

Annual Report

Year **2015**

Performance Highlights

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*Sharing is good, and with Digital Technology,
Sharing is easy.*

- Richard Stallman -

VISION

Strive towards long term sustainability
With continuous development and innovation,
And with social responsibility
To bring happiness to our customers and employees
And deliver reasonable profits for our shareholders

KEY PERFORMANCE

The Company had been granted privilege by the Board of Investment of Thailand (BOI). The principal privilege is the exemption from corporate income tax for a period of 8 years from the business operations related to The CLOUD Data Center Building

MESSAGE FROM CHAIRMAN

As a result, we received the Annual National Corporate Integrity Award for the 5th time given by the Counter Corruption Commission for improving standard of transparency in public sector, thereby creating social awareness and values of governance, ethics and responsibility.

Cautionary Statement

Certain statements in this report are forward-looking; these statements include, without limitation, expected growth in revenue, EBITDA, earnings per share, potential risks, market environment, market positioning, strategies and targets.

Although we believe that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that these expectations will prove to be correct. This is due to the risks and uncertainties involved, in which consequently the actual results may differ materially from those expressed or implied.

Investors can get more our information in form 56-I, which had been represented in: www.sec.or.th or www.csloxinfo.com

Introduction to Annual Report

Welcome everyone to 2015 Annual Report
of CS LoxInfo Public Company Limited

Our Annual Report is divided into 4 major sections as follow:

1

Summary of the Company Overview

This section contains a summary of the financial results, business description and direction as well as synopsis of other importance matters.

2

Importance Information of the Company

This section contains detailed information of business description of the Company and its subsidiaries, including information about potential and/or opportunities in business expansion, corporate governance, organization structure, composition of and good governance structure, roles and responsibilities of directors and key executives, risk management and various management aspects. Moreover, it consists of detailed on shareholding structure of the Group and major shareholders as well as brief biographies of directors and management.

3

Financial Reports

This section reports the financial status of the Company in 2015, which was approved by the auditor. The financial statements consist of detailed accounting standard e.g. connected transactions, statement of directors' responsibilities in respect of the financial reports.

4

General Information for Investors

This section contains general information for investors' reference i.e. detailed information that shareholders, investors and public may need to know e.g. registrar, auditor and share registration on the Stock Exchange of Thailand.

