	4.63	6.35	(6.43)
Total Liabilities	%	(3.91)	(0.95)	7.34
Sales and Service Income	%	3.23	11.61	11.70
Operating Expenses	%	13.51	6.65	17.29
Net Profit (Loss)	%	82.39	(10.27)	(80.89)

Management Discussion and Analysis (MD&A)

13. Management Discussion and Analysis (MD&A)

Overview

Over the past several years, due to the government policies that emphasize supporting the people's gaining of more access to the internet usage and the diverse changes in consumers' behavior, Broadband Internet service market has been continuously growing in parallel with the emergence of new operators, seriously rivaling in the Broadband Internet service market. While other operators can offer their services only in certain areas in each province of the country, the Company has no such a limitation because of its nationwide service coverage. Although it has the advantage of service coverage over other rivals, the Company still keeps on expanding its optical fiber cable networks into more areas in order to increase its Broadband Internet service footprint alongside with upgrading its existing Broadband Internet networks continuously. Furthermore, FTTx – a technology that enables more speed efficiency for the hi-speed Internet service offering – is used by the Company to increase its Internet speed service. This is beneficial as the customers can be satisfied with higher Broadband Internet speeds and at the same time, the Company itself can launch more variety of Internet packages that properly serve the manifold demands of the customers

As at the end of the year 2018, 3BB totally had approximately 2.94 million subscribers. In 2018, 3BB had approximately 216,000 net additional subscribers, a result of the Company's upgrading of the existing xDSL subscribers to become the subscribers of the FTTx service. This strategy helps not only maintaining the existing customer, but also reducing the churn rate of customers at the same time, resulting in increasing proportion of the FTTx subscribers. As at the end of the year 2018, 3BB had approximately 1.03 million FTTx subscribers, or equivalent to 35% of all the subscribers of 3BB.

The growing number of the Internet subscribers resulted in an increase of approximately 4% growth of the total operating revenue of the Company for the year 2018, in comparison to that of the year 2017. Nevertheless, during the year, the Company's investment in expanding a lot of networks that resulted in an increase in the depreciation cost of network equipment and the decrease in the recognition of profit sharing from investments in JASIF due to the decrease in the Company's investment unit holding during the year (the Company decreased its investment unit holding in JASIF and recognized gain on sales of such investments in May 2018), caused the operating profit for the year 2018 of the Company to slightly decrease, compared to the year 2017. However, when comparing EBITDA to sales and service income, it was found that EBITDA Margin for the year 2018 was 43%, compared to that of 40% in 2017.

The Company has continued developing Broadband Internet service, using the existing customer base as its ground. With such determination, more values would be created and added to the businesses of Jasmine International Group in the future, enhancing an increase in potential growth of revenue and profitability.

With regard to the sale of the additional Optical Fiber Cables ("OFCs") to Jasmine Broadband Internet Infrastructure Fund ("JASIF"), approved by the shareholders' meeting, various conditions are now under

the negotiation between the Company and JASIF. The final purchasing price as well as the selling price of the OFCs will be as agreed by both parties. Provided that this transaction can be completed in 2019, the Company will have more fund to further invest in network expansion for more service area coverage.

Operating Performance

In 2018, the Company and its subsidiaries generated the operating profit of Bt 2,339 mn, when compared to Bt 2,392 mn in 2017, decreasing by Bt 52 mn, or 2%. This amount, when included by the FX gain of the subsidiaries of Bt 48 mn, the gain on sales of investments in associate (JASIF) of Bt 3,650 mn, the adjustment of the provision for rental assurance of OFCs of the Fund due to the change in the discount rate in relation to the rental rate growth of Bt 31 mn and deducted by the allowance for debts from the rehabilitation plan of Bt 613 mn, in compliance with Thai Financial Reporting Standards (TFRS) (however, the Company has a different view from the decision of the Court of First Instance in the matter of facts and the matter of law; therefore, the Company will exercise the right to appeal such decision), the allowance for doubtful accounts and bad debt of the subsidiaries of Bt 231 mn and deferred tax of Bt 311 mn, resulted in the record of the net profit for the year 2018 of the Company and its subsidiaries of Bt 4,913 mn, increasing by 82% when compared to that of Bt 2,693 mn in 2017.

Unit : Bt mn

Item	2018	2017	% change
Operating profit	2,339	2,392	(2)
FX gain (loss)	48	555	(91)
Gain on sales of investments in associate	3,650	-	100
Adjustment of the provision for rental assurance of OFCs of the Fund for the rental rate growth	31	297	(90)
Loss on recording of provision for reversal of judgement by the Supreme Court	(613)	(12)	5,008
Doubtful accounts and bad debt	(231)	(225)	3
Deferred Tax	(311)	(313)	(1)
Net profit (loss)	4,913	2,693	82
EPS (Baht per share)	0.63	0.42	50

Performance breakdown by business unit

Performance breakdown by business unit in 2018 and 2017 is as follows:-

Unit : Bt mn

Company	Total Revenue		
	2018	2017	% Change
Broadband Business			
1. Triple T Broadband Public Company Limited	514	815	(37)
2. Triple T Internet Company Limited	16,859	16,307	3
Total	17,373	17,122	1
Telecom Network & Service Provider Business			
1. Jasmine Submarine Telecommunications Company Limited	20	23	(13)
2. JasTel Network Company Limited	661	646	2
3. Jasmine Internet Company Limited	208	230	(10)
4. Acumen Company Limited	4	9	(56)
5. ACeS Regional Services Company Limited	44	59	(25)
Total	937	967	(3)

Unit : Bt mn

Company	Total Revenue		
	2018	2017	% Change
System Integration Business			
1. Jasmine Telecom Systems Public Company Limited	19	17	12
2. Cloud Computing Solutions Company Limited	20	31	(35)
Total	39	48	(19)
Other Businesses			
1. Jasmine International Public Company Limited	3,649	2	182,350
2. Premium Asset Company Limited	146	146	-
3. T.J.P. Engineering Company Limited	-	3	(100)
4. Others ¹⁾	-	-	-
Total	3,795	151	2,413
Grand Total	22,144	18,288	21

Note : ¹⁾ Comprising JOIC , MCS , Three BB , ACT , JASMBB

Revenue

In 2018, the total revenue of the Company and its subsidiaries was Bt 22,144 mn (including gain on sales of investments in JASIF of Bt 3,650 mn), compared to that of Bt 18,288 mn in 2017, increasing by 21%. Details are as follows:-

Unit : Bt mn

Item	2018	2017	% change
Sales and service income	17,995	17,432	3
Gain on sales of investments in associate	3,650	-	100
FX gain	48	555	(91)
Interest income	27	19	43
Other income	424	282	50
Total	22,144	18,288	21

Sales and Service Income

In 2018, the Company and its subsidiaries totally obtained the sales and service income of Bt 17,995 mn, compared to that of Bt 17,432 mn in 2017, increasing by 3%. For the year 2018, contribution in sales and service income was mainly from Broadband Business, 94% of total sales and service income. Sales and service income breakdown by business unit are as follows:-

Unit : Bt mn

Type of business	2018	2017	% change
Broadband Business	16,916	16,310	4
Telecom Network & Service Provider Business	899	948	(5)
System Integration Business	35	29	21
Other Businesses	145	145	-
Total	17,995	17,432	3

In 2018, the income obtained from Broadband Business was Bt 16,916 mn, compared to that of Bt 16,310 mn in 2017, increasing by 4%, a result of an increase in the number of broadband subscribers. During the past year, TTTBB emphasized expanding its Fiber Optic network (FTTx technology) to cover more service areas and continuously upgrading Broadband Internet networks. As a result, the Company can offer more Internet packages that serve the needs of the customers. Furthermore, the Company has also offered the FTTx service to the existing xDSL customers in order to reduce the churn rate. In 2018, TTTBB had approximately 216,000 net additional subscribers. The increase in the net additional subscribers of 3BB was mainly due to an increase in the number of FTTx subscribers. In 2018, 3BB had approximately 709,000 FTTx net additional subscribers, compared to the year 2017 in which 3BB had approximately 201,000 FTTx net additional subscribers. As at the end of the year 2018, 3BB totally had approximately 2.94 million subscribers; this number included 1.03 million FTTx subscribers, or 35% of 3BB subscribers.

In 2018, the sales and service income obtained from Telecom Network & Service Provider Business was Bt 899 mn, decreasing by 5% , compared to that of Bt 948 mn in 2017. The decrease was due to the decrease in domestic and international private leased-circuit service income.

In 2018, the sales and service income obtained from System Integration Business was Bt 35 mn, increasing by 21%, compared to that of Bt 29 mn in 2017. For Other Businesses, the sales and services income in 2018 was Bt 145 mn, the same amount as obtained in the year 2017.

Other income

In 2018, the Company and its subsidiaries recorded other income (excluding gain on sales of investments in JASIF of Bt 3,650 mn) of Bt 498 mn, comprising income obtained from management and maintenance of assets of Bt 241 mn, FX gain of Bt 48 mn, interest income of Bt 27 mn and others of Bt 182 mn), compared to that of Bt 856 mn in 2017.

Expenses

In 2018, the total expenses of the Company and its subsidiaries were Bt 16,863 mn, compared to Bt 15,455 mn in 2017, increasing by 9%. Details of expenses are as follows:-

Unit : Bt mn

Item	2018	2017	% change
Operating Expenses :			
- Cost of sales and services	11,267	11,031	2
- Selling and servicing expenses	1,279	1,299	(2)
- Administrative expenses	3,473	2,888	20
Total Operating Expenses	16,019	15,218	5
Doubtful accounts and bad debt	231	225	3
Loss on recording of provision for reversal of judgment by the Supreme Court	613	12	5,008
Total Expenses	16,863	15,455	9

- In 2018, the operating expenses of the Company and its subsidiaries were Bt 16,019 mn in total, compared to Bt 15,218 mn in 2017, increasing by 5%. Details of expenses are as follows:-

- 1) The cost of sales and services in 2018 was Bt 11,267 mn, compared to that of Bt 11,031 mn in 2017, increasing by 2%. Such increase in the cost of sales and services was mainly due to the depreciation of network equipment that increased as a result of network expansion of TTTBB ; whereas, the rental fee according to the OFCs lease agreement with JASIF which was recorded in 2018 decreased as a result of the adjustment of the provision for rental assurance due to the change of the discount rate (the rental fee recorded in cost of sale and service was the net amount after deduction of amortization of the provision for rental assurance and adjustment of the provision for rental assurance of OFCs due to the change of the discount rate) and the USO fee and the license fee paid to the NBTC which decreased due to the reduction on fee collection. The gross margin for the year 2018 was at 37% which is the same as in the year 2017.
 - 2) The selling and servicing expenses and administrative expenses in 2018 were Bt 4,752 mn, compared to Bt 4,187 mn in 2017, increasing by 14%. Such increase was mainly due to the increase in advertising & public relations expenses and other expenses such as vehicle expenses and gas expenses. Nevertheless; employee related expenses were still the major selling and servicing expenses.
- In 2018, the subsidiaries recorded an allowance for doubtful accounts and bad debts of Bt 231 mn, most of which were mainly the items of TTTI that had the policy on setting up the provision for doubtful debts of 3 months overdue receivables.
 - In 2018, the Company recorded the loss on recording of provision for debts from rehabilitation plan of the Company for reversal of judgment by the Supreme Court of Bt 613 mn, in compliance with Thai Financial Reporting Standards (TFRS). However, the Company had a different view from the decision of the Court of First Instance in the matter of facts and the matter of law; therefore, the Company would exercise the right to appeal such decision.

Financial Expenses

In 2018, the financial expenses of the Company and its subsidiaries were Bt 744 mn, increasing by Bt 52 mn, compared to Bt 692 mn in 2017 due to long-term loan from bank and supplier credit for equipment of the Company and its subsidiaries which had increased during the year, resulting in an increase in interest expense.

Net profit (loss)

In 2018, the Company and its subsidiaries reported the total net profit of Bt 4,913 mn (including gain on sales of investments in JASIF), compared to that of Bt 2,693 mn in 2017. In 2018, Broadband Business generated the net profit of Bt 1,547 mn, increasing by Bt 99 mn from the year 2017; Telecom Network & Service Provider Business generated the net profit of Bt 1,176 mn, increasing by Bt 873 mn from the year 2017; System Integration Business generated the net profit of Bt 19 mn, decreasing by Bt 2 mn from the year 2017; For Other Businesses, the net profit for the year 2018 was Bt 8,636 mn, increasing by Bt 3,927 mn from that of the year 2017. After the elimination of the intercompany transaction, the Company and its subsidiaries recorded the net profit for the year 2018 at Bt 4,913 mn. Comparing with the total revenue (excluding gain on sales of investments in JASIF), the net profit margin for the year 2018 was 27%.

Financial Position

Assets

As at 31 December 2018, the Company and its subsidiaries had total assets of Bt 52,890 mn, compared to Bt 50,549 mn in 2017, increasing by 5%. The total assets of the Company and its subsidiaries comprised:-

Item	31 December 2018		31 December 2017	
	Bt mn	% of Total Asset	Bt mn	% of Total Asset
Current assets	5,832	11	7,674	15
PP&E, net	37,987	72	31,633	63
Other non-current assets	9,071	17	11,241	22

As at 31 December 2018, the Company and its subsidiaries had current assets of Bt 5,832 mn, representing 11% of total assets, compared to Bt 7,674 mn at the end of 2017, decreasing by Bt 1,842 mn or 24%. The decrease was because:-

- Cash and cash deposits with banks decreased by Bt 2,139 mn from the year 2017. During the year 2018, the Company and its subsidiaries had cash used in an investment in equipment for network expansion of the subsidiaries of Bt 3,992 mn, repayment of short-term and long-term loans, supplier credit for equipment, liabilities under finance lease agreements and interest expense, totaling Bt 15,301 mn (including the refinancing of the existing long-term loan of Bt 4,800 mn). Also, during this year, the Company and its subsidiaries paid dividend of approximately Bt 3,808 mn to their shareholders; the aforesaid items when offset with net cash received from operating activities of Bt 4,001 mn, cash received from investing activities of Bt 5,892 mn (mainly due to the cash received from sales of investments in JASIF of 540 million units at the price of Bt 10.50 per unit in May 2018), cash received from long-term loans of Bt 8,388 mn (long-term loan of Bt 4,800 mn for the refinance of the existing long-term loan of the Company) and cash received from the conversion of JAS-W3 of Bt 2,681 mn.
- Other current assets decreased by Bt 20 mn from the year 2017, mainly due to the decrease in current investments of Bt 13 mn.

The above-mentioned decreasing current assets offset with increasing current assets of Bt 316 mn, a result of the increase in revenue department receivable of Bt 140 mn, the increase in input tax pending payments of TTTBB of Bt 125 mn, the increase in prepaid expenses of Bt 45 mn and the increase in trade and other receivables of Bt 6 mn, resulted in the net decrease of the current assets of the Company and its subsidiaries, amounting Bt 1,842 mn.

Trade and other receivables included receivable for service under a co-investor agreement made between JSTC and TOT of Bt 2,518 mn. Currently, there are still disputes in revenue sharing payment and the case is under the consideration of the Arbitration Institute. The Company had considered setting up the allowance for doubtful debts for the remaining receivables which were mainly from trade receivables of TTTI which had set up the provision for doubtful debts of 3 months overdue receivables.

Property, plant and equipment-net was recorded at Bt 37,987 mn or 72% of the total assets, increasing by Bt 6,354 mn or 20%, compared to that recorded at the end of the year 2017, mainly because of the increase in assets of the subsidiaries as a result of investment in network expansion to support more service coverage of TTTBB. During 2018, TTTBB emphasized expanding its fiber optic networks to cover more service areas in parallel with upgrading Broadband Internet service. With regard to equipment purchase, the Company used short-term working capital facilities such as Letter of Credit (L/C) and Trust Receipt (T/R) for purchasing equipment from abroad and Domestic Letter of Credit (DL/C) and Promissory Note (P/N) for domestic equipment purchase; furthermore, it also used supplier credit facilities. JAS and TTTBB entered into agreements to purchase equipment with suppliers. Under the supply agreements, JAS and TTTBB are obliged to make payment within 1-3 years. In 2018, JAS and TTTBB already made payment to supplier credit for equipment according to this agreement amounting to Bt 2,382 mn. In 2019, the amount to be paid according to this agreement is approximately of Bt 5,275 mn which was recorded in the current portion of accounts payable for equipment.

At the end of 2018, other non-current assets were recorded at Bt 9,071 mn, decreasing by Bt 2,170 mn or 19% from the year 2017. This was mainly due to the decrease in the investment in associates by Bt 2,216 mn resulted from the disposal of investments in JASIF, totaling 540 million units during the year 2018. After the disposal, the Company's unitholding decreased from 33.33% to 23.51% of the total number of the investment units. Such investment in associates was recorded under the equity method in the consolidated financial statements.

Liabilities

As at 31 December 2018, the Company and its subsidiaries had total liabilities of Bt 34,514 mn, compared to Bt 35,920 mn in 2017, decreasing by 4%. Details of the total liabilities are as follows:-

Item	31 December 2018		31 December 2017	
	Bt mn	% of total liabilities	Bt mn	% of total liabilities
Current liabilities (excluding current portions of the long-term liabilities and provision for rental assurance)	6,098	18	10,413	29
Long term liabilities	13,721	40	9,746	27
Provision for rental assurance	12,423	36	14,054	39
Other Non-current liabilities	2,272	7	1,707	5
Total liabilities	34,514	100	35,920	100

Current liabilities (excluding current portions of long-term liabilities and provision for rental assurance) at the end of 2018 were Bt 6,098 mn, decreasing by Bt 4,315 mn, compared to Bt 10,413 mn at the end of 2017. The decrease was mainly because:-

- Short-term loan from banks decreased by Bt 2,946 mn due to the repayment of Trust Receipt (T/R) and Promissory Note (P/N) for the purchase of equipment from suppliers.
- Trade and other payables decreased by Bt 630 mn due to normal business operation.
- Short-term loan decreased by Bt 787 mn due to the repayment for this short-term loan during the

year 2018. At present, the outstanding balance of such short-term loan is Bt 571 mn.

- Other current liabilities decreased by Bt 139 mn, mainly due to the decrease in withholding tax payable of Bt 119 mn.

The above-mentioned decreasing current liabilities offset with increasing current liabilities arising from normal business operation such as undue output tax which increased by Bt 93 mn, advance received from customers which increased by Bt 71 mn and income tax payable which increased by Bt 23 mn, resulted in the net decrease in the current liabilities of the Company and its subsidiaries, amounting Bt 4,315 mn.

Long-term liabilities at the end of 2018 was Bt 13,721 mn, increasing by Bt 3,975 mn from the end of the year 2017 due to the Company and its subsidiaries' entering into long-term loan agreement, agreements to purchase equipment with suppliers - Supplier Credit- and finance lease agreements with leasing companies for the rental of motor vehicles and network security used in their operations. According to the conditions stated in the long-term loan agreement, the Company was required to maintain certain financial ratio, such as Debt Service Coverage Ratio and Net Debt to EBITDA and so on. At the end of 2018, the Company was able to maintain the financial ratio as required by the conditions in the agreement.