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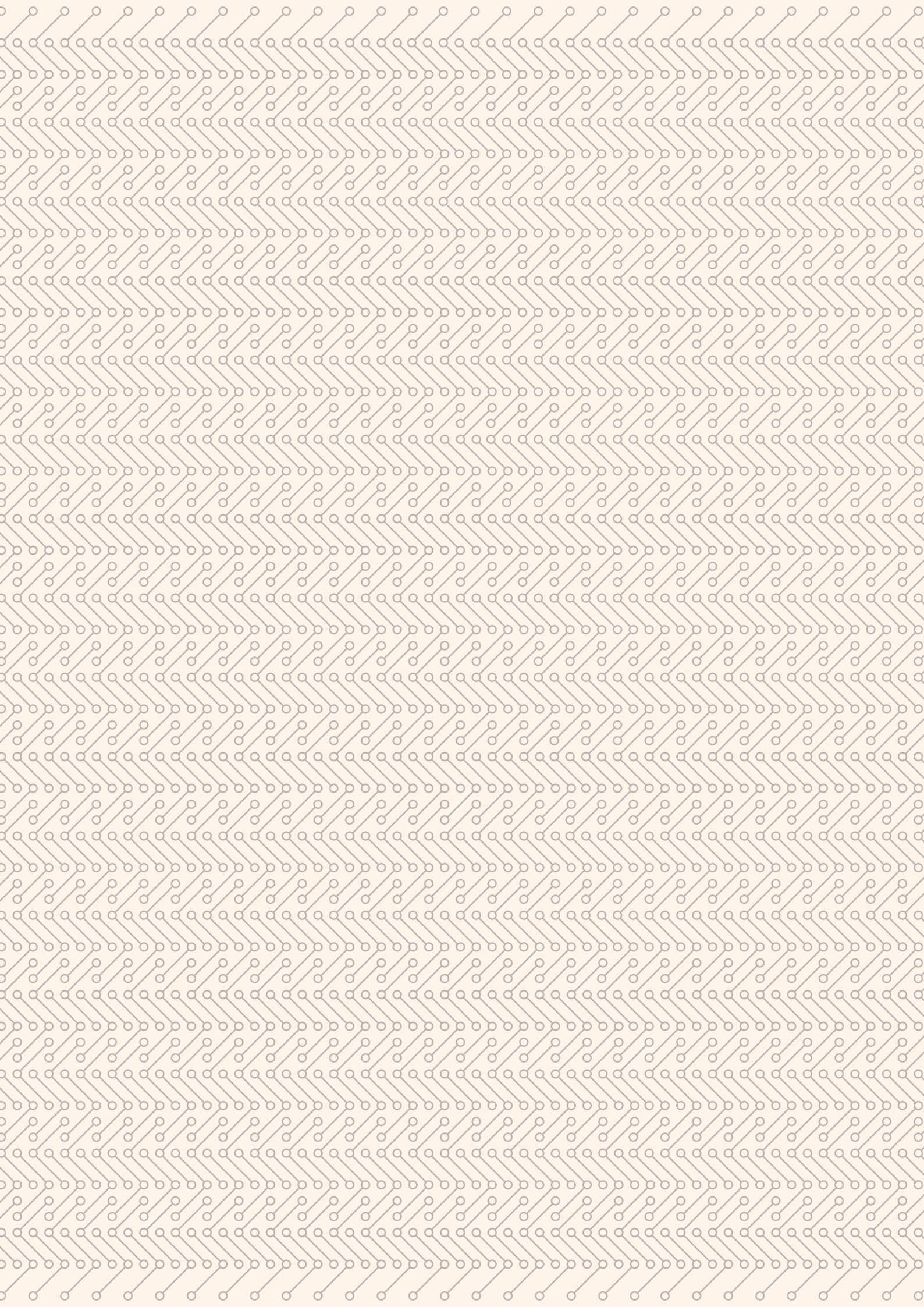
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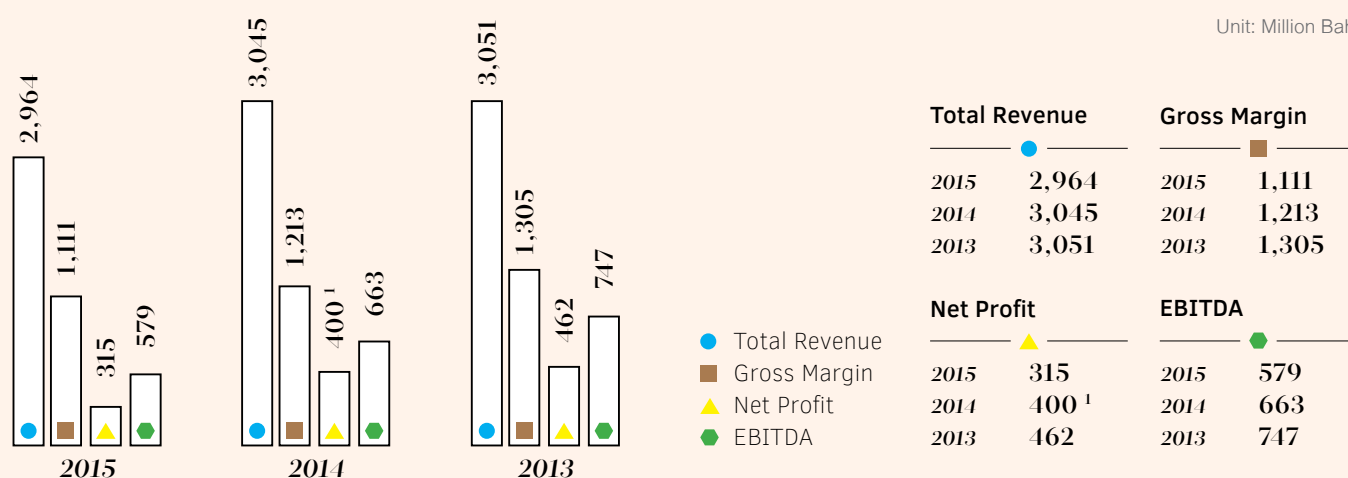


Financial Highlights /

Dividend Payment

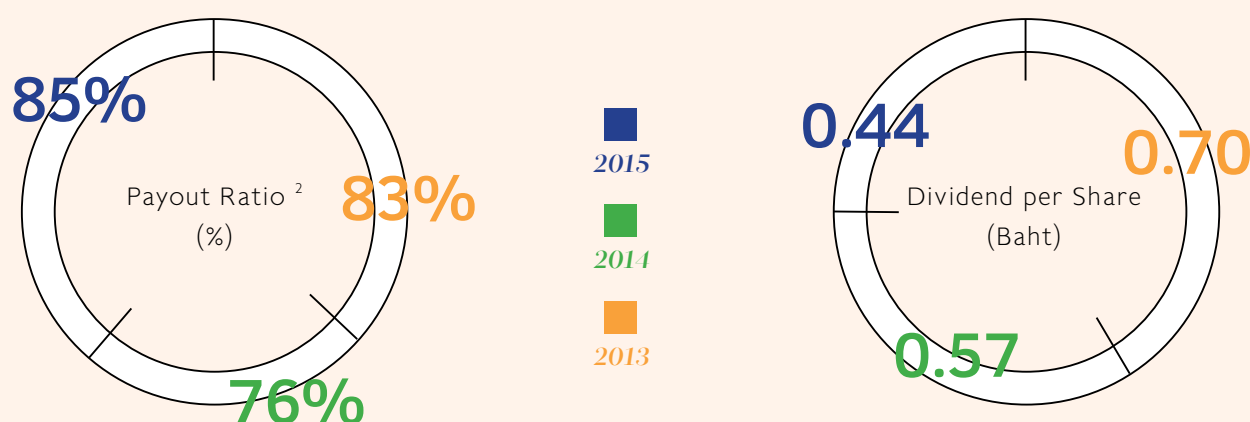
Overall Business Performance of Core Products (Consolidated Financial Statement)

Unit: Million Baht



¹ Presented as a normal business profits excluding the impairment loss of goodwill for YellowPages Business (if included, it would become to net loss Baht 150 million)

The Company's dividend payments during the past three years are as follows:



² Calculated from the Separate Financial Statement, and Y2014 calculated by using normal profits excluding the accounting loss from the impairment of investment in YellowPages

Performance Highlights

GENERAL INFORMATION

The Company and its subsidiaries are as follows;

- CS Loxinfo Public Company Limited: operates ICT business by providing distinguished internet, computer and telecommunication services to corporate customers with focusing on quality services and flexibility to meet customers' need. At the present, the major customers are medium to large business groups.
- Teleinfo Media Public Company Limited: operates advertising business integrating publications and websites (YellowPages). The major customers are medium to small business groups.
- AD Venture Public Company Limited: operates mobile content business by providing information, entertainment and application for mobile phone users. The major customers are mobile phone users.

In addition, TMC and ADV have a related service, which is Outsourcing Call Center service. The content in this annual report was divided into three segment based on our core businesses, which are ICT, YellowPages and Mobile Content. By the way, Outsourcing Call Center service that is the related service between TMC and ADV has been group together with Mobile Content and reported as Voice & Mobile Content Business segment in order to make it easy for overall business understanding.

KEY PERFORMANCE IN 2015

1. The Company had been granted privilege by the Board of Investment of Thailand (BOI). The principal privilege is the exemption from corporate income tax for a period of 8 years from the business operations related to The CLOUD Data Center Building (January 2015 – December 2022)
2. Socio-economic development
 - Cooperating with an educational alliance, CS LOXINFO had designed and built the community ICT center in Chae Hom district, Lampang by focusing on community need as well as training and continuous development for community, under the concept of **“Stronger Education - Stronger Thailand”** activity.
 - Promoting **Fit@Work** activity for staff-health program such as fat and disease reducing, knowledge about health and nutrition, first aid training and basic life support.
 - Under the concept of **“Empowering People - Empowering Thailand”** activity, TMC & ADV had promoted **“Call Center 1188”** in Correctional Institution for Female Drug Addicts, Klong 5 Pathumthani, with standard IT systems.

Performance

Highlights

CORPORATE GOVERNANCE

In 2015, the Board of Directors has implemented

- The Securities Trading Policy which governs all directors, executives, and employees. The policy is intended to prohibit the insider trading and the trading of CSL's Securities during thirty (30) days period prior to the disclosure or publication of the quarterly and annual financial statements.
- In order to comply with the good corporate governance, ethics, Anti-Bribery & Corruption Policy of the Company and relevant laws, the Board of directors has approved the Policy and Practice guidelines for the Board of directors. This policy is designed to govern the activities of the directors.