Provision for rental assurance (the provision set up for liabilities according to the conditions stated in the Rental Assurance Agreement with JASIF for 20% of the total OFCs) at the end of 2018 was Bt 12,423 mn, compared to Bt 14,054 mn in 2017, decreasing by Bt 1,631 mn due to the amortization of such provision of Bt 1,454 mn. Moreover, during the year 2018, there was an adjustment of the provision for rental assurance due to the change of the assumption of inflation rate and Government Bond Yield which had an effect on discount rate, totaling Bt 177 mn. Such transaction was shown the offsetting amount in cost of the rental fee of the OFCs paid to JASIF.

Other non-current liabilities at the end of 2018 were Bt 2,272 mn, increasing by Bt 565 mn from the year 2017, mainly due to record of the additional allowance for debts from reversal of judgment by the Supreme Court, in compliance with Thai Financial Reporting Standards (TFRS). However, since the Company has a different view from the decision of the Court of First Instance in the matter of facts and the matter of law, it will exercise the right to appeal such decision.

In addition to the liabilities as shown in the statement of financial position, the Company and its subsidiaries had commitments and contingent liabilities in the future relating to investment in telecommunications equipment and operating expenses. The purchase of equipment commitments and the operating lease and service agreements commitments were related to the normal business of the Company and its subsidiaries and complied with terms in the agreements between the subsidiaries and JASIF. For the disputes over the Company's rehabilitation plan, the Company had considered recording the allowance for debts in its financial statements. However, the Company has a different view from the decision of the Court of First Instance in the matter of facts and the matter of law; therefore, it will exercise the right to appeal such decision (details as shown in Notes to the Financial Statements, Item 33).

Shareholders' Equity

At the end of 2018, the shareholders' equity of the Company and its subsidiaries was Bt 18,376 mn, increasing by Bt 3,747 mn from the year 2017. The shareholders' equity of the Company and its subsidiaries comprised:-

- The issued and fully paid-up capital of Bt 3,992 mn, increasing by Bt 657 mn from the end of the year 2017 due to the newly issued shares from the conversion of JAS-W3, the Company had registered the increase in its share capital of 1,314.2 million ordinary shares with the Ministry of Commerce during the year 2018 (for the conversion of JAS-W3 in December 2017, March, June and September 2018).
- The share subscription received in advance of Bt 564 mn from the conversion of 131.3 million units of JAS-W3 in December 2018 (equivalent to 153.9 million ordinary shares at the conversion price of Bt 3.667 per share).
- The premium on ordinary shares of Bt 7,191 mn, increasing by Bt 4,379 mn from the year 2017 due to the record of difference between the conversion price of JAS-W3 (the conversion price of Bt 3.904 per share in December 2017, Bt 3.807 per share in March 2018 and Bt 3.667 per share in June and September 2018) and the par value (Bt 0.50 per share) of the newly issued shares obtained from the conversion of JAS-W3. The Company had registered the increase in its share capital (1,314.2 million ordinary shares) with the Ministry of Commerce during the year 2018.
- The appropriated and unappropriated retained earnings of Bt 5,324 mn, increasing by Bt 1,065 mn from the year 2017; this amount comprised statutory reserve of Bt 1,101 mn (during the year, the Company appropriated the statutory reserve of Bt 80 mn) and unappropriated retained earnings of Bt 4,223 mn. The net profit during the year 2018 of the Company and its subsidiaries was of Bt 4,913 mn. In 2018, the Company paid dividend to its shareholders, totaling Bt 3,793 mn. Moreover, the Company and its subsidiaries recorded the loss on provision for long-term employee benefits in the comprehensive income (the net amount after deduction of income tax), amounting Bt 55 mn.

At present, the Company has fully paid-up capital of 8,138.9 million shares (this included the registered capital which increased due to the conversion of JAS-W3 in December 2018 of 153.9 million ordinary shares) and 1,317.1 million unexercised warrants. On the exercise date in December 2018, the exercise ratio of JAS-W3 was at 1 unit of warrant to 1.172 ordinary share (1 : 1.172) and the exercise price was at Bt 3.667 per share.

Capital Structure

As at 31 December 2018, the Company and its subsidiaries had the total liabilities of Bt 34,514 mn, or 65% of total assets. It had the total shareholders' equity of Bt 18,376 mn, or 35% of total assets. Debt to Equity ratio was at 1.88 times, decreasing from the previous year in which Debt to Equity ratio was at 2.46 times due to the increase in shareholders' equity that resulted from the newly issued shares obtained from the conversion of JAS-W3 during the year (which resulted in the increase in the issued and fully paid-up capital and premium on ordinary shares) and the retained earnings which increased due to the operating results of the Company and its subsidiaries during the year.

Such liabilities included liabilities arising from the record of the provision for rental assurance of Bt 12,423 mn (which was the record of the provision for liabilities according to Thai Accounting Standards). Debt to Equity ratio, excluding such items was at 1.20 times, decreasing from 1.49 times recorded in the previous year.

Liquidity

As at 31 December 2018, the Company and its subsidiaries had cash and cash equivalent of Bt 899 mn, decreasing by Bt 2,139 mn from the year 2017. The summary of net cash generated and used is as follows: -

Net cash from operating activities	4,001	Bt mn
Net cash from investing activities	1,900	Bt mn
Net cash used in financing activities	(8,040)	Bt mn
Net decrease in cash and cash equivalents	(2,139)	Bt mn

- Net cash from operating activities of Bt 4,001 mn was the net amount of the operating profit of the Company and its subsidiaries of Bt 6,740 mn, the payment of OFCs rental fee of to JASIF in relation to the provision for rental assurance of Bt 1,631 mn, the payment of income tax and operating expenses which were normal business items.
- Net cash from investing activities of Bt 1,900 mn was the net amount of cash received from sales of investments in JASIF of the Company in 2018 of Bt 5,667 mn; from this amount, Bt 3,992 mn. was used for equipment payment.
- Net cash used in financing activities of Bt 8,040 mn was the net amount of cash received from the capital increase due to the conversion of JAS-W3 in 2018 of Bt 2,681 mn. However, the Company and its subsidiaries had made net payment of interest and loans of Bt 4,325 mn, repayment of supplier credit for equipment of Bt 2,382 mn, repayment of liabilities under finance lease agreements of Bt 206 mn and dividend payment to the Company's shareholders of Bt 3,793 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 treasure shares of the second Program.

During the year 2011, the Company additionally 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.

During the year 2015, the Company decreased its 142,730,000 paid-up capital by writing off the treasury shares, following the resolution passed by the Company's Board of Directors' Meeting No. 3/2015. The total appropriated retained earnings for treasury shares were completely reversed.

During the year 2016, the Company totally had 1,200,000,000 treasury shares or 16.82% of total issued shares, amounting to Bt 6,000 mn, following the resolution passed by the Company's Board of Directors' Meeting No. 2/2016, held on 7 March 2016 and the Company's Board of Directors' Meeting No. 3/2016, held on 22 March 2016 and the 2016 Annual General Meeting of Shareholders, held on 29 April 2016. It decreased its registered capital from Bt 5,245,998,283.50 to Bt 4,645,998,283.50 and decreased its paid-up capital from Bt 3,568,478,557.50 to Bt 2,968,478,557.50. The total appropriated retained earnings for such treasury shares were completely reversed.

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

1) **Mr. Sudhitham Chirathivat** : Independent Director and Chairman of the Board of Directors

Age : 71 years

Registration Date : 3 February 2010

Securities Holding Ratio : JAS Held personally 0.018%
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : MBA Operation Research, Iona University, New York, USA.

Training for Director Course : Thai Institute of Directors Association (IOD)
2003 Director Certification Program (DCP)

Work Experience During the Period of 5 Years

- Position in Jasmine International Public Company Limited
2010-Present Independent Director and Chairman of the Board of Directors
- Position in Other Listed Companies
2014-Present Independent Director and Member of Audit Committee, TV Thunder PCL.
2004-Present Vice Chairman and Chairman of the Executive Director, Robinson PCL.
2002-Present Director and Executive Director,
 - Central Pattana PCL.
 - Central Plaza Hotel PCL.
- Position in Other Companies (Non-listed Companies)
2002-Present Director and Chairman of Advisory Committee, Central Group Co., Ltd.
Chairman of Executive Committee, Earth Care Co., Ltd.
Executive Director, The Vintage Club Co., Ltd.

2) Dr. Vichit Yamboonruang : Independent Director and Chairman of Audit Committee

Age : 77 years

Registration Date : 4 June 1999

Securities Holding Ratio : JAS Held personally 0.001%
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Ph.D. Public & International Affairs,
University of Pittsburgh, Pennsylvania, USA.

Training for Director Course : Thai Institute of Directors Association (IOD)
2017 Board that Make a Difference (BMD)
2007 Chartered Director Class (CDC)
2004 Audit Committee Program (ACP)
2004 The Role of Chairman Program (RCP)
2004 Director Certification Program (DCP)
2004 Director Accreditation Program (DAP)

Work Experience During the Period of 5 Years

- Position in Jasmine International Public Company Limited)
1999-Present Independent Director and Chairman of Audit Committee
- Position in Other Listed Companies
2012-Present Independent Director and Chairman of Audit Committee,
Sherwood Chemicals PCL.
2011-Present Chairman of the Board of Directors and Independent Director,
Ekarat Engineering PCL.
2006-Present Independent Director and Chairman, Wiik & Hoeglund PCL.
- Position in Other Companies (Non-listed Companies)
2016-Present Chairman, VCK Solution Co., Ltd.
2014-Present Independent Director and Chairman of Audit Committee, BMP Energy PCL.
2008-2014 Chairman and Chief Executive Officer, Thai Premier League Co., Ltd.

3) Dr. Yodhin Anavil : Independent Director, Member of Audit Committee and Chairman of Remuneration and Nomination Committee

Age : 69 years

Registration Date : 28 September 2006

Securities Holding Ratio : JAS Held personally -None-
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Ph.D. Electric Engineer, University of Cincinnati, Ohio, USA.

Training for Director Course : Thai Institute of Directors Association (IOD)
2009 Financial Statement Demystified for Directors (FDD)
2008 Role of the Compensation Committee (RCC)
2008 Chartered Director Class (CDC)
2008 Audit Committee Program (ACP)
2008 Director Certification Program (DCP)
2006 Director Accreditation Program (DAP)

Work Experience During the Period of 5 Years

- Position in Jasmine International Public Company Limited
2014-Present Chairman of Remuneration and Nomination Committee
2008-Present Member of Remuneration and Nomination Committee
2006-Present Independent Director and Member of Audit Committee
- Position in Other Listed Companies
2011-Present Independent Director and Chairman of Remuneration and Nomination Committee, Muangthai Capital PCL.
2011-Present Independent Director, Audit Committee, Corporate Governance Committee, Robinson PCL.
2010-2015 Advisor to Director Committee, D.T.C. Industries PCL
- Position in Other Companies (Non-listed Companies)
1992-Present Executive Director, The Vintage Club Co., Ltd.

4) Mrs. Chantra Purnariksha : Independent Director and Member of Audit Committee

Age : 72 years

Registration Date : 20 December 2011

Securities Holding Ratio : JAS Held personally -None-
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : M.A. Diplomacy and Comparative Economics,
University of Kentucky, USA.

Training for Director Course : Thai Institute of Directors Association (IOD)
2005 Director Accreditation Program (DAP)

Work Experience During the Period of 5 Years

- Position in Jasmine International Public Company Limited
2011-Present Independent Director and Member of Audit Committee
- Position in Other Listed Companies
2015-Present Advisor to the Board of Directors, Muang Thai Insurance PCL.
2013-2016 President / CEO, Saha Pathana Inter-Holding PCL.
2012- 2016 Director, Saha Pathana Inter-Holding PCL.
2011-Present Independent Director, Phatra Leasing PCL.
- Position in Other Companies (Non-listed Companies)
1975-Present Director, S.P. Enterprise Co., Ltd.

5) Mr. Pete Bodharamik* : Director** and Chief Executive Officer

Age : 46 years

Registration Date : 21 March 2008

Securities Holding Ratio : JAS Held personally 56.181%
Held by spouse or minor children -None-
JAS-W3 Held personally 68.082%
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Bachelor of Management Sciences,
London School of Economics and Political Science, England

Training for Director Course : Thai Institute of Directors Association (IOD)
-None-

Work Experience During the Period of 5 Years

- Position in Jasmine International Public Company Limited
2008-Present Director and Chief Executive Officer
- Position in Other Listed Companies
2012- Present Chairman, Mono Technology PCL.
- Position in Other Companies (Non-listed Companies)
2017- Present Director, Jas Holding 2017 Co., Ltd.
2015-Present Director, Pinvest Corporation Co., Ltd.
2012-Present Director, PVS Development Co., Ltd.
2008-Present Director, Jasmine International Group
Executive Director,
- Triple T Broadband PCL.
- Triple T Internet Co., Ltd.
2007-Present Director, Triple T Internet Co., Ltd.
2006-Present Director, Triple T Broadband PCL.
2002-Present Director, Mono Group.
1995-Present Director, Emerald Farm Co., Ltd.

6) Ms. Saijai Kitsin* : Director, Director and President,
Secretary to the Board of Directors and Corporate Secretary

Age : 56 years

Registration Date : 8 May 2008

Securities Holding Ratio : JAS Held personally 0.021%
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : MS. (Accounting), Chulalongkorn University

Training for Director Course : Thai Institute of Directors Association (IOD)
2005 Audit Committee Program (ACP)
2005 Finance for Non-Finance Director (FND)
2004 Director Certification Program (DCP)
2004 Director Accreditation Program (DAP)

Work Experience During the Period of 5 Years

- Position in Jasmine International Public Company Limited
2017-Present Director and President
2008-Present Director and Corporate Secretary
2008-Jan.2017 Executive Vice President
- Position in Other Listed Companies
-None-
- Position in Other Companies (Non-listed Companies)
2016-Present Executive Director, Triple T Internet Co., Ltd.
2015-Present Director, Premium Asset Co., Ltd. and JAS Mobile Broadband Co., Ltd.
2011-Present Director, In Cloud Co., Ltd.
2007-Present Director, Triple T Internet Co., Ltd.
Executive Director, Triple T Broadband PCL.
2006-Present Director, Triple T Broadband PCL.
1992-Present Director and Executive, Jasmine International Group

7) Mr. Terasak Jerauswapong* : Director** and Member of Risk Management Committee

Age : 57 years

Registration Date : 22 June 2000

Securities Holding Ratio : JAS Held personally 0.069%
Held by spouse or minor children -None-
JAS-W3 Held personally 0.208%
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Bachelor of Electrical Engineering (Telecommunications),
King Mongkut's Institute of Technology, Ladkrabang

Training for Director Course : Thai Institute of Directors Association (IOD)
2004 Director Certification Program (DCP)
2004 Director Accreditation Program (DAP)

Work Experience During the Period of 5 Years

- Position in Jasmine International Public Company Limited
2004-Present Member of Risk Management Committee
1999-Present Director
- Position in Other Listed Companies
-None-
- Position in Other Companies (Non-listed Companies)
1996-Present President, Jasmine Submarine Telecommunications Co., Ltd.
1990-Present Director, Jasmine International Group
1988-Present Executive, Jasmine International Group

8) Mr. Subhoj Sunyabhisithkul* : Director**

Age : 50 years

Registration Date : 4 June 1999

Securities Holding Ratio : JAS Held personally -None-
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Bachelor of Electrical Engineering, Chulalongkorn University

Training for Director Course : Thai Institute of Directors Association (IOD)
2004 Director Certification Program (DCP)

Work Experience During the Period of 5 Years

- Position in Jasmine International Public Company Limited
1999-Present Director
- Position in Other Listed Companies
-None-
- Position in Other Companies (Non-listed Companies)
2008-Present President, Triple T Internet Co., Ltd.
2007-Present Director, President and Executive Director, Triple T Broadband PCL.
Director and Executive Director, Triple T Internet Co., Ltd
1997-Present Director, Jasmine International Group
1988-Present Executive, Jasmine International Group

9) Mr. Pleumjai Sinarkorn : Director and Member of Remuneration and Nomination Committee

Age : 85 years

Registration Date : 20 November 2008

Securities Holding Ratio :	JAS	Held personally	0.013%
		Held by spouse or minor children	-None-
	JAS-W3	Held personally	-None-
		Held by spouse or minor children	-None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Ph.D. (Innovative Management),
Suan Sunandha Rajabhat University
MBA, Suan Sunandha Rajabhat University

Training for Director Course : Thai Institute of Directors Association (IOD)
2008 DCP Refresher Course
2007 Role of the Compensation Committee (RCC)
2004 Director Certification Program (DCP)

Work Experience During the Period of 5 Years

- Position in Jasmine International Public Company Limited
2011-Present Member of Remuneration and Nomination Committee
2008-Present Director
- Position in Other Listed Companies
2016-Present Chairman of the Board of Directors, Jasmine Telecom Systems PCL.
2014-Present Chairman of Remuneration Committee, Jasmine Telecom Systems PCL.
2004-Present Director and Member of Remuneration Committee, Jasmine Telecom Systems PCL.
- Position in Other Companies (Non-listed Companies)
2010-present Director, Cloud Computing Solutions Co., Ltd.
2009-present Advisor, JasTel Network Co., Ltd.

10) Mr. Yordchai Asawathongchai : Director and Member of Risk Management Committee

Age : 45 years

Registration Date : 27 September 2016

Securities Holding Ratio	:	JAS	Held personally	-None-
			Held by spouse or minor children	-None-
		JAS-W3	Held personally	-None-
			Held by spouse or minor children	-None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Bachelor of Engineering (Electrical Engineering),
Chiang Mai University

Training for Director Course : Thai Institute of Directors Association (IOD)
2017 Director Certification Program (DCP)

Work Experience During the Period of 5 Years

- Position in Jasmine International Public Company Limited
 - 2017-Present Member of Risk Management Committee
 - 2016- Present Director
- Position in Other Listed Companies
 - None-
- Position in Other Companies (Non-listed Companies)
 - 2016-present Chief Operation Officer 2, Triple T Broadband PCL.
Executive Director,
 - Triple T Broadband PCL.
 - Triple T Internet Co., Ltd.
- 2010-2016 Head of Contact Center Department, Triple T Broadband PCL.

11) Mr. Sittha Suviratvitayakit : Director

Age : 48 years

Registration Date : 2 March 2018

Securities Holding Ratio : JAS Held personally -None-
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Bachelor of Computer Engineering, Kasetsart University

Training for Director Course : Thai Institute of Directors Association (IOD)
-None-

Work Experience During the Period of 5 Years :

- Position in Jasmine International Public Company Limited
2018-Present Director
- Position in Other Listed Companies
-None-
- Position in Other Companies (Non-listed Companies)
2017-present Executive Vice President, Triple T Broadband PCL.
Executive Committee,
- Triple T Broadband PCL.
- Triple T Internet Co., Ltd.
- 2009-2017 Executive, Bangkok and Metropolitan Region,
Triple T Broadband PCL.

12) Mrs. Chuenkamol Treesuttacheep : Chief Financial Officer, Finance Department

Age : 48 years

Registration Date : 12 October 2011

Securities Holding Ratio : JAS Held personally -None-
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : MBA Finance, National Institute of Development Administration

Work Experience During the Period of 5 Years

2012-Present Member of Risk Management Committee,
Jasmine International PCL.

2011-Present Chief Financial Officer, Finance Department,
Jasmine International PCL.

2005-Present Executive, Jasmine International Group

13) Mrs. Nitt Visesphan : Vice President, Finance Department

Age : 58 years

Registration Date : 1 October 2008

Securities Holding Ratio : JAS Held personally -None-
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Master of Administration (Public Management), Burapha University

Work Experience During the Period of 5 Years

2012-Present Director, In Cloud Co., Ltd.