Other revised or amended policies have also been approved. Details can be found under "corporate governance topic on page 62-83"

- Control Self Assessment – CSA: The Company has implemented the control self assessment or CSA since the year 2013 and has expanded to all department in year 2015 for supporting the good internal control of the company. The work process which has been implemented the CSA was discovered that it has been improved and developed for more effective and efficient.

THE INVESTMENT

In last year, mostly investment was involved in the internet services and Internet Data Center and expanding in ADSL for Condominium. However, the company continues to seek for the new investment involved in the digital economy in order to extend the Group's business.

BUSINESS DIRECTION

ICT Business: Continue to improve the quality of services in major products such as lease line service, ICT solution service, Data center service, Cloud computing service, and continue to expand in ADSL for Condominium.

YellowPages Business: Continue to develop products/services for niche market and promote new online services as well as printed media. In parallel with, studying and improving in cost structures of products/services for maximum proficiency.

Voice Info Services and Mobile Content Business: continual to select and develop new contents/products in order to stimulate more mobile phone usages by focusing in mobile applications for smart phone users and corporate clients areas. In parallel with, stringent in cost and SG&A control.

PRESTIGIOUS AWARDS

CS LOXINFO received the Honorable Mention Transparency Award through the 5th NACC Integrity Awards 2015. The awards granted by the Office of the National Anti-Corruption Commission (NACC) in recognition to the enterprises' promotional activities for exemplary corporate governance practices, righteousness, and transparency. While adhering to the implementation of good corporate governance principles in management and enterprise operation.

The NACC Integrity Awards recognize the performance of our board of directors and demonstrate that CS LoxInfo Public Company Limited operates with honesty and transparency. We adhere to the rule of law for the sake of all stakeholders including business partners, employees, community, society and environment, in all internal and external activities.

The awards were given by votes of the commission on the basis of 7 criteria categories illustrating

1

Social responsibility

2

Respect for regulations

3

Respect for human rights

4

Transparency

5

Being in compliance with ethical rules

6

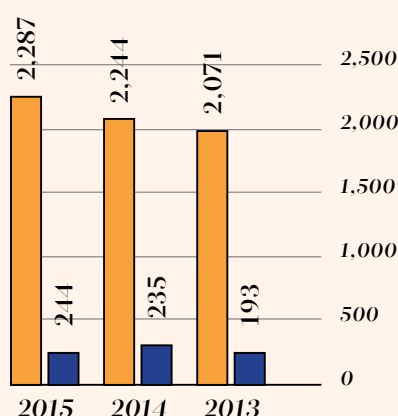
Attentive to the interests of stakeholders

7

Observance and practices to conventional rules and regulations

The Company's Operating Results for 2015

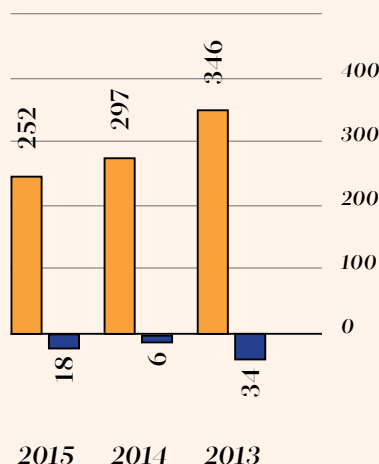
Revenue Profit (loss) from operation



ICT Business

Revenue and profit from operation grew up 2% and 4% from Y2014, respectively. This was mainly come from the continuous growth of Internet Data Center, ICT Solution and Cloud Computing.

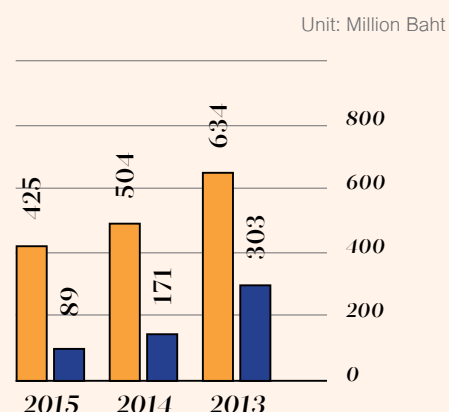
During Y2014 - Y2015, the company launched innovative new services for cloud computing, Software-as-a-Service (SaaS), by cooperated with our partners to develop and provide software for cloud services such as hotel management software, accounting software, ERP software, which will meet customers' demand and increase the productivity of our customers. Moreover, The company has expanded the high-speed broadband networks for condominiums by using fiber optics in order to meet more internet lifestyle of our customers.



Yellowpages Business

Currently, revenue from the publishing of the Thailand YellowPages has continued to decline. In Y2015, revenue generated from YellowPages Business decreased 15% from Y2014 and had net loss of Baht 18 million. This was resulted from advertisers' behavior change and softening economy.

To minimize the impact on overall consolidated profit, the Company has been putting more effort into focusing on publishing various new virtual books and continuing to integrate print and online media to add more valued-added for advertisers. In parallel with, stringent in cost and SG&A control.



Voice Info Services & Mobile Content Business

Revenue and profit from operation decreased 16% and 48% from Y2014, respectively, due to technology change and softening economy and lower purchasing power.

To minimize the impact on overall consolidated profit, the Company is continual selecting and developing new contents/products in order to stimulate more mobile phone usages. In parallel with, stringent in cost and SG&A control.

Vision & Mission

Our Vision

Strive towards long term sustainability
With continuous development and innovation,
And with social responsibility
To bring happiness to our customers and employees
And deliver reasonable profits for our shareholders

Our Mission



**CS LoxInfo Public
Company Limited**

A leading provider of ICT
in Thailand



**AD Venture Public
Company Limited**

A famous application service
provider via mobile phones



**TeleInfo Media Public
Company Limited**

The number one media
provider of telephone
directories of individuals,
agencies and organizations

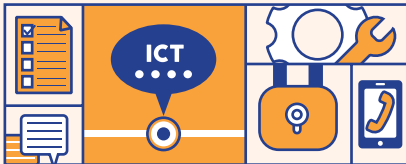
Business Directions

CS LOXINFO



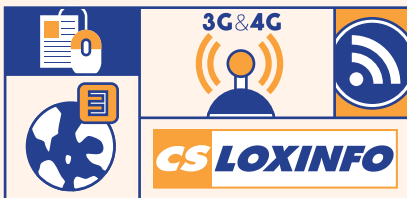
Internet Connection

Office and Branch Corporate Customer Environment



ICT Services

Email, VPN, VOIP, CCTV
Manage Network
Manage System
Manage Security
Manage IP
Virtual Computer
ICT Solutions



Data Center

ICT Solution

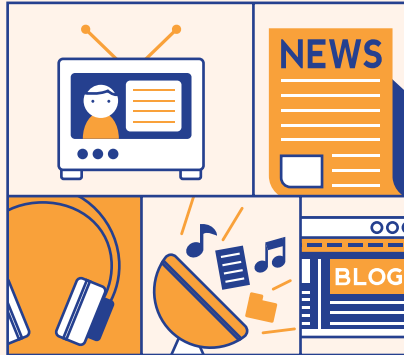
International Internet

Domestic Internet

ICT Business

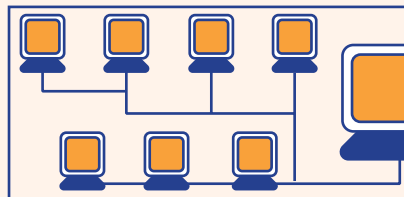
- Providing distinct internet, computer and telecommunication service to corporate customers
- Being open and flexible as well as having various alliances
- Immediately responding to customers
- Being responsible for quality of product and services

ADV



Entertainment Content Owner

Content Owner



User

Voice Info Services & Mobile Content Business

- Selecting and Providing distinct infotainment contents to mobile users
- Providing quality infotainment contents
- Continuously improving mobile contents

TMC



Total Thailand Yellowpages Business

Business Consumer Advertising
TMC Business Information/ Database



Mass Yellowpages



1188
Call Center



Target/ Focus Websites

Mobile Phone



Computer



Telephone



Yellowpages Business

- Providing integrated advertising media (printed media and website) to both individual and business users
- Targeting customers and markets
- Responding to real needs