2010-Present Director,
- Jasmine Telecom Systems PCL.
- Cloud Computing Solutions Co., Ltd.

2008-Present Vice President, Finance Department, Jasmine International PCL.

1994-Present Executive, Jasmine International Group

14) Ms. Sinenart Jongpakpaisal

: Vice President, Accounting Department

Age

: 56 years

Registration Date

: 18 May 2010

Securities Holding Ratio

: JAS Held personally -None-

Held by spouse or minor children -None-

JAS-W3 Held personally -None-

Held by spouse or minor children -None-

Family Relationship with Directors and Executives

: -None-

Academic Degree

: Master of Science Accounting, Thammasat University

Work Experience During the Period of 5 Years

2010-Present Vice President, Accounting Department, Jasmine International PCL.

1992-Present Executive, Jasmine International Group

15) Mrs. Uraiporn Charoenchit

: Vice President, Regulatory & Compliance Department

Age

: 54 years

Registration Date

: 1 January 2010

Securities Holding Ratio

: JAS Held personally -None-

Held by spouse or minor children -None-

JAS-W3 Held personally -None-

Held by spouse or minor children -None-

Family Relationship with Directors and Executives

: -None-

Academic Degree

: Bachelor of Arts, Thammasat University

Work Experience During the Period of 5 Years

2010-Present Vice President, Regulatory & Compliance Department,

Jasmine International PCL.

1992-Present Executive, Jasmine International Group

Remarks

: * Person, approved by the Company’s directors, to be the director and the authorized person in the subsidiaries that operate the Company’s core businesses

** Authorized signatory director

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 be the directors and the authorized persons in the subsidiaries that operate the Company's core businesses are disclosed in Subsection 1.1)

Jasmine Submarine Telecommunications Co., Ltd

1) Ms. Sinenart Jongpakpaisal : Vice President, Accounting and Finance Department

Age : 56 years

Securities Holding Ratio : JAS Held personally -None-
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Master of Science Accounting, Thammasat University

Work Experience During the Period of 5 Years

1992-Present Executive, Jasmine International Group

2) Ms. Lukkana Moolsri : Senior Manager, Administration Department

Age : 59 years

Securities Holding Ratio : JAS Held personally -None-
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Master of Arts (Psychology), Chulalongkorn University

Work Experience During the Period of 5 Years

1993-Present Executive, Jasmine Submarine Telecommunications Co., Ltd.

Acumen Co., Ltd.

1) Mrs. Nonglug Pongsrihadulchai : General Manager

Age : 63 years

Securities Holding Ratio : JAS Held personally -None-
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Master of Environment Technology Management, Mahidol University

Work Experience During the Period of 5 Years

1994-Present Executive, Acumen Co., Ltd.

2) Mr. Kamchai Vongklednark : Assistant General Manager

Age : 48 years

Ratio Securities Holding : JAS Held personally -None-
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Bachelor of Engineering (Computer Engineering), Kasetsart University

Work Experience During the Period of 5 Years

1993-Present Executive, Acumen Co., Ltd.

Acumen Co., Ltd. (continue)

3) Mrs. Jirawat Prayoonyuang : Assistant Vice President, Satellite Business Department

Age : 57 years

Securities Holding Ratio : JAS Held personally -None-
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Bachelor of Arts, Ramkhamhaeng University

Work Experience During the Period of 5 Years

1993-Present Executive, Acumen Co., Ltd.

4) Mrs. Kanchana Surbkitwanchai : Senior Manager

Age : 52 years

Securities Holding Ratio : JAS Held personally -None-
Held by spouse or minor children -None-
JAS-W3 Held personally -None-
Held by spouse or minor children -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Bachelor of Accounting, Krirk University

Work Experience During the Period of 5 Years

1992-Present Executive, Acumen Co., Ltd.

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	Subsidiary															Associate		
		TTTB	TTTI	INC	JSTC	TLDT	JasTel	Ji-NET	ACU	ARS	SHW	JTS	CCS	PA	CP	JIOC		ACT	JASMBB
1) Mr. Sudhitham Chirathivat	C,I																		
2) Dr. Vichit Yamboonruang	CA,I																		
3) Dr. Yodhin Anavil	AC,I,CRN																		
4) Mrs. Chantra Purnarksha	AC,I																		
5) Mr. Subhoj Sunyabhisithkul	A	A,P,E	A,E	A	A	A	A	A	A	A						A	A		
6) Mr. Terasak Jerauswapon	ARM				A,P	A	A		A	A	A					A	A		A
7) Mr. Pete Bodharamik	A,CEO	A,E	A,E		A	A	A,P	A,P	A	A						A			
8) Ms. Saijai Kitsin	D,D&P	A,E	A,E	A	A	A	A									A			
9) Mr. Pleumjai Sinarkom	D,RN											A,C,CRC	A						
10) Mr. Yordchai Asawathongchai	D,RM	E	E																
11) Mr. Sitha Suviratvitayakit	D	D,E	E																
12) Mr. Soomboon Patcharasopak	CRM,RN				A	A	A	A	A	A	D					A	A		A
13) Mrs. Chuenkamol Treesuttacheep	CFO,RM																		
14) Mrs. Nitt Visphan				A															

Remarks : A = Authorized Signatory Director AC = Member of Audit Committee C = Chairman of the Board of Directors
CA = Chairman of Audit Committee CEO = Chief Executive Officer CFO = Chief Financial Officer
D = Director D&P = Director and President E = Executive Director
I = Independent Director P = President RM = Risks Management Committee
RN = Remuneration and Nomination Committee CRC = Chairman of Remuneration Committee
CRN = Chairman of Remuneration and Nomination Committee CRM = Chairman of Risks Management 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 or 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		JASMBB
1) Mrs. Nonglug Pongsrihadulchai	A,E	A,E									A	A						
2) Ms. Chongrak Rojanavipat	A																	
3) Mr. Vasu Prasannate	A,E	E																
4) Mr. Anupong Bodharamik	A																	
5) Mr. Pisit Tantirodjanakitjakarn	E	E					D											
6) Mr. Prayut Bunyasiri					D													
7) Mr. Kittipong Mekvichitsaeng										A								
8) Mr. Sa-ngob Sangkhachinda										A								
9) Mr. Raks Unahabhokha											CA,I,RC							
10) Acting Sub Lt. Annop Suthakavatin											AC,I,RC							
11) Maj. Gen. Sunanta Sirisumpan											AC,I							
12) Mr. Parinya Sahaphatsombut											D,P	A						
13) Mrs. Pindao Rojanakul												A	A					
14) Mr. Suraphol Chanpetch			A															
15) Ms. Oranuch Chandhasin														A				
16) Mr. Pradya Boonrodpanit																		A
17) Mr. Saharat Kanongsilp																		A
18) Mr. Chumanus Keshsathira																		A
19) Mr. Nopphadol Wanlapha																		
20) Mr. Sornbat Punsiripat																	A	
21) Mr. Paween Chaiprakarn																	A	

Remarks :

A = Authorized Signatory Director AC = Member of Audit Committee CA = Chairman of Audit Committee
D = Director E = Executive Director I = Independent Director
P = President RC = Remuneration Committee

Information of JAS Head of Internal Audit

Mrs. Nipaporn Rattanaramik : Senior Manager, Office of Internal Audit

Academic Degree/Training

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

Work Experience

July 2017-Present	Senior Manager, Office of Internal Audit, Jasmine International PCL.
2008-2017	Manager, Office of Internal Audit, Jasmine International PCL.
2004-2007	Assistant Manager, Office of Internal Audit, Jasmine International PCL.

Changes in Securities Holding of Directors and Executives

Name-Surname	Number of Shares (Shares)			Number of JAS-W3 (Units)		
	as at 31 Dec. 2017	Change in Number of Shares in 2018 Increase / (Decrease)	as at 31 Dec. 2018	as at 31 Dec. 2017	Change in Number of JAS-W3 in 2018 Increase / (Decrease)	as at 31 Dec. 2018
Director						
1. Mr.Sudhitham Chirathivat	-	1,500,000	1,500,000	-	-	-
Spouse and Minor children	-	-	-	-	-	-
2. Dr. Vichit Yamboonruang	60,000	-	60,000	-	-	-
Spouse and Minor children	-	-	-	-	-	-
3. Dr. Yodhin Anavil	-	-	-	-	-	-
4. Mrs. Chantha Purnariksha	-	-	-	-	-	-
Spouse and Minor children	-	-	-	-	-	-
5. Mr. Pete Bodharamik	4,295,246,452	277,243,601	4,572,490,053	1,333,295,757	(436,555,974)	896,739,783
6. Mr. Subhoj Sunyabhisithkul	-	-	-	-	-	-
Spouse and Minor children	-	-	-	-	-	-
7. Mr. Terasak Jerauswapong	5,585,080	-	5,585,080	2,737,784	-	2,737,784
Spouse and Minor children	-	-	-	-	-	-
8. Mr. Pleumjai Sinarkorn	1,047,058	-	1,047,058	-	-	-
Spouse and Minor children	-	-	-	-	-	-
9. Ms. Saijai Kitsin	1,700,000	-	1,700,000	-	-	-
10. Mr. Yordchai Asawathongchai	-	-	-	-	-	-
Spouse and Minor children	-	-	-	-	-	-
11. Mr. Sittha Suviratvitayakit	-	-	-	-	-	-
Spouse and Minor children	-	-	-	-	-	-
Executive						
1. Mrs.Chuenkamol Treesuttacheep	-	-	-	-	-	-
Spouse and Minor children	-	-	-	-	-	-
2. Mrs. Nitt Visesphan	-	-	-	-	-	-
Spouse and Minor children	-	-	-	-	-	-
3. Ms. Sinenart Jongpakpaisal	-	-	-	-	-	-
4. Mrs.Uraiporn Charoenchit	-	-	-	-	-	-
Spouse and Minor children	-	-	-	-	-	-

Shareholding in Subsidiaries and Associate Company of the Board of Directors

Shareholding in Subsidiaries and Associate Company of the Board of Directors

Company name	Name of Director		Number of Ordinary Shares as at 31 December 2018
In Cloud Co., Ltd.	Mr. Subhoj	Sunyabhisithkul	1
Jasmine Submarine Telecommunications Co., Ltd.	Ms. Saijai	Kitsin	1
Thai Long Distance Telecommunications Co., Ltd.	Mr. Terasak	Jerauswapong	1
	Ms. Saijai	Kitsin	1
JasTel Network Co., Ltd.	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	3
	Ms. Saijai	Kitsin	1
Acumen Co., Ltd.	Ms. Saijai	Kitsin	2
Smart Highway Co., Ltd.	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	3
Jasmine Telecom Systems PCL.*	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
JAS Mobile Broadband Co., Ltd.	Mr. Pete	Bodharamik	1
	Ms. Saijai	Kitsin	1
T.J.P. Engineering Co., Ltd.	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	2
Mobile Communication Services Co., Ltd.	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	3
Three BB Co., Ltd.	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	2

Remarks : * Shareholding as at 24 January 2019



Remuneration and Nomination Committee's Report



Appointed by the Board of Directors (the “BOD”), the Remuneration and Nomination Committee is responsible for the recruitment, the selection and the nomination of the persons, possessing the qualifications suitable for being Directors, Subcommittee members, Chief Executive Officer (the “CEO”) and Director and President of the Company in addition to proposing, for the BOD’s consideration, the policy on the benefits as well as the guidelines on the payment of remuneration, gratuities and other benefits for the BOD, the Subcommittees and the CEO of the Company that are prudently prepared by taking into account the suitability between the proposed amount and the duties and responsibilities of the Director, the Company’s operating results and current market conditions.

The Remuneration and Nomination Committee is chaired by Dr. Yodhin Anavil, Independent Director, with Mr. Pleumjai Sinarkorn and Mr. Somboon Patcharasopak, as its members.

In 2018, the Remuneration and Nomination Committee arranged the meetings to consider the issues that were within the scope of their duties and responsibilities, as summarized below:-

- **The consideration on the remuneration, gratuities and other benefits for the BOD and the Subcommittees of the Company**

The Remuneration and Nomination Committee considered the remuneration, gratuities and other benefits for the BOD and the Subcommittees of the Company thoroughly and with prudence, taking into account, the payment rates of the companies in the same industry, business expansion, the Company’s growth of profits, including the Directors’ duties and responsibilities. The Directors who were assigned with more duties and responsibilities in any of the Subcommittees received increasing remuneration at the amount appropriate for the increasing work in charge; the rising remuneration payment, to this respect, was both an incentive and a way to retain the qualified director with the Company.

- **The consideration on the remuneration and the annual bonus for the CEO**

The Remuneration and Nomination Committee considered the remuneration and the annual bonus of the CEO to be at a proper rate, comparable to the rates of the companies in the same industry and also in accordance with the Company’s operating results each year.

- **The recruitment, selection and nomination of a person to replace the Director who resigned and was due to retire from office by rotation**

The Remuneration and Nomination Committee recruited, selected and nominated a person to replace the Director who resigned to propose for the BOD s’ approval. As for the Directors who were due to retire from office by rotation, the Remuneration and Nomination Committee proposed their names for the BOD’s and the shareholders’ meeting’s approvals, respectively.

- **The Remuneration and Nomination Committee's Self Assessment**

The Remuneration and Nomination Committee evaluated their performances both as an individual and a party. The Self Assessment Form was divided into 6 parts which comprised Structure and Qualifications of the Committee, Roles and Responsibilities of the Committee, Committee Meetings, Fulfillment of duties of the Committee, Relationship with the Management Support Team and Self-development of the Committee. The self assessment results of the Remuneration and Nomination Committee for the year 2018 were reported as excellence, showing that the Committee performed the duties as being assigned completely well. Each appropriately applied his knowledge, prudence and discretion; hence, enabling the work to be accomplished efficiently, in alignment with business operation of the Company.

The Remuneration and Nomination Committee accordingly reported its meeting resolutions to the BOD on a regular basis. In 2018, the Committee had worked with full efforts, prudence, transparency and independence to accomplish the tasks as assigned by the BOD for the optimum benefit of the Company and the shareholders and also to be in line with the Good Corporate Governance as required by the Stock Exchange of Thailand.



(Dr. Yodhin Anavil)

Chairman of Remuneration and Nomination Committee



Risk Management Committee's Report



The Risk Management Committee of Jasmine International Group places a high value on strengthening risk management to be sustainable and efficient as a tool for the management of the Group's core businesses. To this end, the Company takes into consideration risk factors, both internal and external, that may significantly affect risk management tasks and mitigates them to an acceptable level, in alignment with the Company's policies and strategies and in the manner that is safe for business operation. In 2018, the Risk Management Committee arranged 4 meetings; the tasks carried out by the Committee can be summarized as follows.

- 1) Risk assessment : The Risk Management Committee assessed 5 areas of risk, namely revenue , finance, human resources, market & competition, and operation & maintenance by taking into consideration the internal as well as the external risk factors that might affect the operation of the Company. Besides, it revised the risk management framework and policy to be in accordance with changing situations and also set up work procedures and work processes in order to manage such risks to be at an appropriate level, not affecting the Group's business operation.
- 2) Risk management administration : The Risk Management Committee administered risk management under the risk management framework and in line with the established risk management policy through the risk management teams which represented all the business groups of the Company. It had also drawn up control measures, which helped mitigate risks and reduce potential loss to an acceptable level, ensuring that the Company was capable of managing risks, systematically and efficiently.
- 3) Risk management monitoring and supervision : The Risk Management Committee arranged the meeting quarterly in order to continuously monitor, review and improve risk factors to be appropriate, suiting with any change that might occur and to be at an acceptable level by the standard of the Company in addition to efficiently mitigating chances of risks. The meetings' resolutions were accordingly reported to the Board of Directors, on a quarterly basis.
- 4) Building an awareness of risk management task : The Risk Management Committee encouraged the Company's employees of all levels organization-wide to continually take part in risk management process so as to enhance not only risk assessment and risk management planning that would give rise to internal control, but also employees' self assessment in the Company's significant work processes.

Considering from the above activities, the Risk Management Committee was of the opinion that the task of managing risks of the Company had been systematically carried out; the Committee had completed its duties as assigned by the Board of Directors and well in compliance with the principles and guidelines for good corporate governance; thus, ensuring that the risk management of the Company would continue efficiently.



(Mr. Somboon Patcharasopak)

Chairman of the Risk Management Committee

The Audit Committee of Jasmine International Public Company Limited (the “Company”) comprises 3 independent directors who are expert and well equipped with knowledge and experiences in management, namely :-

1. Dr.Vichit Yamboonruang Chairman of Audit Committee;
2. Dr.Yodhin Anavil Audit Committee Member;
3. Mrs.Chantra Purnariksha Audit Committee Member.

The Audit Committee carries out its duties in accordance with the scope of authority and responsibilities approved by the Board of Directors (the “BOD”) and as required by the Audit Committee Charter, placing emphasis on systematic work process; Good Corporate Governance; verification of the Company’s financial statements and internal control system; appropriate and efficient internal audit; oversight of the Company’s compliance with relevant rules, regulations and applicable laws; and nomination of the Company’s external auditors and proposal of the audit fee.

In 2018, the Company organized 5 Audit Committee meetings; each of which was attended by the Company’s external and internal auditors. The meeting results as well as the Audit Committee’s opinions were accordingly reported to the BOD. The tasks accomplished by the Audit Committee for the fiscal year 2018 are summarized as follows:-

1. Financial Reports

The Audit Committee verified the accuracy, the completeness and the reliability of the quarterly and the annual separated and consolidated financial statements for the fiscal year 2018. They had the meetings with the external auditors, on a regular basis, in order to be acknowledged of significant issues and to inquire them about their opinions and discretion in such matters.

The Committee was of the opinion that the accounting and the financial reports of the Company disclosed the Company’s financial position and performance accurately, in conformity with the generally accepted accounting and financial reporting principles; to this regard, every piece of information was disclosed adequately and appropriately. The external auditor stated its opinions on this matter accordingly in the auditor’s report, proposed to the BOD and the shareholders.

2. Related Party Transactions or Transactions that may Cause a Conflict of Interest

The Audit Committee quarterly verified, oversaw and provided opinions on related party transactions or transactions that may cause a conflict of interest of the Company based on the principles of reasonableness, sufficient information disclosure, as normal business practice. The Committee was of the opinion that the Company’s related party transactions were reasonable and transparent, being conducted for the optimum benefit of the Company. Furthermore, they were disclosed accurately in due time.

3. Internal Control System and Internal Audit

The Audit Committee verified the effectiveness and the adequacy of the Company's internal control system by taking into account the results obtained from the control self assessment forms, internal audit reports and the continual monitoring of corrective actions that are to be in compliance with the recommendations stated in the reports prepared by the internal and the external auditors. The Committee was of the opinion that both the internal control system and the internal audit of the Company were adequate, appropriate, and efficient.

The Audit Committee also approved internal audit work plan for the year 2019, prepared based on risks of the Company with an emphasis on auditing key preventive control operations of the organization.

4. Compliance with Applicable Laws, Relevant Rules and Regulations

The Audit Committee verified the Company's operation to be in compliance with the Securities and Exchange Act, the rules and the regulations stipulated by the Office of the Securities and Exchange Commission (the "SEC") and relevant laws. The Committee was of the opinion that the Company completely complied with the relevant laws, rules and regulations.

5. Nomination of the Company's Auditors to Propose for Appointment and Consideration on the Audit Fee thereof for the Year 2019

The Audit Committee considered nominating auditors for the Company by taking into consideration audit knowledge, expertise, experiences, creditability, independence and work quality. To determine the audit fee, the Committee principally considered the amount of work and audit scope of responsibilities. For the year 2019, the Committee deemed it appropriate to propose the BOD to consider nominating the auditors from EY Office Limited to be appointed by the shareholders' meeting as the Company's auditors and fixing the audit fee thereof.

6. Audit Committee's Self Assessment

To comply with Good Corporate Governance Code, stipulated by the Stock Exchange of Thailand (the "SET"), the Audit Committee evaluated their performances, both as a party and as an individual committee. According to the self assessment result, the Committee fulfilled its duties and responsibilities by applying their knowledge and abilities prudently with independence. They also provided opinions straightforwardly in alignment with the Audit Committee Charter.

In summary, the Audit Committee completely performed its duties and responsibilities as assigned by the BOD. In view of the Committee, the Company's financial statements were accurate and in accordance with the generally accepted accounting principles; the disclosure of related party transactions or transactions that may cause a conflict of interest of the Company was adequate; the internal control system was suitable for the Company's nature of business. Furthermore, in their opinion, the Company completely complied with rules and regulations of the SET and all the applicable laws.

(Dr.Vichit Yamboonruang)

Chairman of Audit Committee

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

The Board of Directors of Jasmine International Public Company Limited (the “Company”) is responsible for overseeing the financial reports of the Company and its subsidiaries to be in accordance with the generally accepted accounting principles in Thailand and completely audited by the Company’s auditor, employing appropriate accounting policy that the Company practiced consistently; the material information therein is also supervised to be sufficiently disclosed in Notes to the Financial Statements, for the benefits of shareholders and investors in general.

The Board of Directors has established good corporate governance for the Company and has also maintained the proper, efficient and effective risk management and internal control system to ensure that the Company’s assets usage control is truly for the Company’s benefit. In addition, the Board of Directors places importance on the segregation of duties to prevent frauds and significant irregularities.

The Board of Directors has appointed the Company’s Audit Committee, comprising independent directors who possess the qualifications in accordance with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission to be in charge of overseeing the reliability and the correctness of the financial reports as well as the efficiency of both the internal control system and the internal audit of the Company. Opinions provided by the Audit Committee on these issues are set forth in the Audit Committee Report in this Annual Report.

The consolidated financial statements of the Company and its subsidiaries have been audited by EY Office Limited, the Company’s auditor. The Board of Directors supported the audit work by providing the Company’s auditor with the information and the documents as per requests in order to facilitate the Company’s auditor in carrying out the audit task and providing the auditor’s opinions to be in congruent with the accounting principles, as set forth in the Auditor’s Report in this Annual Report.

The Board of Directors is of the opinion that the internal control system and the internal audit of the Company are overall good enough to assure the reliability of the financial reports of the Company and its subsidiaries for the year ended 31 December 2018, in line with generally accepted accounting principles, the applicable laws and the regulations of the relevant regulators.



(Mr. Pete Bodharamik)

Chief Executive Officer

Independent Auditor's Report

To the Shareholders of Jasmine International Public Company Limited

Qualified Opinion on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of Jasmine International Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2018, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Jasmine International Public Company Limited for the same period.

In my opinion, except for the possible effects on the matters described in the *Basis for Qualified Opinion on the Consolidated Financial Statements* section of my report, 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 2018, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Qualified Opinion on the Consolidated Financial Statements

- a) As described in Note 9 to the consolidated 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 the revenue sharing rate is still being disputed between the concession provider and the subsidiary. The subsidiary took the dispute to the Arbitration Institute and is currently awaiting this ruling from the Arbitration Institute. Subsequently on 19 August 2016, the concession provider submitted a dispute proposal to the Arbitration Institute, Office of Dispute Resolution, the Judiciary, asking the subsidiary to return the excess revenue sharing received based on the co-investor agreement and to pay opportunity costs, together amounting to approximately Baht 9,931 million. This is currently being considered by the Arbitration Institute. Furthermore, on 26 August 2016, the concession provider submitted a dispute proposal to the Arbitration Institute, asking the subsidiary and another subsidiary to pay costs, damages with interest and business opportunity costs in total amounting to approximately Baht 258 million. However, the management and the legal advisor of the subsidiaries believe that the subsidiaries have fully complied with the co-investor agreement therefore no provision has been recorded for costs and damages in the consolidated financial statements. The ruling on the revenue sharing rate may significantly affect the Baht 2,518 million balance of trade receivable as at 31 December 2018 (2017: Baht 2,518 million), and the costs and damages which may result from the above event, in the consolidated financial statements and may significantly impact on the value of the investment in the subsidiary as at 31 December 2018 totaling amounting to Baht 1,946 million (2017: the balances of other receivables, dividend receivables from the subsidiary and value of the investment in the subsidiary totaling amounting to Baht 2,379 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 damages which may result from the above event, and this constitutes a limitation imposed by circumstance.

- b) As described in Note 33.6 to the consolidated 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 had proceeded 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. In August 2014, five asset management company and financial institutions filed lawsuits petitioning the Central Intellectual Property and International Trade Court (the Central Intellectual Property Court) to order the Company to make debt repayments equivalent to a total of approximately Baht 1,856 million (principal of Baht 1,113 million and interest payable of Baht 743 million). The Company considers to record provision whenever lawsuits are filed with the court. However, the rights of claim of two plaintiffs were assigned by various former creditors, and the legal advisor is of the opinion that it is uncertain that these two plaintiffs will receive payment of the amount claimed in the petitions. Therefore, the Company recorded provision amounting to Baht 326 million (principal of Baht 260 million and accrued interest of Baht 66 million) (2017: Baht 313 million, principal of Baht 260 million and accrued interest of Baht 53 million) for the three plaintiffs who are the original creditors named in applications for payment (amounting to Baht 1,010 million, principal of Baht 686 million and accrued interest of Baht 324 million) in the Company's rehabilitation plan in the financial statements 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 plaintiffs less the approximate amounts of settlements made in any form under the rehabilitation plan, in accordance with the legal advisor's opinion.

During the current year, the Central Intellectual Property Court issued judgements on the cases between the Company and four plaintiffs that filed the lawsuits. The Central Intellectual Property Court issued judgements ordering the Company to make debt payments totaling Baht 1,095 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2018), together with interests due under the lawsuits until the full payments are made. The Company considers that for the three plaintiffs who are the original creditors should record the additional provision in respect of interests since there is a higher possibility that the Company may have financial obligation in respect of interest due as a result of the judgements of the Central Intellectual Property Court in the three cases. The Company records an additional provision amounting to Baht 170 million. Moreover, The Company considers that other two plaintiffs who are the assigned creditors should record the additional provision in both of principal and interest following to the original creditors since there is a higher possibility that the Company may have financial obligation as a result of the judgements of the Central Intellectual Property Court. The Company records an additional provision amounting to Baht 430 million in the profit or loss for the current year, resulting in the total provision for reversal of judgement by the Supreme Court amounting to Baht 926 million (principal of Baht 428 million and accrued interest of Baht 498 million).

However, the Company filed appeals for the two plaintiffs to the Court of Appeal for Specialised Cases and other two are in the process of filing appeals. 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 audit 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.

I have audited 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 2017 and for the year then ended, presented as comparative information, and expressed a qualified opinion on those statements with respect to limitation imposed by similar circumstances as described in a) and b), as stated in the above *Basis for Qualified Opinion on the Consolidated Financial Statements* paragraph, and as described in 1. as stated in the below *Emphasis of Matters* paragraph. Provision previously recorded for possible penalties and losses are sufficient for the penalty amount that ordered by the Central Administrative Court. I also drew attention to the matters similar to 2. and 3. as stated in the below *Emphasis of Matters* paragraph, under my report dated 23 February 2018.

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion on the consolidated financial statements.

Emphasis of Matters

I draw attention to the following matters:

1. The litigation between a subsidiary and two governments agencies, ordering the subsidiary to pay penalties for its failure to deliver tablets according the agreements, as described in Note 33.7 to the consolidated financial statements
2. Matters between subsidiaries and an unrelated company
 - 2.1 The settlement of outstanding balances of approximately Baht 877 million, as described in Note 10 to the consolidated financial statements
 - 2.2 The court proceedings and various disputes, as described in Note 33.8 to the consolidated financial statements
3. As described in Note 33.5 to the consolidated 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 these above matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

In addition to the matters described in the *Basis for Qualified Opinion on the Consolidated Financial Statements* section, key audit matters and how audit procedures respond to each matter are described below.

Revenue recognition

Revenue of the Group presented in the 2018 financial statements, was primarily revenue from the provision of internet services, amounting to Baht 16,848 million. For audit purposes, I paid attention to recognition of revenue from provision of internet services because the amount is significant and directly affects the Group operating results. In addition, given the competitive environment in the telecommunications industry, marketing and pricing strategies are adjusted regularly, which may affect the Group recognition of revenue.

I have examined the revenue recognition of the Group by assessing and testing IT systems and internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls and with special consideration given to expanding the scope of the testing of the internal controls which respond to the above revenue recognition. Applying a sampling method to the examination of invoices and collections from customers to check the recognition, as well as credit notes issued after the period-end, performing analytical procedures on revenue data to detect possible irregularities in transactions throughout the period, particularly for accounting entries made through journal vouchers, and testing the calculation of advances received for provision of services.

Deferred tax

As at 31 December 2018, the Group had outstanding balances of deferred tax assets amounting to Baht 2,782 million. The Group has disclosed their accounting policies and details relating to deferred tax in Note 4.16 and Note 26 to the consolidated financial statements. A deferred tax asset is recognised when it is highly probable that the taxable profit of the Group will be sufficient to allow utilisation of the deferred tax in the future. Determining whether there will be sufficient future taxable profits to utilise the deferred tax requires significant management judgement with respect to the preparation of business plans and projections of future taxable profits based on approved business plans. This exercise of judgement directly affects the value of the deferred tax assets presented in the financial statements.

I gained an understanding and assessing the preparation and approval of the estimates of future taxable profit used as supporting evidence for deferred tax asset recognition, by checking the required information and significant assumptions used in the projections against information from related sources. In addition, I assessed the accuracy and credibility of projections by comparing them with previous actual taxable profits. I also tested the calculation of future taxable profits based on the above information and assumptions, and considered the effects of changes to key assumptions on the projected future taxable profits.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.
- I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Supachai Phanyawattano

Certified Public Accountant (Thailand) No. 3930

EY Office Limited

Bangkok: 18 February 2019

Consolidated financial statements

Jasmine International Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Assets					
Current assets					
Cash and cash equivalents	7	899,245,933	3,037,949,264	49,055,213	2,158,095,907
Current investments - deposits with banks	8	35,841,810	48,631,981	125,516	124,281
Trade and other receivables	9	3,180,212,078	3,173,847,347	518,742,024	226,123,532
Short-term loans to subsidiaries	6	-	-	4,405,254,203	100,000,000
Dividend receivable from subsidiaries	6	-	-	197,595,301	583,845,136
Revenue department receivable		1,047,126,193	907,093,974	370,565,027	-
Input tax pending payments		537,129,814	412,032,664	6,415,192	1,289,756
Prepaid project cost	6, 21	868,699	495,032	7,695,402,535	-
Prepaid expenses		111,034,389	66,422,223	661,451	707,191
Other current assets		20,852,192	27,905,669	49,508	52,631
Total current assets		5,832,311,108	7,674,378,154	13,243,865,970	3,070,238,434
Non-current assets					
Restricted deposits with banks	16, 19, 33.8	477,768,040	487,521,237	23,240,530	-
Investments in subsidiaries	11	-	-	2,952,796,270	2,952,796,270
Investments in associates	12	4,018,057,110	6,233,992,895	12,756,078,506	18,075,942,507
Investment properties	13	499,818,381	534,646,780	-	-
Property, plant and equipment	14	37,487,032,716	31,098,342,055	6,228,082	2,441,522
Deferred tax assets	26	2,782,051,735	3,083,195,487	65,972,953	65,972,953
Withholding tax deducted at source		780,762,168	424,311,195	27,786,900	36,209,267
Advance rental payment	6, 15, 28	816,510,000	816,510,000	132,732,246	146,551,413
Other non-current assets		195,995,019	195,695,389	11,051,498	11,020,148
Total non-current assets		47,057,995,169	42,874,215,038	15,975,886,985	21,290,934,080
Total assets		52,890,306,277	50,548,593,192	29,219,752,955	24,361,172,514

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 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	16	968,287,484	3,914,619,212	-	-
Trade and other payables	17	3,434,518,000	4,064,274,381	2,674,030,015	78,222,175
Short-term loans	18	570,881,400	1,358,159,600	1,707,881,400	7,175,888,000
Current portions of the long-term liabilities					
Long-term loans from banks	19	892,958,893	1,345,466,737	732,958,893	1,185,466,737
Liabilities under finance lease agreements	20	340,633,217	77,479,054	579,949	-
Accounts payable for equipment	21	5,275,270,033	2,390,814,760	3,115,104,940	-
Provision for rental assurance	6, 28	1,782,075,814	1,766,314,743	-	-
Withholding tax payable		39,049,389	157,987,430	1,429,342	87,033,275
Income tax payable		59,459,984	36,506,935	-	-
Undue output tax		403,372,603	309,652,832	27,820,374	4,569,398
Advance received from customers		603,074,293	531,948,119	-	-
Other current liabilities		19,539,455	39,369,560	-	8,439,865
Total current liabilities		14,389,120,565	15,992,593,363	8,259,804,913	8,539,619,450
Non-current liabilities					
Long-term liabilities - net of current portions					
Long-term loans from banks	19	4,084,322,360	3,844,318,753	3,978,602,622	3,578,599,015
Liabilities under finance lease agreements	20	952,874,174	144,384,969	2,223,138	-
Accounts payable for equipment	21	2,174,413,044	1,943,223,716	1,192,632,563	-
Provision for rental assurance	6, 28	10,641,315,597	12,287,825,787	-	-
Provision for long-term employee benefits	22	497,908,131	402,246,421	40,484,722	31,213,868
Provision for entry fee for laying the optical fiber cables	28	244,086,895	274,184,184	-	-
Provision for reversal of judgement by the Supreme Court	33.6	926,507,597	313,466,571	926,507,597	313,466,571
Deposit received from customers		587,715,045	702,326,595	9,954,402	9,954,402
Other non-current liabilities		15,931,419	15,332,477	15,091,966	14,539,703
Total non-current liabilities		20,125,074,262	19,927,309,473	6,165,497,010	3,947,773,559
Total liabilities		34,514,194,827	35,919,902,836	14,425,301,923	12,487,393,009

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 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Shareholders' equity					
Share capital					
Registered					
9,555,371,066 ordinary shares of Baht 0.5 each		4,777,685,533	4,645,998,284	4,777,685,533	4,645,998,284
Issued and fully paid-up					
7,984,969,919 ordinary shares of Baht 0.5 each					
(2017: 6,670,625,606 ordinary shares					
of Baht 0.5 each)	23	3,992,484,960	3,335,312,803	3,992,484,960	3,335,312,803
Share subscription received in advance		564,336,427	2,919,477,607	564,336,427	2,919,477,607
Premium on ordinary shares		7,191,018,555	2,812,213,451	7,191,018,555	2,812,213,451
Retained earnings					
Appropriated					
Statutory reserve - the Company	24	477,768,553	464,599,828	477,768,553	464,599,828
- subsidiaries	24	623,429,230	555,935,453	-	-
Unappropriated		4,223,073,456	3,238,669,347	2,342,891,633	2,116,224,912
Other components of shareholders' equity		258,179,963	258,179,963	225,950,904	225,950,904
Equity attributable to owners of the Company		17,330,291,144	13,584,388,452	14,794,451,032	11,873,779,505
Non-controlling interests of the subsidiaries		1,045,820,306	1,044,301,904	-	-
Total shareholders' equity		18,376,111,450	14,628,690,356	14,794,451,032	11,873,779,505
Total liabilities and shareholders' equity		52,890,306,277	50,548,593,192	29,219,752,955	24,361,172,514

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 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit or loss:					
Revenues					
Sales and service income		17,995,138,482	17,432,340,632	-	-
Other income					
Management fee income	6	-	-	543,720,648	531,588,984
Interest income		26,846,682	18,799,042	44,271,922	3,242,798
Management and maintenance income of the OFCs	6, 28	241,439,419	226,847,954	-	-
Dividend income from subsidiaries	11	-	-	3,300,384,902	1,975,998,440
Dividend income from associate	12	-	-	1,288,035,000	1,668,166,500
Gain on sales of investments in associate	12	3,649,992,402	-	157,526,462	-
Gains on exchange		48,006,066	555,177,027	92,974,006	-
Others		182,146,475	55,317,446	14,009,388	15,254,253
Total other income		4,148,431,044	856,141,469	5,440,922,328	4,194,250,975
Total revenues		22,143,569,526	18,288,482,101	5,440,922,328	4,194,250,975
Expenses					
Cost of sales and services		11,266,516,682	11,031,250,023	-	-
Selling and servicing expenses		1,279,527,821	1,299,250,482	-	-
Administrative expenses		3,472,849,494	2,887,675,064	296,112,624	172,060,932
Losses on exchange		-	-	-	1,359,600
Doubtful accounts and bad debt		230,998,458	224,610,736	-	-
Loss on recording of provision for reversal of judgement by the Supreme Court	33.6	613,041,026	12,245,680	613,041,026	12,245,680
Total expenses		16,862,933,481	15,455,031,985	909,153,650	185,666,212
Profit before share of profit from investments in associates, finance cost and income tax		5,280,636,045	2,833,450,116	4,531,768,678	4,008,584,763
Shares of profit from investments in associates	12	899,497,275	1,095,836,491	-	-
Profit before finance cost and income tax		6,180,133,320	3,929,286,607	4,531,768,678	4,008,584,763
Finance cost		(743,979,339)	(692,416,018)	(492,761,708)	(516,262,331)
Profit before income tax		5,436,153,981	3,236,870,589	4,039,006,970	3,492,322,432
Income tax	26	(506,058,581)	(514,422,887)	-	-
Profit for the year		4,930,095,400	2,722,447,702	4,039,006,970	3,492,322,432
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial losses	22	(65,649,628)	-	(6,321,056)	-
Income tax effect		10,286,429	-	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax</i>		(55,363,199)	-	(6,321,056)	-
Other comprehensive income for the year		(55,363,199)	-	(6,321,056)	-
Total comprehensive income for the year		4,874,732,201	2,722,447,702	4,032,685,914	3,492,322,432

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 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit attributable to:					
Equity holders of the Company		4,912,590,872	2,693,393,192	4,039,006,970	3,492,322,432
Non-controlling interests of the subsidiaries		17,504,528	29,054,510		
		4,930,095,400	2,722,447,702		
Total comprehensive income attributable to:					
Equity holders of the Company		4,857,917,079	2,693,393,192	4,032,685,914	3,492,322,432
Non-controlling interests of the subsidiaries		16,815,122	29,054,510		
		4,874,732,201	2,722,447,702		
Earnings per share	29				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.63	0.42	0.52	0.54
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.58	0.33	0.48	0.43

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

Statement of changes in shareholders' equity

(Unit: Baht)

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 2018

(Unit: Baht)