Overall Directions

in Brief

SHIFT TO CORE STRENGTH IN ICT AND FOCUS POTENTIAL SEGMENTS

DRIVE NEW GROWTH	GROW EXISTING	INCUBATE	SYNERGY OPPORTUNITIES
Condominium Broadband in Bangkok (Consumer) (Focus segment and area with competitiveness)	Data Center, Cloud, ICT Solution and Leased line (Corporate) (Core segment)	Cloud Business Solution (SMEs) R&D , Partnering , develop and promote (Accounting, ERP, POS, CRM, WEB, Apps, Ecommerce etc.)	TMC SMEs Cloud Business Solution (Advertising, Ecommerce)
			ADV SMEs Cloud Business Solution (Web, apps etc.)

Message From

Chairman

of **The Board of Directors** and
Chairman of **The Executive Directors**

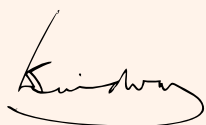
All of us in ‘Team CS LoxInfo Plc.’ would like to express our deep appreciation to our shareholders and clients for the sustained support given to our technical products and related administrative services.

Throughout the Year 2015 the economic downturn significantly impacted consumers and numerous businesses in Thailand, both directly and indirectly. Our income totaled Baht 2,964 million, a decrease of Baht 81 million from that of last year's. We believe, however, that continuous development of goods and services will enable us to reach our long term goals.

Developmental researches and commercial alliances will enable us to keep up with regional and global trends. New opportunities in the upcoming ASEAN Economic Community, along with our Government's Digital Economy policy should lead to increase in multi-faceted services made possible by synergy with two subsidiaries in our group of companies, namely Teleinfo Media and AD Venture.

Moving on to 2016, our Board of Directors and management remain firmly committed to continue our anti-corruption policy by showing clear leadership and determination. This ‘Tone at the Top’ policy strongly reflects our corporate climate of good governance, ethics and social responsibility. As a result, we received the Annual National Corporate Integrity Award for the 5th time given by the Counter Corruption Commission for improving standard of transparency in public sector, thereby creating social awareness and values of governance, ethics and responsibility.

To achieve all of the above and more, we have also implemented Control Self-Assessment in every business units to lay down firm foundation for continuing and sustainable development.



Professor Wongkulpat Snidvongs na Ayudyha

Chairman of the Board of Directors

CS LoxInfo Public Company Limited



Mr. Paiboon Panuwattanawong

Chairman of the Executive Committee

CS LoxInfo Public Company Limited

Business Overview

& Revenue Structure Ratio

CS LoxInfo Public Company Limited

We set our vision to become a leading comprehensive ICT service provider for business organizations. To realize that vision, we can utilize our own ICT infrastructure including internet gateway, internet data center, cloud computing, and internet connection infrastructure system. We also have professional engineering teams that are independently capable of collaborating with both local and foreign business partners by not adhering to any brands. With more than 20 years of professional experiences in internet service providing, we have been trusted and have gained a solid understanding of our customers. That is one of our main business principles that enable us to design and develop products and services which exactly meet customer requirements at reasonable prices.

CS LOXINFO'S PRODUCTS AND SERVICES

1. Corporate internet services

The Company's revenue is mainly generated from corporate internet services or leased line which is considered a high quality internet service that is flexible to customer needs. However, our corporate internet services have experienced a rather slow growth due to unfavorable economic climate and price competition among major players. This leads to a constant decline in price, despite the increasing demand of local customers. Consequently, the total revenue of this segment has marginally increased.

Despite the slow growth of revenue in this segment, the Company was still able to continuously expand its customer base (network) as well as maintain its existing corporate customers.

As the main strategy to expand customer base in this segment, the Company therefore keeps its focus on providing high quality internet service to corporate clients rather than competing on price with lower quality.

Strategy for Corporate internet services

- Increase bandwidth for existing customers in order to serve higher demand in line with the rising trend of social networking, cloud computing, big data and mobility;
- Increase number of networks for existing customers by increasing backup leased lines to ensure smooth connection even in emergencies when existing network experiences internet connection breakdown;

- Launch new ICT solution products and services to serve branch expansion of existing customers by centralizing internet connections between head offices and branches to enhance efficiency of their overall management;
- Offer our corporate internet services to new corporate customers who formerly used broadband internet but require better quality internet service to enhance their operation efficiency.