	Separate financial statements									
					Retained earnings		Other components of shareholders' equity			
		Issued and fully paid-up share capital	Share subscription received in advance	Premium on ordinary shares	Appropriated - statutory reserve	Unappropriated	Premium on ordinary shares from expired warrants	Premium on capital reduction	Total other components of shareholders' equity	Total shareholders' equity
Balance as at 1 January 2017		2,968,478,258	1,264,227,510	314,806,203	464,599,828	2,488,463,478	25,169,527	200,781,377	225,950,904	7,726,526,181
Total comprehensive income for the year		-	-	-	-	3,492,322,432	-	-	-	3,492,322,432
Dividend paid to the Company's shareholders	32	-	-	-	-	(3,864,560,998)	-	-	-	(3,864,560,998)
Increase in share capital		366,834,545	(1,264,227,510)	2,497,407,248	-	-	-	-	-	1,600,014,283
Share subscription received in advance		-	2,919,477,607	-	-	-	-	-	-	2,919,477,607
Balance as at 31 December 2017		3,335,312,803	2,919,477,607	2,812,213,451	464,599,828	2,116,224,912	25,169,527	200,781,377	225,950,904	11,873,779,505
										-
Balance as at 1 January 2018		3,335,312,803	2,919,477,607	2,812,213,451	464,599,828	2,116,224,912	25,169,527	200,781,377	225,950,904	11,873,779,505
Profit for the year		-	-	-	-	4,039,006,970	-	-	-	4,039,006,970
Other comprehensive income for the year		-	-	-	-	(6,321,056)	-	-	-	(6,321,056)
Total comprehensive income for the year		-	-	-	-	4,032,685,914	-	-	-	4,032,685,914
Dividend paid to the Company's shareholders	32	-	-	-	-	(3,792,850,468)	-	-	-	(3,792,850,468)
Increase in share capital	23	657,172,157	(2,919,477,607)	4,378,805,104	-	-	-	-	-	2,116,499,654
Share subscription received in advance	23	-	564,336,427	-	-	-	-	-	-	564,336,427
Transferred to statutory reserve	24	-	-	-	13,168,725	(13,168,725)	-	-	-	-
Balance as at 31 December 2018		3,992,484,960	564,336,427	7,191,018,555	477,768,553	2,342,891,633	25,169,527	200,781,377	225,950,904	14,794,451,032

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

Jasmine International Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Cash flows from operating activities					
Profit before income tax		5,436,153,981	3,236,870,589	4,039,006,970	3,492,322,432
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:					
Depreciation and amortisation		4,449,762,671	3,686,857,431	15,649,123	15,629,672
Doubtful accounts		73,891,030	65,530,223	-	-
Bad debt		157,107,428	159,080,513	-	-
Loss on recording of provision for reversal of judgement by the Supreme Court	33.6	613,041,026	12,245,680	613,041,026	12,245,680
Gains on sales of equipment		(134,663,971)	(489,008)	(74,764)	(14,199)
Dividend income from investments in subsidiaries	11	-	-	(3,300,384,902)	(1,975,998,440)
Dividend income from investment in an associate	12	-	-	(1,288,035,000)	(1,668,166,500)
Share of profit from investments in associates	12	(899,497,275)	(1,095,836,491)	-	-
Gain on sale from investments in associate	12	(3,649,992,402)	-	(157,526,462)	-
Unrealised (gains) losses on exchange		(14,606,258)	(444,245,408)	(92,974,006)	1,359,600
Realised gains on exchange from accounts payable for equipment		(43,844,233)	(101,400,116)	-	-
Provision for long-term employee benefits	22	35,537,942	33,342,655	2,949,798	2,569,996
Interest income		(26,846,682)	(18,799,042)	(44,271,922)	(3,242,798)
Interest expenses		743,979,339	692,416,018	492,761,708	516,262,331
Profit from operating activities before changes in operating assets and liabilities		6,740,022,596	6,225,573,044	280,141,569	392,967,774
Operating assets decrease (increase)					
Trade and other receivables		(179,255,788)	(262,658,663)	(275,388,905)	(174,720,232)
Unbilled receivables		(2,969,539)	2,715,024	-	-
Revenue department receivable		(263,484,500)	(231,928,008)	(269,406,272)	-
Inventories		350,957,325	388,563,489	-	-
Prepaid project cost		(44,612,166)	-	(842,617,258)	-
Prepaid expenses		(373,667)	(13,191,032)	45,740	3,191,754
Other current assets		9,286,189	9,233,686	3,123	(17,797)
Other non-current assets		(6,465,702)	(22,772,631)	(31,350)	(1,335)
Operating liabilities increase (decrease)					
Trade and other payables		(225,558,368)	(224,953,546)	(181,207,481)	18,042,907
Withholding tax payable		(118,938,041)	10,096,020	(85,603,933)	3,583,773
Advances received from customers		71,126,174	(37,957,741)	-	-
Other current liabilities		(19,830,105)	27,358,583	(8,439,865)	5,647,050
Provision for rental assurance		(1,630,749,119)	(1,462,757,731)	-	-
Cash paid for long-term employee benefits		(5,525,860)	(9,057,868)	-	-
Provision for entry fee for laying the optical fiber cables		(30,097,289)	(186,850,614)	-	-
Deposit received from customers		(114,611,550)	(55,964,233)	-	(40)
Other non-current liabilities		598,942	(12,254,610)	552,263	-
Cash from (used in) operating activities		4,529,519,532	4,143,193,169	(1,381,952,369)	248,693,854
Cash received (paid) for income tax		(528,126,324)	(725,601,461)	8,422,367	45,184,736
Net cash from (used in) operating activities		4,001,393,208	3,417,591,708	(1,373,530,002)	293,878,590

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

Jasmine International Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Cash flows from investing activities					
Interest income		64,383,325	20,725,084	4,533,146	3,117,867
Decrease (increase) in current investments		12,790,171	328,095,434	(1,235)	249,998,853
Decrease (increase) in restricted deposits with banks		9,753,197	(14,793,124)	(23,240,530)	-
Increase in short-term loans to related parties		-	-	(4,305,254,203)	-
Dividend received from investments in subsidiaries		-	-	3,300,384,902	2,008,498,440
Proceeds from sales of investments in associate	12	5,666,638,824	-	5,666,638,824	-
Cash received from return of capital of an associate	12	-	43,445,654	-	43,445,654
Dividend received from investment in an associate	12	-	420,511,793	-	420,511,793
Proceeds from sales of equipment		138,928,297	6,431,471	74,921	20,439
Acquisitions of investment properties	13	(1,606,097)	(47,354,186)	-	-
Acquisitions of plant and equipment		(3,985,434,799)	(3,254,240,112)	(2,037,234)	(1,272,499)
Acquisitions of computer software		(5,359,110)	(6,193,378)	-	-
Net cash from (used in) investing activities		1,900,093,808	(2,503,371,364)	4,641,098,591	2,724,320,547
Cash flows from financing activities					
Interest expenses		(558,242,870)	(480,498,929)	(316,309,364)	(444,779,897)
Decrease in short-term loans from banks		(3,908,717,076)	(762,131,682)	-	-
Cash received from short-term loans		-	1,956,800,000	60,000,000	2,296,800,000
Repayment of short-term loans		(786,000,000)	(600,000,000)	(5,094,718,400)	(3,859,860,000)
Repayment of accounts payable for equipment		(2,381,767,950)	(770,262,380)	-	-
Cash received from long-term loan from bank	19	8,387,500,000	-	8,387,500,000	-
Repayment of long-term loans from banks	19	(7,460,000,000)	(160,000,000)	(7,300,000,000)	-
Repayment of liabilities under finance lease agreements		(205,651,344)	(55,976,237)	(1,067,132)	-
Proceeds from increase in share capital	23	2,116,499,654	1,600,014,283	2,116,499,654	1,600,014,283
Cash received from share subscription received in advance	23	564,336,427	2,793,000,000	564,336,427	2,793,000,000
Dividend paid to the Company's shareholders	32	(3,792,850,468)	(3,862,963,017)	(3,792,850,468)	(3,862,963,017)
Cash paid to purchase investment in subsidiary		-	-	-	(1,209)
Dividend paid to non-controlling interests of the subsidiaries		(15,296,720)	(16,053,097)	-	-
Net cash used in financing activities		(8,040,190,347)	(358,071,059)	(5,376,609,283)	(1,477,789,840)
Net increase (decrease) in cash and cash equivalents		(2,138,703,331)	556,149,285	(2,109,040,694)	1,540,409,297
Cash and cash equivalents at beginning of year		3,037,949,264	2,481,799,979	2,158,095,907	617,686,610
Cash and cash equivalents at end of year		899,245,933	3,037,949,264	49,055,213	2,158,095,907
Supplemental cash flow information					
Non-cash transactions					
Purchase of equipment for which no cash has been paid		7,168,268,109	3,905,461,523	3,579,439	-
Transfer right of payable for equipment, and assets from a subsidiary		-	-	4,300,194,727	-
Service payable during the installation with a subsidiary		-	-	2,459,569,720	-
Transfer right to receive dividend from an associate in settlement of accrued interest and long-term loans from bank		1,288,035,000	1,247,654,707	1,288,035,000	1,247,654,707
Transfer advance to short-term loan from subsidiaries		-	-	-	357,360,000
Obtain short-term loans from subsidiaries to settle short-term loans from subsidiaries		-	-	-	665,100,000
Transfer right in dividend receivable from subsidiary in settlement of short-term loan from another subsidiary		-	-	386,249,835	84,900,000
Transfer rights in other receivables - related parties in settlement of short-term loan from another subsidiary		-	-	45,760,165	230,500,000

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

Notes to consolidated financial statements

Jasmine International Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2018

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, 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 11 October 2016, 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 the Company and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2018	2017
			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
Mobile Communication Services Co., Ltd.	Not yet operate	Thailand	70	70
JAS Mobile Broadband Co., Ltd.	Not yet operate	Thailand	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2018	2017
			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, sale of computer products and cloud computing service	Thailand	-	-
Smart Highway Co., Ltd. (67% held by Acumen Co., Ltd.)	Domestic high speed data communication service provider	Thailand	-	-
Triple T Broadband Plc. (100% 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	-	-

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2018	2017
			Percent	Percent
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 services for local submarine cable systems	Thailand	-	-
Jastel Network Co., Ltd. (100% held by Jasmine Submarine Telecommunications Co., Ltd.)	Circuit leasing services 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) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. New financial reporting standards

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

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

b. Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2019

The Federation of Accounting Professions issued a number of revised and new financial reporting standards and interpretations (revised 2018) which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company and its subsidiaries believe that most of the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied. However, the new standard involves changes to key principles, as summarised below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related Interpretations.

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

The management of the subsidiaries expects the adoption of this accounting standard to result in commission paid to obtain a contract. The subsidiaries have determined that commission paid to obtain a customer contract should be recorded as an asset and amortised to expenses on a systematic that is consistent with the pattern of revenue recognition from contracts. Under the previous accounting policy, the subsidiaries immediately recorded commission as selling expenses when the transaction occurred.

c. Financial reporting standards related to financial instruments that will become effective for fiscal years beginning on or after 1 January 2020

During the current year, the Federation of Accounting Professions issued a set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company and its subsidiaries is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

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 and computer systems including supply of related equipment is recognised by reference to stage of completion as assessed by engineers or project managers.

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 Investments

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

4.6 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 3 - 24 years. Depreciation of the investment properties is included in determining income.

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.

4.7 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 of assets.

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
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.

4.8 Borrowing costs

Borrowing costs of financial expense from finance leases directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.9 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.

4.10 Related party transactions

Related parties comprise individuals or enterprises 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 companies, individuals or enterprises 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.

4.11 Long-term leases

Leases of 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 assets acquired under finance leases is depreciated over the useful life of the equipment.

Leases of property, plant and 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.

4.12 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.

4.13 Impairment of assets

At the end of each 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.

4.14 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 plan

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 plan

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 defined benefit plans are recognised immediately in other comprehensive income.

4.15 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.

4.16 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.

4.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

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.

Impairment of investments

The Company treats other investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

Property, plant, equipment and investment properties/Depreciation

In determining depreciation of plant, equipment and investment properties, the management is required to make estimates of the useful lives and residual values of plant, equipment and investment properties and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant, equipment and investment properties 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 and dispute

The Company and its subsidiaries have contingent liabilities as a result of litigation. The management of the Company and its subsidiaries has used judgement to assess of the results of the litigation and this involves evaluating the degree of probability that loss will be incurred. Changes in the factors used in management’s evaluation and events may result in actual results differing from the estimates.

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.
Jasmine Broadband Internet Infrastructure Fund ("JASIF")	Associated company
Mono Group	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 its subsidiaries and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Pricing policy
	2018	2017	

Transactions with associated company

Management and maintenance incomes of the OFCs	241	227	Contract price (Note 28)
Cost of equipment and network rental	4,184	4,314	Contract price (Note 28)

Transactions with related companies

Sales and service income	28	26	Contract price or normal business price charged to other customers
Rental and other service income	57	56	Contract price or normal business price charged to other customers
Other expenses	25	21	Contract price or normal business price charged to other customers

(Unit: Million Baht)

	Separate financial statements		Pricing policy
	2018	2017	

Transactions with subsidiaries

(eliminated from the consolidated financial statements)

Management fee income	544	532	Contract price
Rental and other service income	44	44	Contract price or normal business price charged to other customers
Interest income	40	2	Base on the deposit interest rate of commercial bank + 0.5%
Other expenses	32	31	Contract price
Interest expenses	45	154	1.6% to 2.0% per annum
Prepaid project cost from installation service	2,460	-	Contract price
Transfer rights of payable for equipment and assets	3,348	-	Contract price

As at 31 December 2018 and 2017, the balances of the accounts between the Company, its subsidiaries and those related parties are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<u>Trade receivables - related parties (Note 9)</u>				
Related companies				
Mono Group	34	20	-	-
<u>Other receivables - related parties (Note 9)</u>				
Subsidiaries	-	-	527	110
(eliminated from the consolidated financial statements)				
Associated company				
JASIF	85	66	-	-
Total	85	66	527	110
Less: Allowance for doubtful accounts	-	-	(11)	(11)
Total other receivables - related parties - net	85	66	516	99
<u>Advance rental payment - related parties (Note 15, 28.b)</u>				
Subsidiary	-	-	133	146
(eliminated from the consolidated financial statements)				
Associated company				
JASIF	817	817	-	-
Total advance rental payment - related parties	817	817	133	146
<u>Dividend receivables from subsidiaries</u>				
Subsidiaries	-	-	198	584
(eliminated from the consolidated financial statements)				
<u>Other payables - related parties (Note 17)</u>				
Subsidiaries	-	-	138	44
(eliminated from the consolidated financial statements)				
Related companies				
Mono Group	3	2	-	-
Total other payables - related parties	3	2	138	44
<u>Accrued project cost - related party (Note 17)</u>				
Subsidiary	-	-	2,460	-
(eliminated from the consolidated financial statements)				

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Provision for rental assurance - related party (Note 28.c)				
Associated company				
JASIF	12,423	14,054	-	-
Deposit received from customers				
Subsidiaries	-	-	10	10
(eliminated from the consolidated financial statements)				
Related companies				
Mono Group	7	7	-	-
Total deposit received from customers	7	7	10	10

As at 31 December 2018 and 2017, the balances of short-term loans between the Company and its subsidiaries and the movements were as follows:

(Unit: Million Baht)

	Separate financial statements			
	Balance as at 31 December 2017	Movements during the year		Balance as at 31 December 2018
		Increase	Decrease	
<u>Short-term loans to subsidiary</u> (eliminated from the consolidated financial statements)				
Acumen Co., Ltd.	100	4,305	-	4,405
<u>Short-term loans from subsidiaries (Note 18)</u> (eliminated from the consolidated financial statements)				
ACeS Regional Services Co., Ltd.	320	10	-	330
Jasmine Internet Co., Ltd.	40	50	-	90
Jasmine Telecom Systems Plc.	340	-	(340)	-
Jastel Network Co., Ltd.	616	-	(569)	47
Premium Assets Co., Ltd.	620	-	-	620
Thai Long Distance Telecommunications Co., Ltd.	10	-	-	10
T.J.P. Engineering Co., Ltd.	40	-	-	40
Triple T Broadband Plc.	3,832	-	(3,832)	-
Total	5,818	60	(4,741)	1,137

Directors and management's benefits

During the year, 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	
	2018	2017	2018	2017
Short-term employee benefits	207	208	54	50
Post-employment benefits	19	19	4	4
Total	226	227	58	54

Guarantee obligations with subsidiaries

The Company has outstanding guarantee obligations with its subsidiaries, as described in Note 33.4 b) to the consolidated financial statements.

7. Cash and cash equivalents

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash	16	16	-	-
Bank deposits	454	2,923	49	2,158
Bills of exchange	429	99	-	-
Total	899	3,038	49	2,158

As at 31 December 2018, bank deposits in saving accounts, fixed deposits and bills of exchange of the Company and its subsidiaries carried interests between 0.10 and 1.30 percent per annum (2017: between 0.10 and 1.80 percent per annum) and of the Company carried interests between 0.25 and 1.00 percent per annum (2017: between 0.25 and 1.00 percent per annum).

8. Current investments - deposits with banks

As at 31 December 2018, the Company had savings and fixed deposits of the Company and its subsidiaries amounting to approximately Baht 23 million (2017: Baht 19 million) and of the Company only amounting to approximately Baht 0.1 million (2017: Baht 0.1 million) which have been pledged to secure credit facilities.

9. Trade and other receivables

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade receivables - related parties (Note 6)	34	20	-	-
Trade receivables - unrelated parties	3,782	3,613	55	55
Other receivables - related parties (Note 6)	85	66	527	110
Other receivables - unrelated parties	107	102	3	-

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Call in arrears	-	127	-	127
Total	4,008	3,928	585	292
Less: Allowance for doubtful accounts	(828)	(754)	(66)	(66)
Trade and other receivables - net	3,180	3,174	519	226

The balances of trade accounts receivable as at 31 December 2018 and 2017, aged on the basis of due dates, are summarised below.

(Unit: Million Baht)

Age of receivables	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<u>Related parties</u>				
Not yet due	5	6	-	-
Past due				
Up to 3 months	19	13	-	-
Longer than 3 - 6 months	10	-	-	-
Longer than 12 months	-	1	-	-
Total (Note 6)	34	20	-	-
<u>Unrelated parties</u>				
Not yet due	74	134	-	-
Past due				
Up to 3 months	243	154	-	-
Longer than 3 - 6 months	144	113	-	-
Longer than 6 - 12 months	148	121	-	-
Longer than 12 months	3,173	3,091	55	55
Total	3,782	3,613	55	55
Less: Allowance for doubtful accounts	(828)	(754)	(55)	(55)
Net	2,954	2,859	-	-
Trade accounts receivable - net	2,988	2,879	-	-

In 2018, subsidiaries wrote-off trade accounts receivable as bad debt amounting to approximately Baht 168 million (2017: Baht 170 million).

An outstanding trade receivable balances as at 31 December 2018 of Jasmine Submarine Telecommunications Co., Ltd. ("JSTC") amounting to Baht 2,518 million (2017: 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. Subsequently, on 19 August 2016, TOT submitted a dispute proposal to the Arbitration Institute, asking JSTC to return the excess revenue sharing received based on the co-investor agreement and to pay opportunity costs, together amounting to approximately Baht 9,931 million, JSTC filed an objection with the Arbitration Institute. This is currently being considered by the Arbitration Institute.

Furthermore, on 26 August 2016, TOT submitted a dispute proposal to the Arbitration Institute, asking Thai Long Distance Telecommunications Co., Ltd. (“TLDT”) and JSTC to jointly or separately pay costs of repairing or replacing equipment and overseas training, together with damages with interest, and business opportunity costs under the co-investor agreement and the addendum to the agreement, in total amounting to approximately Baht 258 million. TLDT filed an objection with the Arbitration Institute. This is currently being considered by the Arbitration Institute.

However, the management and the legal advisor of JSTC and TLDT believe that they have fully complied with the co-investor agreement.

JSTC and TLDT transferred their rights over the collection of their share of the revenues from TOT, under the above co-investor agreement, to secure long-term loan of JSTC, as described in Note 19 to the consolidated financial statements.

10. Accounts receivable under troubled debt restructuring

On 22 April 2008, TT&T Public Company Limited (“TT&T”) 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 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. 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 2015, certain subsidiaries had an outstanding balance totalling approximately Baht 54 million that were receivable from TT&T, under the rehabilitation plan of TT&T, and which was to be fully repaid in cash in a single payment on the last working day of the first quarter of 2015.

However, on 15 March 2016, the Central Bankruptcy Court issued an absolute receivership order against TT&T. For prudent reasons, the subsidiaries therefore recorded full allowance for doubtful accounts for the remaining balances of accounts receivable from TT&T.

Furthermore, the rehabilitation plan stipulates that the settlement of the balances between Triple T Broadband Plc. (“TTTBB”), 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&TSS”), 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&TSS, and TT&TSS 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.

On 18 January 2011, P Planner Co., Ltd., as the rehabilitation plan administrator at that time, issued a notification refusing to accept rights arising from non-compliance with the contract. On 2 February 2011, TTTBB filed a lawsuit with the Central Bankruptcy Court requesting the Court to order that issuing of the notification of the plan administrator is unlawful. However, on 2 February 2012, the Central Bankruptcy Court ordered disagreement with TTTBB’s request because the Court considered that TTTBB’s request was not correct. On 9 March 2012, TTTBB filed an appeal with the Supreme Court. At present, the case is being considered by the Supreme Court.

However, the legal advisor of TTTBB 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. The making payment of leased line service payable to endorse and transfer 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 suspended in an equal amount of the promissory notes. TTTBB notified TT&T of its intention to offsetting by way of exercise its rights from TT&TSS as discussed above means that TTTBB is a debtor and creditor of TT&T at the same time. TT&T and TTTBB are mutual with the same purpose of debt. 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, 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.

11. Investments in subsidiaries

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

(Unit: Million Baht)

Company's name	Paid-up capital		Cost		Dividend received during the year	
	2018	2017	2018	2017	2018	2017
Jasmine Submarine Telecommunications Co., Ltd.	1,550	1,550	1,946	1,946	-	-
Acumen Co., Ltd.	760	760	760	760	3,291	1,976
JAS Mobile Broadband Co., Ltd.	1.2	1.2	834	834	-	-
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	-	-
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	9	-
Chaengwatana Planner Co., Ltd.	0.1	0.1	-	-	-	-
			3,933	3,933	3,300	1,976
Less: Allowance for impairment of investments			(980)	(980)		
Total investments in subsidiaries - net			2,953	2,953		

11.2 As described in Note 9 to the consolidated financial statements, at present, JSTC is currently awaiting the ruling from the Arbitration Institute for the service revenue sharing rates under a 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.

12. Investments in associates

12.1 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	
			2018	2017	2018	2017	2018	2017	2018	2017
			(%)	(%)						
Jasmine Broadband Internet Infrastructure Fund	Investment in infrastructure businesses	Thailand	24	33	12,740	18,060	3,993	6,209	899	1,095
Internet Knowledge Service Center Co., Ltd.	Communication equipment rental	Thailand	38	38	49	49	25	24	-	1
Telecom KSC Co., Ltd.	Not yet operate	Thailand	40	40	-	-	-	-	-	-
Total investments in associates					12,789	18,109	4,018	6,234	899	1,096

Company's name	Nature of business	Country of incorporation	Separate financial statements							
			Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts base on method - net	
			2018	2017	2018	2017	2018	2017	2018	2017
			(%)	(%)						
Jasmine Broadband Internet Infrastructure Fund	Investment in infrastructure businesses	Thailand	24	33	12,740	18,060	-	-	12,740	18,060
Internet Knowledge Service Center Co., Ltd.	Communication equipment rental	Thailand	38	38	49	49	(33)	(33)	16	16
Telecom KSC Co., Ltd.	Not yet operate	Thailand	40	40	-	-	-	-	-	-
Total investments in associates					12,789	18,109	(33)	(33)	12,756	18,076

12.2 On 9 February 2015, the Company had purchased 1,833 million shares of JASIF, for a total of Baht 18,332 million or 33.33% of the total number of investment units. The Company has to maintain a percentage unit holding in JASIF, as described in Note 28.g) to the consolidated financial statements.

In 2018, the Company disposed of investment units in JASIF totaling 540 million and had gains on sale of investment in the consolidated financial statements amounting to Baht 3,650 million and in the separate financial statements amounting to Baht 158 million. After the disposal, the Company's unitholding is decreased from 33.33% to 23.51% of the total number of the issued and fully paid-up investment units.

The Company received dividends of Baht 1,288 million from JASIF (2017: Baht 1,668 million).

Investment in JASIF under equity and cost method as at 31 December 2018 and 2017 was detailed below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	Equity method		Cost method	
	2018	2017	2018	2017
Cost	12,932	18,332	12,932	18,332
Add: Accumulated share of profit from investment	2,829	2,911	-	-
Less: Gains on sales of assets to the Fund in proportion to the Company's unit holding	(7,412)	(10,509)	-	-
Less: Accumulated dividend income	(4,164)	(4,253)	-	-
Less: Accumulated return of capital	(192)	(272)	(192)	(272)
Net	3,993	6,209	12,740	18,060

As at 31 December 2018, the fair value of the investment in JASIF which is the listed company on the Stock Exchange of Thailand was Baht 12,867 million (2017: Baht 22,181 million).

The Company has placed all the investment certificates in JASIF as collateral to secure its loan, as described in Note 19 to the consolidated financial statements.

13. Investment properties

(Unit: Million Baht)

	Consolidated financial statements
31 December 2018	
Cost	960
Less: Accumulated depreciation	(460)
Net book value - net	500
31 December 2017	
Cost	966
Less: Accumulated depreciation	(431)
Net book value - net	535

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

(Unit: Million Baht)

	Consolidated financial statements	
	2018	2017
Net book value at beginning of year	535	515
Acquisition	1	47
Transfers to property, plant and equipment - net book value	(7)	-
Depreciation	(29)	(27)
Net book value at end of year	500	535
Fair Value	1,905	1,865
Rental Income	31	31

The fair values of the above investment properties were determined based on valuation performed by an accredited independent value, which were determined at fair value using inputs of Level 3 on valuations. The fair value of the land 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 has operating leases in respect of the lease of building space. The terms of the agreements ranging from 1 year to 4 years. As at 31 December 2018 and 2017, future minimum rental income generated from the investment properties under those lease agreements is as follows.

(Unit: Million Baht)

	Consolidated financial statements	
	2018	2017
Less than 1 year	29	31
In over 1 and up to 4 years	16	33

14. Property, plant and equipment

(Unit: Million Baht)

	Consolidated financial statements								
	Land	Buildings, leasehold improvement and building improvement	Telecommunications equipment	Motor vehicles	Tools and equipment	Furniture, fixtures and office equipment	Others	Assets under installation	Total
Cost									
1 January 2017	120	1,148	30,827	500	626	1,012	759	6,495	41,487
Additions	2	24	1,039	152	52	96	3	5,792	7,160
Disposals	-	-	(10)	(1)	(106)	(23)	(17)	(4)	(161)
Transfers in (out)	-	-	6,538	-	6	49	-	(6,976)	(383)
31 December 2017	122	1,172	38,394	651	578	1,134	745	5,307	48,103
Additions	16	36	5,725	1,248	82	120	-	3,927	11,154
Disposals	-	(1)	(10)	(210)	(12)	(47)	(7)	(1)	(288)
Transfer from investment properties	3	7	-	-	-	-	3	-	13
Transfers in (out)	2	-	6,151	-	48	(195)	3	(6,368)	(359)
31 December 2018	143	1,214	50,260	1,689	696	1,012	744	2,865	58,623

	Consolidated financial statements (continued)								
	Land	Buildings, leasehold improvement and building improvement	Telecommunications equipment	Motor vehicles	Tools and equipment	Furniture, fixtures and office equipment	Others	Assets under installation	Total
Accumulated depreciation									
1 January 2017	-	732	10,484	361	393	792	288	-	13,050
Depreciation for the year	-	64	3,315	59	77	132	2	-	3,649
Depreciation on disposals	-	-	(9)	(1)	(106)	(22)	(17)	-	(155)
31 December 2017	-	796	13,790	419	364	902	273	-	16,544
Depreciation for the year	-	54	3,899	222	94	137	3	-	4,409
Depreciation on disposals	-	-	(9)	(210)	(12)	(46)	(7)	-	(284)
Transfer from investment properties	-	4	-	-	-	-	2	-	6
31 December 2018	-	854	17,680	431	446	993	271	-	20,675

(Unit: Million Baht)

	Consolidated financial statements (continued)								
	Land	Buildings, leasehold improvement and building improvement	Telecommunications equipment	Motor vehicles	Tools and equipment	Furniture, fixtures and office equipment	Others	Assets under installation	Total
Allowance for impairment									
1 January 2017	-	-	-	-	-	-	461	-	461
31 December 2017	-	-	-	-	-	-	461	-	461
31 December 2018	-	-	-	-	-	-	461	-	461
Net book value									
31 December 2017	122	376	24,604	232	214	232	11	5,307	31,098
31 December 2018	143	360	32,580	1,258	250	19	12	2,865	37,487
Depreciation for the year									
2017 (Baht 3,455 million included in cost of service, and the balance in selling, servicing and administrative expenses)									3,649
2018 (Baht 4,240 million included in cost of service, and the balance in selling, servicing and administrative expenses)									4,409

	Separate financial statements				
	Leasehold improvement	Furniture and office equipment	Tools and equipment	Motor vehicles	Total
Cost					
1 January 2017	54	28	2	2	86
Additions	-	1	-	-	1
Disposals	-	(1)	-	-	(1)
31 December 2017	54	28	2	2	86
Additions	-	2	-	4	6
Disposals	-	(1)	-	(1)	(2)
31 December 2018	54	29	2	5	90
Accumulated depreciation					
1 January 2017	53	26	2	2	83
Depreciation for the year	1	1	-	-	2
Depreciation on disposals	-	(1)	-	-	(1)
31 December 2017	54	26	2	2	84
Depreciation for the year	-	2	-	-	2
Depreciation on disposals	-	(1)	-	(1)	(2)
31 December 2018	54	27	2	1	84
Net book value					
31 December 2017	-	2	-	-	2
31 December 2018	-	2	-	4	6
Depreciation for the year					
2017 (included in administrative expenses)					2
2018 (included in administrative expenses)					2

As at 31 December 2018, 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 7,454 million (2017: Baht 6,234 million), of which Baht 81 million is from the Company (2017: Baht 81 million).

As at 31 December 2018, the Company and its subsidiaries had motor vehicles and equipment under finance lease agreements with net book values amounting to Baht 1,195 million (2017: Baht 211 million) and of the Company only amounting to Baht 4 million (2017: Nil).

As at 31 December 2018, the Company had the balance of accounts payable for equipment amounting to Baht 4,308 million (2017: Nil). The Company used the equipment for the Group's main operating asset construction project. For the year ended 31 December 2018, the Company are capitalised as part of the interest cost on accounts payable for equipment amounting to Baht 130 million in the costs (2017: Nil). The weighted average rate of 2.62 percent has been used to determine the amount of borrowing costs eligible for capitalisation.

In 2005, Premium Assets Co., Ltd. ("PA"), 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 15 to the consolidated 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.

15. Prepaid rent

The prepaid rent balances as at 31 December 2018 and 2017 are as follows:

(Unit: Million Baht)

	Separate financial statements	
	2018	2017
Prepaid rent	415	415
Less: Accumulated amortisation	(282)	(269)
Prepaid rent - net	133	146
Amortisation expenses recognised in profit or loss	14	14

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., a former associate which dissolve in 2017, and paid advance rental of Baht 415 million. Subsequently, in 2000, the associated 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 14 to the consolidated 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.

16. Short-term loans from banks

Short-term loans from banks of subsidiaries, on which interest is charged at the rate close to MLR and LIBOR plus certain rate, are secured by saving deposits and fixed deposits of subsidiaries.

17. Trade and other payables

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade payables - unrelated parties	2,711	3,519	-	-
Accrued expenses	121	82	62	30
Other payables - related parties (Note 6)	3	2	138	44
Other payables - unrelated parties	462	320	14	4
Accrued project cost - related party (Note 6)	-	-	2,460	-
Accrued project cost - unrelated parties	138	141	-	-
Total trade and other payables	3,435	4,064	2,674	78

TTTBB has ongoing disputes with TT&T 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 10 to the consolidated financial statements.

18. Short-term loans

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Short-term loans from subsidiaries (Note 6)	-	-	1,137	5,818
Short-term loan from unrelated parties	571	1,358	571	1,358
Total	571	1,358	1,708	7,176

In 2017, the Company entered into promissory note agreements with two unrelated parties. The notes carried interest at the rate of 5.0 percent per annum and 8.0 percent per annum and unsecured.

19. Long-term loans

(Unit: Million Baht)

Loan	Interest rate (% per annum)	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
19.1	MLR - 0.25	-	4,800	-	4,800
19.2	MLR - 0.25	4,775	-	4,775	-
19.3	MLR	266	426	-	-
Total		5,041	5,226	4,775	4,800
Less: Deferred front - end fee		(64)	(36)	(64)	(36)
Net balance		4,977	5,190	4,711	4,764
Less: Current portion		(893)	(1,346)	(733)	(1,185)
Long-term loans - net of current portion		4,084	3,844	3,978	3,579

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2018	5,226	4,800
Add: Addition	8,500	8,500
Less: Repayment	(8,685)	(8,525)
Balance as at 31 December 2018	5,041	4,775

Details of the above loans are summarised below.

- 19.1 The Company's loan, under the loan facility of Baht 6,000 million. Payment of an interest to be made on a monthly basis, and principal is repayable in 10 semi-annual installments of Baht 600 million each, with the remaining principal balance to be paid in full in the final installment, the first of these due on 25 June 2017, and is to be repaid in full within 25 December 2021. This loan is secured by the pledge of all investment units held in JASIF and the transfer of rights to receive dividend from JASIF. The loan agreement stipulates certain covenants relating to matters such as the maintenance of financial ratios, the maintenance of shareholdings and the creation of obligation. During the current year, the Company made full prepayment of its loan.
- 19.2 The Company's loan, under the loan facilities of Baht 8,500 million are separated into two facilities. The first facility has Baht 6,000 million, payment of an interest to be made on a monthly basis, and principal is repayable in 16 semi-annual installments of Baht 375 million each, with the remaining principal balance to be paid in full in the final installment, the first of these due on 25 June 2018, and is to be repaid in full within 25 December 2025. The second facility has Baht 2,500 million, payment of an interest to be made on a monthly basis. This loan is repayable when cash is received from the exercise of rights to purchase ordinary shares of the Company by JAS-W3 warrant holders. And its principal including interest are to be repaid in full within 31 December 2018. These loans is secured by guarantees provided by

the pledge of all investment units held in JASIF and saving accounts which is debt service reserve account. Furthermore, the loan agreement stipulates certain requirements and covenants relating to matters such as the maintenance of financial ratios, the maintenance of shareholdings and the creation of obligations. In addition, when a dividend is received from JASIF or cash is received from a sale of JASIF's investment units, the proceeds from which be used to repay the loan. During the current year the Company made full prepayment of the second loan facility.

19.3 JSTC's loan, 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. Subsequently on 12 January 2017 the lender agreed to restructure the long-term loan with JSTC, which is matured in 2018 under the original loan schedule. Details of the restructuring are summarised below.

1. Extension of loan term by 1 year and 9 months (Matures in September 2020)

2. Term of repayment:

During 2017 - 2020, quarterly installments of Baht 40 million and the remaining principal balance to be paid in full in September 2020.

The long-term loan of JSTC is secured by all rights and benefits pertaining to concession agreements as described in Note 9 to the consolidated financial statements and guaranteed by TLDT. Moreover, Jastel Network Co., Ltd. ("Jastel"), is assuming joint responsibility for the debt.

20. Liabilities under finance lease agreements

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Liabilities under finance lease agreements	1,389	239	3	-
Less: Deferred interest expenses	(95)	(17)	-	-
Total	1,294	222	3	-
Less: Current portion	(341)	(78)	(1)	-
Liabilities under finance lease agreements - net of current portion	953	144	2	-

The Company and its subsidiaries have entered into the finance lease agreements with leasing companies for rental of motor vehicles and network security for use in their operations, whereby they are committed to pay rental on a monthly basis. The terms of the agreements are generally between 4 and 5 years.

As at 31 December 2018 and 2017, future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Million Baht)

	Consolidated financial statements					
	2018			2017		
	Less than 1 year	1 - 5 years	Total	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	384	1,005	1,389	86	153	239
Less: Deferred interest expenses	(43)	(52)	(95)	(8)	(9)	(17)
Present value of future minimum lease payments	341	953	1,294	78	144	222

(Unit: Million Baht)

	Separate financial statements					
	2018			2017		
	Less than 1 year	1 - 5 years	Total	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	1	2	3	-	-	-
Less: Deferred interest expenses	-	-	-	-	-	-
Present value of future minimum lease payments	1	2	3	-	-	-

21. Accounts payable for equipment

The Company and its subsidiary entered into agreements to purchase equipment from unrelated parties. Under the purchase agreements, the Company and its subsidiary are obliged to make payment within 1-3 years. During the current year, the subsidiary transferred the rights, responsibilities and liabilities under certain agreements to the Company. The outstanding balance of accounts payable of the Company for equipment is secured by Acumen Co., Ltd. and Jasmine Internet Co., Ltd. and of the subsidiary is secured by Acumen Co., Ltd.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Accounts payable for equipment	7,694	4,465	4,463	-
Less: Deferred interest expense	(245)	(131)	(155)	-
Total	7,449	4,334	4,308	-
Less: Current portion	(5,275)	(2,391)	(3,115)	-
Total accounts payable for equipment - net of current portion	2,174	1,943	1,193	-

22. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Provision for long-term employee benefits at beginning of year	402	378	31	29
Included in profit or loss:				
Current service cost	25	23	2	1
Interest cost	11	10	1	1
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	11	-	1	-
Financial assumptions changes	(27)	-	(2)	-
Experience adjustments	81	-	7	-
Benefits paid during the year	(5)	(9)	-	-
Provision for long-term employee benefits at end of year	498	402	40	31

The Company and its subsidiaries expect to pay Baht 23 million of long-term employee benefits during the next year (2017: Baht 6 million) and the Company only has Baht 1 million (2017: Nil).

As at 31 December 2018, the weighted average duration of the liabilities for long-term employee benefit of the Company and its subsidiaries are 11 years (2017: 10 years) and the Company only is 11 years (2017: 10 years).