In addition, the Company conducts customer satisfaction survey towards the Company's services and our customer service staff. The survey is carried out by a third party in order to gain real insights that can be used to improve our products and services and increase our staff efficiency.

2. ICT services for corporate clients

ICT services for corporate clients showed a continuous growth trend due to market expansion and increasing customer demand. as organizations nowadays use ICT systems (including internet, computer, and communication) to reduce cost and increase competitive advantage. At present, the market can be divided into two groups of customers. The first one is international service providers, usually based in overseas with rigid management structure. This group normally offers a limited range of services; or if they provide a comprehensive range of services, their service fees will be quite high, and therefore are affordable to only large corporations. The second group is local service providers, most of which are small and medium enterprises with specialized expertise so they may not be able to serve all customer needs. With our professional teams and available network systems, CS LOXINFO is well capable of serving these two customer groups with offerings that best meet their needs at reasonable prices.

Types of Local Customer Needs

- Organizations that need comprehensive services from one stop ICT service provider to minimize risks of incompatibility among ICT systems, network systems, internet and computer data service centers;
- Organizations that need to use hardware and software from different brands but still require interoperability so they focus on the most usable functions that suit the needs of organization rather than cheaper prices;
- Organizations that lack IT workforce that have various skills and expertise in internet, computer, and communication to make sure the ICT systems work in harmony;
- Demand for local trustworthy service providers that have standard security systems, responsive after-sale services, and timely troubleshooting support.

CS LOXINFO's strengths that make it maintain market dominance for so long

- We have our own main infrastructure system including internet gateway, data center and cloud computing system;
- We have many local and foreign business partners. This allows us to select products that meet customer requirements with no needs to adhere to any particular brand;
- We have engineering teams who have diverse expertise and professional experiences along with certification. These people can use hardware and software from different brands and make them work together well;
- We have secure and quality operating system in accordance with industry standards, including ISO27001 IT Security Certification, ISO9001 Quality Management Standards, and ISO20000 Service Standards. We also have a Call Center that provides 24/7 technical assistance.

Examples of ICT Services Provided by CS LOXINFO

Network Infrastructures		
Customers' Needs	Services Provided	Business Partners
LAN/Wireless network for office and new factory	Inspection and design by selecting standard devices and equipment along with professional quality control system for customers' own maintenance	Panduit, Systimax, Amp
WiFi network system in hotel, factory and educational institutions	Customized design to suit space, location, and usage by choosing appropriate brands and a right amount of equipment	Aruba, Ruckus, Cisco, HP
Secure corporate network system	Availability of specialists who are skilled in enterprise system management, understand problems, and able to find suitable solutions for individual customers	Cisco, HP, Fortinet, Juniper, PaloAlto, Sophos, Huawei, Checkpoint
Network efficiency enhancement system	Selection of equipment to match actual use and customers' budget to save costs and maximize network efficiency	Riverbed, Silver Peak, Sangfor

Cloud Computing System and Computer System Infrastructures

Customers' Needs	Services Provided	Business Partners
Virtualization server system to reduce numbers of servers	Specialist teams to help customers integrate servers to reduce costs and power consumption, and streamline maintenance	VMware, Microsoft, Citrix
Server & storage	A wide range of reliable solutions that do not adhere to any particular brand	HP, IBM, Dell, Cisco, EMC, NetApp, Huawei
Server rooms that operate continuously	Design to suit actual use by selecting standard equipment together with quality control system to ensure reliability	APC, Emerson Panduit, Systimax, Amp-Schneider
DR Site/Backup Site	A broad range of solutions along with infrastructure system dedicated for site backup, internet, cloud computing system, and data center	Veeam, VMware, Symantec, CA ARCServe

Business Communication System

Customers' Needs	Services Provided	Business Partners
Digital security CCTV systems	Inspection and design to suit flexible use of different brands of CCTV cameras based on requirements in specific locations and controlled by standard software	Axis, Bosch, Panasonic, Sony, Samsung
Video conference for communication between branches	Availability to connect to both local and overseas equipment along with standard accessories and management services of internet network channel management service etc.	Polycom, Cisco, Avaya, Lifesize, Sony

3. Data Center

Recently, the data center services have experienced a steady growth in response to increasing market demand.