Principal actuarial assumptions at the valuation date were as follows:

(Unit: Percent per annum)

	Consolidated / Separate financial statements	
	2018	2017
Discount rate	3.25%	2.75%
Future salary increase rate	5%	5%

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2018 and 2017 are summarised below:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Discount rate				
Increase 50 basis points (3.75%)	(25)	(22)	(2)	(1)
Decrease 50 basis points (2.75%)	27	23	2	2
Future salary increase rate				
Increase 100 basis points (6.00%)	60	59	4	4
Decrease 100 basis points (4.00%)	(52)	(51)	(4)	(4)

On 13 December 2018, The National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation at a rate of not less than that of the last 400 days. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional liabilities for long-term employee benefits of Baht 160 million (The Company only: Baht 13 million). The Company and its subsidiaries will reflect the effect of the change by recognising past services costs as expenses in profit or loss of the period in which the law is effective

23. Registered share capital/ Warrants

On 6 July 2015, the Company issued the 3,428.4 million units of JAS-W3 warrants to the existing shareholders of the Company, free of charge, in proportion to their shareholding, at a ratio of 1 warrant for every 2.04 existing ordinary shares (par value of Baht 0.50 per share). The warrants have an exercise period of 5 years from the date of issue, and are exercisable on the last business day of each quarter over the term of the warrants. The first and the last exercise dates are 30 September 2015 and 3 July 2020, respectively. The exercise ratio is 1 warrant per 1 ordinary share and the exercise price is Baht 4.30 (par value of Baht 0.50 per share).

The Company approves an adjustment of the exercise price and the exercise ratio of JAS-W3, after approving the dividend payment, for the purpose of preserving the interests of JAS-W3 holders. Currently, the exercise price is Baht 3.667 per share and the exercise ratio is 1 warrant to 1.172 ordinary share. The Approval is passed through the meeting of the Company's Board of Directors No.5/2561 which has passed a resolution, approving the interim dividend payment to the shareholders.

In December 2017 and in 2018, the JAS-W3 warrant holders exercised their rights to purchase 1,171.6 million warrants or 1,314.4 million ordinary shares of the Company and the current year the Company registered the increase in its share capital to Baht 657.2 million (1,314.4 million ordinary shares of Baht 0.5 each)

Moreover, in December 2018, 131.3 million warrants were exercised to purchase 153.9 million new ordinary shares, and the Company registered the resulting increase in its share capital with the Ministry of Commerce on 7 January 2019. As a result, the Company presented the exercise of these warrants, amounting to Baht 564.3 million, under the caption of "Share subscription received in advance" in shareholders' equity as at 31 December 2018.

As at 31 December 2018, the Company had 1,317.1 million warrants remaining unexercised (2017: 1,940.9 million warrants).

24. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit 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 profit 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.

25. Expenses by nature

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Telecommunication network rental expenses	5,307	5,508	-	-
Depreciation and amortisation	4,450	3,687	16	16
Salaries, wages and other employee benefits	2,548	2,623	117	114
Telecommunication license fees	716	770	-	-
Loss on recording of provision for reversal of judgement by the Supreme Court	613	12	613	12
Electricity expenses	439	429	2	2
Cost of goods sold	410	421	-	-
Sales promotion expenses	341	285	-	-
Repair and maintenance expenses	306	423	-	-
Rental expenses from operating lease agreements	274	251	5	5
Doubtful debt and bad debt	231	225	-	-
Consulting fees	175	58	137	21

26. Income tax

Income tax for the years are made up as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current income tax charge	195	201	-	-
Deferred tax relating to origination and reversal of temporary differences	311	313	-	-
Income tax reported in the statement of comprehensive income	506	514	-	-

Below is the reconciliation of income tax with the product of accounting profit multiplied by the applicable tax rate for the years.

(Unit: Million Baht)

	Consolidated financial statements	
	2018	2017
Accounting profit before tax	5,436	3,237
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by applicable tax rate	1,087	647
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit:		
Promotional privileges (Note 27)	(111)	(138)
Share of profit from investment in associates	(180)	(219)
Gains on sales of investment units in JASIF (Note 12)	(698)	-
Additional expense deductions allowed	(4)	-
Non-deductible expenses	35	31
Unrecognised deferred tax assets		
Loss on recording of provision for reversal of judgement by the Supreme Court	123	2
Tax losses of the current year	79	197
Tax losses of prior years that is used to reduce tax expense	(14)	(4)
Effect on elimination of intercompany transactions	189	-
Others	-	(2)
Income tax reported in the statement of comprehensive income	506	514

(Unit: Million Baht)

	Separate financial statements	
	2018	2017
Accounting profit before tax	4,039	3,492
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by applicable tax rate	808	698
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit::		
Dividend income from subsidiaries	(660)	(395)
Dividend income from associate	(258)	(334)
Non-deductible expenses	1	1
Unrecognised deferred tax assets		
Loss on recording of provision for reversal of judgement by the Supreme Court	123	2
Tax losses of the current year	-	27
Tax loss of prior years that is used to reduce tax expense	(14)	-
Others	-	1
Income tax reported in the statement of comprehensive income	-	-

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	
	2018	2017	2018	2017
Deferred tax assets				
Allowance for doubtful accounts	96	82	(14)	(12)
Provision for rental assurance	2,485	2,810	325	293
Provision for long-term employee benefits	92	76	(6)	(5)
Provision for entry fee for laying the optical fiber cables	49	55	6	37
Provision for reversal of judgement by the Supreme Court	60	60	-	-
Deferred tax relating to origination and reversal of temporary differences			311	313
Deferred tax assets	2,782	3,083		

(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	
	2018	2017	2018	2017
Deferred tax assets				
Provision for long-term employee benefits	6	6	-	-
Provision for reversal of judgement by the Supreme Court	60	60	-	-
Deferred tax relating to origination and reversal of temporary differences			-	-
Deferred tax assets	66	66		

As at 31 December 2018, the Company and its subsidiaries had deductible temporary differences and unused tax losses totalling Baht 4,835 million (2017: Baht 3,060 million) and of the Company only Baht 815 million (2017: Baht 263 million), on which deferred tax assets have not been recognised as the Company and its subsidiaries believe that future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The Company and its subsidiaries had unused tax losses amounting to Baht 2,518 million (2017: Baht 2,266 million). This gradual expiration of their benefits in 2019 - 2023 (2017: in 2018 - 2022). The Company only amounted to Baht 178 million (2017: Baht 248 million). This gradual expiration of their benefits in 2021 - 2022 (2017: in 2021 - 2022).

27. Promotional privileges

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

In 2018, IC had revenues from promoted operations amounting to Baht 610 million (2017: Baht 747 million).

28. Infrastructure fund transactions

In February 2015, the Company and TTTBB entered into the agreements with JASIF as follows.

a) Asset Sale and Transfer Agreement

TTTBB entered into the Asset Sale and Transfer Agreement with JASIF to sell of the OFCs at a price of Baht 55,000 million. Under the agreement, TTTBB shall deliver and transfer the OFCs approximately 980,000 core kilometers whereby TTTBB is to transfer not less than 800,000 core kilometers of the OFCs (equivalent to Baht 45,527 million) (“the Existing OFCs”) on the contract date and will gradually transfer approximately 180,000 core kilometers of the OFCs (equivalent to Baht 9,473 million) (“the Future OFCs”) over two years.

In November 2016, TTTBB has completely transferred and delivered the OFCs totaling of 980,500 core kilometers to JASIF in accordance with the agreement.

b) Main Lease Agreement

TTTBB entered into the OFCs lease agreement with JASIF for the lease of 80% of the OFCs sold and delivered to JASIF pursuant to the Asset Sale and Transfer Agreement, consisting of 80% of the Existing OFCs delivered to JASIF pursuant to the Asset Sale and Transfer Agreement and 80% of the Future OFCs delivered to JASIF pursuant to the Asset Sale and Transfer Agreement. The Main Lease Agreement is for a period of approximately 11 years (ending 22 February 2026). TTTBB agrees to pay fixed rental fee at the rate of Baht 425 per core kilometer per month until 31 December 2015 and the fee will be increased on 1 January each year in line with the change in the Thailand CPI announced by the Ministry of Commerce, with a cap of 3% per annum. TTTBB agrees to pay the rent for the last three months in advance to JASIF at the time when the first rental payment is due. The advance rental payment in the aggregate must be at least Baht 816 million. TTTBB is responsible payment of any entry fees for laying the OFCs that occur in the future.

c) Rental Assurance Agreement

JASIF may lease 20% of the OFCs to any lessee. During the period in which there are no third party lessees, TTTBB agrees to lease these assets and pay for the rental fee to JASIF in order to guarantee JASIF’s lease revenue throughout the term of the Rental Assurance Agreement for three years. The Rental Assurance Agreement will be renewed for additional three-year periods at

the option of JASIF until the expiration of the Main Lease Agreement with the rental fee of Baht 750 per core kilometer per month until 31 December 2015 and the fee will be increased on 1 January each year in line with the change in Thailand CPI announced by the Ministry of Commerce with a cap of 3% per annum.

d) OFCs Maintenance Agreement

JASIF appointed TTTBB to carry out the services of repairing, replacing, maintaining and managing the OFCs on behalf of JASIF. JASIF shall pay the service fee to TTTBB at the rate of Baht 200 per core kilometer per year until 31 December 2015 and the service fee will be increased by 3% per annum on 1 January each year. This agreement shall effect until 22 February 2026 or the earlier termination of the Main Lease Agreement.

e) Marketing Services Agreement

TTTBB shall find other lessees to lease 20% of total OFCs (“Secondary Optical Fiber Cable”) of JASIF. If any lessee is interested in leasing these assets, JASIF is entitled to lease these assets to such lessee. TTTBB agrees to waive its right to use these assets immediately after a lease agreement has been entered into with such lessee. JASIF agrees to pay a service fee to TTTBB in an amount equal to 25% of the amount that exceeds the aggregate amount of rental that TTTBB actually receives from all lessees for the lease of any Secondary Optical Fiber Cable during the three year term of this agreement, deducted by aggregate amount of rental that TTTBB shall be liable to pay to JASIF under the Rental Assurance Agreement throughout the three-year term in respect of the lease of Secondary Optical Fiber Cable of this agreement. The term of the agreement is three years and will be renewed for additional three-year periods at the option of JASIF until the expiration of TTTBB’s Type - three telecommunications license.

f) Loan Agreement

TTTBB has agreed to grant a loan to JASIF amounting to Baht 3,850 million which is equal to the VAT amount of the purchase price of the OFCs. The interest rate is 2% per annum.

In January 2016, TTTBB received full repayment from JASIF.

g) Undertaking Agreement

The undertaking agreement specifies that the Company has to maintain its unitholding 33.33 % of the total number of investment units issued in JASIF (“initial investment units”) by not selling, transferring or disposing of the initial investment units for three years, unless it receives prior written consent from JASIF, and during the fourth to sixth years, the Company may not sell, transfer or dispose of the investment units of JASIF to the extent that its unitholding falls below 19% of the total initial number of investment units issued, unless it receives prior written consent from JASIF. Moreover, the Company and affiliates must maintain shareholdings of at least 76% in TTTBB and Triple T Internet Co., Ltd. (“TTTI”), and that TTTBB must maintain certain financial ratios, such as current liabilities to equity ratio, debt to equity ratio, and financial ratio for dividend payment, as specified in the agreement. In addition, liabilities of TTTBB and TTTI, as defined in the agreement, may not exceed as specified in the agreement at any given time.

On 27 June 2017 JASIF announced the renewal of the Rental Assurance Agreement and Marketing Service Agreement with TTTBB for an additional period of three years from their expiration dates. The renewal period commence from 11 February 2018.

On 11 May 2018, an Extraordinary General Meeting of the Company's shareholders passed the resolution approved TTTBB to sell the additional optical fiber cable assets not exceeding 980,000 core kilometers to JASIF. The selling price is expected to be approximately Baht 50,000 - 70,000 million (However, the final selling price will be mutually agreed between TTTBB and JASIF). The meeting also approved the entering into a lease agreement and a rental assurance agreement for the additional optical fiber cable assets and approved the purchasing the additional of JASIF's investment units to be holding at least 25 percent of the total issued and fully paid of JASIF's investment units.

29. 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.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic and diluted earnings per share:

	Consolidated financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2018	2017	2018	2017	2018	2017
	(Million Baht)	(Million Baht)	(Million shares)	(Million shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the parent	4,913	2,693	7,759	6,456	0.63	0.42
Effect of dilutive potential ordinary shares						
Warrants offered to existing shareholders	-	-	665	1,653		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	4,913	2,693	8,424	8,109	0.58	0.33

	Separate financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2018	2017	2018	2017	2018	2017
	(Million Baht)	(Million Baht)	(Million shares)	(Million shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the parent	4,039	3,492	7,759	6,456	0.52	0.54
Effect of dilutive potential ordinary shares						
Warrants offered to existing shareholders	-	-	665	1,653		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	4,039	3,492	8,424	8,109	0.48	0.43

30. 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.

Below is the revenue and profit information regarding the Company's and its subsidiaries' operating segments for the year ended 31 December 2018 and 2017, respectively.

(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	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Sales and service income												
Revenue from external customers	16,916	16,310	899	948	34	29	146	145	-	-	17,995	17,432
Inter-segment revenues	2,493	30	1,001	989	101	63	160	155	(3,755)	(1,237)	-	-
Total revenues	19,409	16,340	1,900	1,937	135	92	306	300	(3,755)	(1,237)	17,995	17,432
Segment operating profit (loss)	6,473	6,201	246	197	21	6	(11)	(3)			6,729	6,401
Unallocated income and expenses:												
Gains on sales of investment in associate											3,650	-
Other income											450	301
Gains on exchange											48	555
Selling and servicing expenses											(1,279)	(1,299)
Administrative expenses											(3,473)	(2,888)
Loss on recording of provision for reversal of judgement by the Supreme Court											(613)	(12)
Doubtful accounts and bad debt											(231)	(225)
Share of profit from investments in associate											899	1,096
Finance cost											(744)	(693)
Income tax											(506)	(514)
Non-controlling interests of subsidiaries											(17)	(29)
Profit attributable to equity holders of the Company											4,913	2,693

Geographic information

The Company and its subsidiaries operate in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2018 and 2017, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of the Group's revenues.

31. 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 and will be paid to employees upon termination in accordance with the fund rules. The fund is managed by BBL Asset Management Co., Ltd. During 2018, the contributions of the Company and its subsidiaries amounting to Baht 90 million (2017: Baht 86 million), of which Baht 7 million (2017: Baht 6 million) is from the Company, were recognised as expenses.

32. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividend for 2017	Annual General Meeting of shareholders on 30 April 2018	1,484	0.20
Interim dividends form retained earnings as of 31 March 2018	Board of Directors meeting on 7 June 2018	2,309	0.30
Total dividends for 2018		3,793	0.50
Final dividends for 2016	Annual General Meeting of shareholders on 27 April 2017	1,565	0.25
Interim dividends form retained earnings as of 30 June 2017	Board of Directors meeting on 9 August 2017	1,299	0.20
Interim dividends form retained earnings as of 30 September 2017	Board of Directors meeting on 10 November 2017	1,000	0.15
Total dividends for 2017		3,864	0.60

33. Commitments and contingent liabilities

33.1 Capital commitments

As at 31 December 2018, the Company and its subsidiaries had capital commitments of approximately USD 9 million and Baht 78 million relating to acquisition of equipment (2017: USD 96 million and Baht 834 million) and of the Company only amounting to USD 1 million and Baht 25 million (2017: Nil).

33.2 Operating lease and service agreements commitments

The subsidiaries have entered into several lease agreements in respect of land, building, office building space, equipment and other services. The terms of the agreements are generally between 1 and 11 years.

As at 31 December 2018 and 2017, subsidiaries had future minimum lease payments required under these non-cancellable operating leases and service contracts were as follows.

(Unit: Million Baht)

	Consolidated financial statements	
	2018	2017
Payable:		
In up to 1 year	4,481	4,459
In over 1 and up to 5 years	18,164	17,960
In over 5 years	10,195	14,837

33.3 Long-term service commitments

TTTBB is committed to pay rental fees and provide service to JASIF with certain conditions as described in Note 28 to the consolidated financial statements.

33.4 Guarantees

- The Company and its subsidiaries had outstanding commitments of approximately Baht 330 million in respect of bid bonds and performance bonds issued by banks and financial institutions on behalf of the Company and its subsidiaries (2017: Baht 312 million) and of the Company only amounting to Baht 3 million (2017: Baht 3 million).
- 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 (2017: Baht 3 million).
- Subsidiaries had outstanding commitments under the letters of credit with local and overseas suppliers totaling approximately USD 4 million (2017: USD 4 million).

33.5 T.J.P. Engineering Co., Ltd. ("TJP"), 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 because the delay was caused by the delay in the delivery of areas by related agencies and the counterparty is therefore entitled to charge a penalty to TJP at the 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. The management of TJP believe that TJP will successfully negotiate with the counterparty to reduce the scope of work and will close the project with an immaterial amount of penalty.

33.6 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 and the legal advisor made a preliminary assessment and found that additional liabilities of up to Baht 1,343 million, excluding interest, might arise if the Company was sued by the creditors in the future. By the way, 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.

Subsequently in August 2014, an asset management company and financial institutions, altogether five entities, filed lawsuits petitioning the Central Intellectual Property and International Trade Court (“Central Intellectual Property 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 2018 equivalent to a total of approximately Baht 1,856 million), comprising principal of Baht 1,113 million and interest of Baht 743 million. The Company has assessed the conditions of accounting under these circumstances, and believes that the Company should record provision whenever lawsuits are filed with the court. However, the rights of claim of two plaintiffs were assigned by various former creditors, one is not named among the creditors filing claims under the business rehabilitation plan. The legal advisor is of the opinion that it is uncertain that these two plaintiffs will receive payment of the amount claimed in the petitions. Therefore, the Company recorded provision amounting to Baht 326 million (principal of Baht 260 million and interest of Baht 66 million) (2017: Baht 313 million, principal of Baht 260 million and interest of Baht 53 million) for the three plaintiffs who are the original creditors named in applications for payment (amounting to Baht 1,010 million, principal of Baht 686 million and interest of Baht 324 million) in the Company’s rehabilitation plan in the financial statements since it is highly likely that the Company will be liable for these amount. This was determined based on the claims filed by the three plaintiffs less the approximate amounts of settlements made in any form under the rehabilitation plan, in accordance with the legal advisor’s opinion.

During 2018, the Central Intellectual Property Court issued judgements on the cases between the Company and four plaintiffs that filed the lawsuits. The Central Intellectual Property Court issued judgements ordering the Company to make debt payments totaling Baht 1,095 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2018), together with interests due under the lawsuits until the full payments are made. The Company considers that for the three plaintiffs who are the original creditors should record the additional provision in respect of interests since there is a higher possibility that the Company may have financial obligation in respect of interest due as a result of the judgements of Central Intellectual Property Court in the three cases. The Company therefore records an additional provision amounting to Baht 170 million. Moreover, the Company considers that other two plaintiffs who are assigned creditors should record the additional provisions in both of principal and interest following to the original creditors since there are higher possibilities that the Company may have financial obligation as a result of the judgements of Central Intellectual Property Court. The Company records an additional provision amounting to Baht 430 million under the caption of “Loss on recording of provision for reversal of judgement by the Supreme Court” in the profit or loss for the current year, resulting in the total provision for reversal of judgement by the Supreme Court amounting to Baht 926 million (principal of Baht 428 million and interest of Baht 498 million). The judgement can be classified by case as follows.

1. On 30 May 2018 the Central Intellectual Property Court issued a judgement on the case between the Company and one plaintiff (original creditor) that filed the lawsuit, requesting the Company to pay debts totaling approximately Baht 418 million (principal of Baht 235 million and interest of Baht 183 million). The Central Intellectual Property Court issued a judgement ordering the Company to make debts payment totaling approximately Yen 1,049 million which equivalent to a total of approximately Baht 311 million (calculated using the exchange rate of the Bank of Thailand as at 31 December

2018), together with the interest TIBOR interest rate plus 1.5 percent per annum, the deferred interest TIBOR interest rate plus 1.0 percent per annum and the default interest TIBOR interest rate plus 2.0, plus 1.5 percent per annum, starting from the date following the filing of the case until the full payment is made. The Company filed an appeal to the Court of Appeal for Specialised Cases. Currently, the case is under consideration by the Courts.

2. On 21 June 2018, the Central Intellectual Property Court issued a judgement on the case between the Company and one plaintiff (original creditor) that filed the lawsuit, requesting the Company to pay debts totaling approximately Baht 108 million (principal of Baht 57 million and interest of Baht 51 million). The Central Intellectual Property Court issued a judgement ordering the Company to make debts payment totaling approximately USD 2 million net with the value of assets and cash received in accordance with the rehabilitation plan of Jasmine International Overseas Company Limited and the Company totaling approximately Baht 28 million therefore, the remaining debts to be paid totaled approximately Baht 33 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2018), together with the interest LIBOR interest rate plus 4.0 percent per annum, starting from 15 September 2003 until the full payment is made. The Company filed an appeal to the Court of Appeal for Specialised Cases. Currently, the case is under consideration by the Courts.
3. On 18 October 2018, the Central Intellectual Property Court issued a judgement on the case between the Company and one plaintiff (original creditor) that filed the lawsuit, requesting the Company to pay debts totaling approximately Yen 1,211 million (principal of Yen 994 million and interest of Yen 217 million) and USD 4 million (principal of USD 3 million and interest of USD 1 million). The Central Intellectual Property Court issued a judgement ordering the Company to make debts payment totaling approximately Yen 1,211 million and USD 4 million which equivalent to a total of approximately Baht 484 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2018), together with the interest 7.5 percent per annum, starting from the date following the filing of the case until the full payment is made. Currently, the Company is in the process of filing an appeal to the Court of Appeal for Specialised Cases.
4. On 17 December 2018, the Central Intellectual Property Court issued a judgement on the case between the Company and one plaintiff (assigned creditor) that filed the lawsuit, requesting the Company to pay debts totaling approximately Yen 524 million (principal of Yen 305 million and interest of Yen 219 million) and USD 13 million (principal of USD 6 million and interest of USD 7 million). The Central Intellectual Property Court issued a judgement ordering the Company to make debts payment totaling approximately Yen 461 million net with the value of assets and cash received in accordance with the rehabilitation plan of Jasmine International Overseas Company Limited and the Company totaling approximately Baht 55 million therefore, the remaining debts to be paid totaled approximately Baht 82 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2018), together with the interest TIBOR interest rate plus 4.0 percent per annum, starting from 18 September 2002 to 31 December 2003 and the interest TIBOR interest rate plus 4.5 percent per annum, maximum interest rate up to 7.5 percent per annum, starting from 1 January 2004, until the full payment is made. And USD 10 million net with the value of assets and cash received in accordance with the rehabilitation plan of Jasmine International Overseas Company Limited and the Company totaling approximately Baht 151 million therefore, the remaining debts to be paid totaled approximately Baht 185 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2018), together with the interest LIBOR interest rate plus 4.0 percent per annum, starting from 18 September 2002 to 31 December 2003 and the interest LIBOR interest rate plus 4.5 percent per annum, maximum interest rate up to 7.5 percent per annum starting from 1 January 2004 until the full payment is made.

Currently, the Company is in the process of filing an appeal to the Court of Appeal for Specialised Cases for the case that the Central Intellectual Property Court issued the judgement.

The ultimate outcomes of these lawsuits that are not finalised cannot be determined at this time. The Company and legal advisor are of the different opinion from the above judgements, therefore they filed appeals to the Court of Appeal for Specialised Cases. The court's decision may affect the amount of this provision. Since there is still a lack of legal clarity because the Company's cases are not aligned with other cases of the Supreme Court's judgements. The management of the Company has decided that the amount of reserves recorded in the accounts is adequate and appropriate in the current circumstances. However, the recording of such provision does not in any way constitute an acceptance of the Company's obligation to pay such liabilities.

- 33.7 In September and December 2013, Jasmine Telecom Systems Plc. ("JTS") entered into agreements with two government agencies to sell tablet personal computers in Zone 4 (Northern and North-eastern 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 the contracting government agencies within December 2013 and March 2014, respectively. In 2014, the counterparties under the agreements submitted letters to JTS to request the termination of the sale and purchase of tablet agreements with JTS as they considered that JTS was unable to deliver the tablets as scheduled under the agreements and requested 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, or a total of Baht 5 million and Baht 142 million, respectively. In November 2014 and March 2015, the two counterparties filed lawsuits with the Central Administrative Court, requesting JTS to pay a penalty for its inability to deliver tablet as stipulated in the agreements and to make payment under the performance bonds, together with interest at the rate of 7.5 percent per annum, totaling approximately Baht 5 million and Baht 190 million, respectively. In addition, JTS submitted a notice of breach of the agreement to a local 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. JTS requested the bank who issued a bank guarantee on behalf of this company in the form a performance bond for the sale of tablets to pay Baht 38 million to JTS under the performance bond. JTS received the payment and retained the legal right to seize this amount as a compensation for losses caused by this company or incurred as a result of a breach of agreement by this company and recorded this amount as a liability under the caption of trade and other payables in the consolidated statement of financial position since 31 December 2014 and treated it as a provision for any penalties and losses that might be incurred. Moreover, in the event that JTS is required to pay penalties and compensation to the government agencies, JTS can reclaim all losses from this local company who is the seller of the tablets to JTS, in accordance with a condition stipulated in the sale and purchase of tablet agreements. However, on 22 February 2018, the Central Administrative Court issued a judgement on the case between JTS and the government agency who filed the lawsuit, requesting JTS to pay penalties totaling approximately Baht 5 million for its inability to deliver tablets as stipulated in the agreement. The Central Administrative Court issued a judgement ordering JTS to pay penalties totaling approximately Baht 3 million. On 8 June 2018, a bank which issued a bank guarantee submitted a letter to JTS notifying that on 5 April 2018 it paid the penalties totaling approximately Baht 2 million in accordance with the judgement rendered to the bank. Therefore, the outstanding balance of penalties is amounting to approximately Baht 1 million. In addition, on 4 May 2018, the Central Administrative Court issued a judgement on the case between JTS and another government agency that filed the lawsuit, requesting JTS to pay penalties and make payment under the letter of performance bond guarantee, together with interest totaling approximately Baht 190 million. The Central Administrative Court issued a judgement ordering JTS to pay penalties totaling approximately Baht 7 million, together with interest at the rate of 7.5 percent per annum, starting from the date following the filing of the case until the full payment is made.

A provision for penalties and compensation that might be incurred that JTS has recorded in the past are sufficient to the amount of the penalties according to the judgement of the Central Administrative Court. However, JTS and the two government agencies filed appeals to the Supreme Administrative Court and JTS filed requests to suspend execution to the Central Administrative Court. At present, the cases are under consideration by the Courts. Therefore, the ultimate outcome of these lawsuits and disputes that are not finalised cannot be determined at this time. However, JTS's management and legal advisor are confident that no significant losses will be incurred as a result of these lawsuits and disputes, and the provision for penalties and compensation which have recorded in the past are sufficient according to the judgement of the Central Administrative Court.

33.8 Litigation and disputes with TT&T and TOT

On 15 March 2016, the Central Bankruptcy Court issued an absolute receivership order on TT&T. As a result of this order, the Official Receiver is legally required to become involved in any civil case being considered by the Court that relates to the assets of the debtor under the absolute receivership order. Furthermore, when petitioned by the Official Receiver, the Court has authority to suspend such civil case or to issue any orders considered appropriate. Therefore, with respect to civil cases related to the assets of TT&T, the Court may decide to confer with the Official Receiver on how to proceed with the cases, and take this into account in reaching their decisions in each case.

1. Cloud Computing Solutions Co., Ltd. ("CCS") has outstanding balances receivable from TT&T pursuant to the contract for the supply of the Customer Care and Billing system amounting to approximately USD 5 million (as at 31 December 2018 equivalent to approximately Baht 171 million), which is being disputed with TT&T. In 2011, TT&T submitted a dispute proposal to the Thai Arbitration Institute alleging that CCS breach the said contract and asking CCS to pay a total of Baht 1,780 million, together with interest at the rate of 7.5 percent 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 percent per annum from the next date after the submission of the objection until TT&T effects whole performance. In June 2015, an arbitration award was made by the arbitration tribunal revoking TT&T's dispute proposal and ordering TT&T to pay the outstanding balance of installments due together with interest to CCS, a total of approximately Baht 204 million. On 25 September 2015, TT&T filed a petition with the Civil Court seeking to reverse the Thai Arbitration Institute's order. On 7 November 2016, the Official Receiver submitted a request with the Civil Court, seeking to withdraw the case in connection with TT&T's petition to reverse the Thai Arbitration Institute's order which ordered TT&T to pay Baht 204 million. The Civil Court has approved to withdraw the case and removed the case from the directory. Moreover, with respect to the Central Bankruptcy Court's absolute receivership order against TT&T. CCS submitted an application for repayment of debt, together with interest, to the Official Receiver. The settlement of this debt will therefore be made in accordance with the process prescribed by bankruptcy laws. However, TT&T is in the process of following legal procedures with respect to Bankruptcy law implemented by the Official Receiver.
2. Jasmine Internet Co., Ltd. ("JI-Net"), 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 in rehabilitation case ordered JI-Net to pay the leased line costs payable to TT&T. JI-Net have objected to the order with the Central Bankruptcy Court, which later dismissed JI-Net's petition. JI-Net filed an appeal against the Central Bankruptcy Court to the Supreme Court. Subsequently the Supreme Court rejected JI-Net's appeal. In addition, in September 2016, the Official Receiver in the TT&T bankruptcy case sent a letter dated on 7 September 2016 requesting JI-Net to pay TT&T leased line costs amounting to Baht 28 million (including interest calculated until 15 March 2016). However, on 23 September 2016, JI-Net submitted notices rejecting the liabilities to the Official Receiver in the TT&T bankruptcy case. At present, the case is being considered by the Official Receiver.

3. Smart Highway Co., Ltd. ("Smart"), 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 filed an appeal against the Central Bankruptcy Court to the Supreme Court. On 3 October 2017, the Central Bankruptcy Court read the judgement of the Supreme Court, which affirmed the judgement of the Central Bankruptcy Court. As a result the Central Bankruptcy Court's absolute receivership order against TT&T, the proceedings in the business reorganization case of TT&T was creased. In September 2016, the Official Receiver in the TT&T bankruptcy case sent a letter dated on 7 September 2016 requesting Smart to pay TT&T leased line costs amounting to Baht 39 million (including interest calculated until 15 March 2016). However, on 23 September 2016, Smart submitted notices rejecting the liabilities to the Official Receiver in the TT&T bankruptcy case.
4. 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 percent per annum until the payment is settled. However, in August 2016, the Official Receiver relevant to the bankruptcy case submitted the letter dated 9 August 2016 to notify that TTTBB has to pay the outstanding debts of Baht 1,157 million, which arose from the same obligation for which the notice from the Official Receiver was sent to TTTBB in 2010 regarding the business reorganization of TT&T. The Official Receiver explained that the investigation under the business reorganisation was superseded when the debtor was in receivership and the investigation will be reconsidered under the Bankruptcy law which nearly 90 percent of the claim was lease line service payable which TTTBB paid to TT&T through the offset debt payable and the assignment of promissory note in 2009, as described in Note 10 to the consolidated 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 in the TT&T bankruptcy case.

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 percent per annum until the amount is settled. TT&T later amended the claim to

Baht 1,496 million. On 29 June 2011, 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 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. On 29 November 2016, the Official Receiver relevant to the bankruptcy case of TT&T filed an appeal with the Civil Court requesting not to conduct the case and dispose of the case from the directory, and the Civil Court ordered to dispose of the case.

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 at that time, 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. On 25 August 2016, the Civil Court dismissed the case. TTTBB and TTTI filed an appeal. On 19 December 2017, the Appeal Court affirmed the judgement of the Civil Court. TTTBB and TTTI filed an appeal with the Supreme Court. At present, the case is being considered by the Supreme Court.

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. On 10 October 2014, TTTBB pledged a fixed deposit account amounting to Baht 228.8 million as security with the Nonthaburi Provincial Court, without admission of guilt. However, on 7 May 2015, the Nonthaburi Provincial Court ordered TTTBB to pay the compensation of Baht 228.7 million with an interest rate of 7.5 percent per annum of the principal of Baht 165.7 million and with an interest rate of 15 percent per annum of the principal of Baht 0.5 million, starting from the date TTTBB was sued until the full compensation was paid to TT&T. TTTBB has filed an appeal to the Nonthaburi Provincial Court. On 24 January 2017, the Nonthaburi Provincial Court read the judgement of the Appeal Court ordering to revise the judgement of the Nonthaburi Provincial Court whereby TTTBB must pay the compensation of Baht 226.2 million with an interest rate of 7.5 percent per annum on the principal of Baht 175.3 million and with an interest rate of 15 percent per annum on the principal of Baht 0.5 million, starting from the date TTTBB was sued until the full compensation was paid to TT&T. On 21 April 2017, TTTBB filed an appeal to the Supreme Court. At present, the case is being considered by the Supreme Court.

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 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 percent per annum and an addition of Baht 0.9 million per month plus interest at a rate of 7.5 percent 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. TTTBB and TT&TSS have filed an appeal to the Supreme Court. On 5 April 2018, the Supreme Court affirmed the judgement of the Civil Court and TTTBB have already paid the compensation to TOT.

On 17 December 2010, the Tungsong Provincial Court ordered the dismissal of the case. TOT filed an appeal, on 19 January 2016 the Appeal Court affirmed the judgement of the Tungsong Provincial Court. TOT has filed an appeal to the Supreme Court. On 14 September 2018, the Supreme Court reversed the judgement of the Appeal Court and ordered TTTBB and TT&TSS to pay compensation of Baht 7.4 million with an interest rate of 7.5 percent per annum on the principal of Baht 6.9 million and an addition of Baht 0.5 million per month for damages from December 2008 until TTTBB and TT&TSS cease the infringement. Therefore, TTTBB recorded the compensation expenses of these lawsuit under the caption of “Administrative expenses” in the profit or loss in the current year and TTTBB have already paid the compensation to TOT.

The ultimate outcomes of these lawsuits and disputes that are not finalised 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 provision for contingent liabilities have been recorded in the accounts.

5. 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, 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 Memorandum of Understanding between Acumen and TT&T which allow the shareholders of TT&T to purchase the newly issued shares and/or existing shares of TTTBB held by Acumen, 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 was 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. At present, the case is being considered by the Nonthaburi District Court.

- 33.9 In 2015 and 2016, JTS and CCS have been sued by former employees who were laid off, claiming compensation approximately Baht 18 million and Baht 2 million, respectively, JTS is required to pay panalties amounting to Baht 18 million for two cases of unfair termination. On 16 January 2018, the Central Labour Court issued a judgement ordering CCS to pay severance together with interest, totaling approximately Baht 1 million. CCS recorded full provision for severance payment in accordance with the Central Labour Court’s order in 2017 and paid in February 2018. For the two cases of JTS, the Central Labour Court dismissed both of them. Former employees, who were the plaintiffs, filed an appeal to the Court. In 2018, the Courts dismissed the case. The cases were finalised.

33.10 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 - one Internet	Internet service	25 August 2014 - 24 August 2019
	Type - two Internet	International internet gateway and internet exchange services	8 February 2017 - 7 February 2022
	Type - two Telecom	Very Small Aperture Terminal (VSAT) service	30 November 2016 - 29 November 2021
Triple T Broadband Plc.	Type - three Telecom	Telecommunications services, fixed-line service and data communication network services	23 February 2006 - 29 January 2032
Jasmine Internet Co., Ltd.	Type - one Internet	Internet service	28 July 2014 - 27 July 2019
	Type - one Telecom	International calling card service	25 January 2015 - 24 January 2020
Jastel Network Co., Ltd.	Type - one Internet	Internet service	6 November 2014 - 5 November 2019
	Type - two Telecom	Domestic private leased circuit service	30 November 2006 - 29 November 2021
	Type - two Internet	International internet gateway service	30 March 2014 - 29 March 2019
	Type - three Telecom	International private leased circuit service	18 November 2009 - 17 November 2024
Triple T Internet Co., Ltd.	Type - one Internet	Internet service	20 June 2014 - 19 June 2019
	Type - one Telecom	Resale of International private leased circuit service	14 March 2016 - 13 March 2021
	Non-National Spectrum Broadcast Network	Non-national spectrum broadcast network service	28 January 2013 - 27 January 2028
ACeS Regional Services Co., Ltd.	Type - one Internet	Internet service	23 November 2014 - 22 November 2019
	Type - one Telecom	Telecom services, International calling card service	16 February 2015 - 15 February 2020
Jasmine Telecom Systems Plc.	Type - one Telecom	Mobile telephone network service	16 June 2016 - 15 June 2021

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 in accordance with conditions and requirements stipulated by the NBTC.

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

34. Financial instruments

34.1 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, restricted bank deposits, trade and other receivables, loans and borrowings, trade and other payables, accounts payable for equipment, liabilities under finance lease agreements, deposit received from customers and provisions. 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 and loans. 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 and loans stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries exposure to interest rate risk relates primarily to its deposits with financial institutions, loans and borrowings, accounts payable for equipment and liabilities under finance lease agreements. 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. Details of deposits with financial institutions, loans and borrowings, accounts payable for equipment and liabilities under finance lease agreements were presented in the related notes to financial statements.

Foreign currency risk

The exposure of the subsidiaries to foreign currency risk arises mainly from purchase of equipment and trading transactions that are denominated in foreign currencies.

As at 31 December 2018 and 2017, the balances of financial assets and liabilities of the subsidiaries denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements				Average exchange rate	
	Financial assets		Financial liabilities			
	2018	2017	2018	2017	2018	2017
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	7	3	257	186	32.4498	32.6809

Foreign currency	Separate financial statements				Average exchange rate	
	Financial assets		Financial liabilities			
	2018	2017	2018	2017	2018	2017
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	-	-	120	5	32.4498	32.6809

34.2 Fair values of financial instruments

Since the majority of financial instruments of the Company and its subsidiaries are short-term in nature. Loans, accounts payable for equipment and liabilities under finance lease agreements carry interest at rates close to market rates. Its fair value are not expected to be materially different from the amounts presented in the statements of financial position.

35. 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 2018, the Group's debt to equity ratio was 1.88:1 (2017: 2.46:1) and the Company was 0.98:1 (2017: 1.05:1).

36. Events after the reporting period

On 18 February 2019, a Board of Directors meeting of the Company passed the resolution approving the payment of a final dividend of Baht 0.28 per share, to the Company's shareholders from the retained earnings as at 31 December 2018, a total of approximately Baht 2,279 million.

However, this resolution will be presented to the Annual General Meeting of the Company's shareholders for the year 2019 for further approval.

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 18 February 2019.



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