CS LOXINFO's Data Center Customers

- Customers in the content business have increased with the emerging of new channels of digital TV / satellite TV. Moreover, consumers nowadays tend to watch TV via streaming on PCs in their residence or on smartphones and tablets due to the availability of 3G/4G service and improvement in speed and quality of home broadband internet;
- Financial institutions that need to back up their systems or sites as part of emergency plan to respond to disaster and unforeseen events or to increase efficiency of transaction services via internet;
- Online service providers that offer contents such as games, e-commerce, social applications, etc. This group has enjoyed a leap in growth as Thai people become more confident in online transactions;
- Corporates that need to relocate their ICT system from office to data center for better operational efficiency and security purposes. The relocation will help reduce investment on hardware and software, and eliminate the needs to build their own server rooms or data center, which requires high investments on reliable electrical and cooling systems.

Currently, there are more than 10 service providers in data center business. However, with a comprehensive range of services, our company can respond to various needs of customers.

Advantages of CS LOXINFO's Data Center Services

- Professional management certified by ISO9001 Quality Standards and ISO27001 Information Technology Security and Safety;
- Safe data center locations in the inner areas of Bangkok, which are conveniently accessible and thus facilitate ICT system management;
- Network system that directly connected to local and international internet gateways which are owned by our company, so it can efficiently handle high traffic of end users;
- Multi-vendor Interoperability allowing customers to select leased network from any major service providers namely Symphony, iLink, True and UIH;
- Robust security system, electrical system, air conditioning system, etc. that comply with international standards, enabling servers to run securely 24 hours a day;
- Additional services that respond to individual customers, including data backup service, security services, and disaster recovery site.

At present, we have 3 data centers in total, including Cyber World Building on Ratchadapisek Road, CAT Telecommunication Building at Bangrak, and the Cloud Building on Ratchadapisek-Ramintra Road. These data centers are located on the lands owned by the company. They are specifically designed according to international standard, and therefore can serve the needs and demands of the entire group of customers.

4. High-speed internet service for condominium residents

Residential (home) high speed internet business in Thailand is a large market and still see a continuous growth. Despite high competition among service providers, the service fee that starts at approximately Baht 600 per month has remained at this rate for more than a decade. This differs from other telecommunication services that have experienced a downward trend in service fees. Besides, although this market is already large, the high speed internet services have not yet covered the entire country or still lacked network stability in many areas of Thailand.

The current demand for high speed internet among condominium residents in Bangkok is rising in line with expansion of condominium buildings, especially in the inner areas of Bangkok. Our study indicates that most customers in this segment demand for lower service fees and need no additional tied-in services. This presents us an opportunity to target this customer segment as we already have infrastructure and resources to provide this type of service. Moreover, since the majority of our customers are corporate clients that mainly use internet during business hours, the bandwidth utilization usually drops at night. This makes it possible for us to offer the customers in this segment with lower prices, while still maintaining internet quality and speed that can respond to their needs without any unnecessary tied-in services.

In 2015, we have launched our high speed internet service for condominium residents in more than 100 condominiums and received great feedback. Therefore, we plan to expand our service coverage area to more condominiums. Currently, the revenue proportion from the high speed internet service provided to this customer group is still below 2% of the overall revenue of the Company. However, we see promising trends in this market and expect it to become one of the main sources of revenue for the Company in the future.

5. Online Software-as-a-Service for SMEs

At present, in foreign countries, the online software business, Software-as-a-Service in particular, is highly popular among SMEs as it can be used in the same way as public utilities like water or electricity. The benefit is it does not require costly investment, and it can be used immediately. The starting service fee is affordable to SMEs group. In addition, this service helps the SMEs business reduce investments on hardware and licensed software as well as streamline and simplify IT management. During the past few years, many major global software vendors and internet companies such as Microsoft and Google have turned to use this online software service as well.

For Thailand, the online software service market is still small and quite new. Although the communication and internet infrastructure in this country has improved, and foreign service providers have started to provide more Software-as-a-Service in Thailand, their

services are still expensive and intended for large organizations. In addition, most SME entrepreneurs prefer old operating systems; therefore, although some software owners have offered trial cloud computing system, the service is not yet well received.

For this reason, we expect a thriving market for the Software-as-a-Service business over the long term. The Company has competitive advantage as a provider of Infrastructure-as-a-Service with secure internet network, specialist teams, and international standard quality management system. We have collaborated with major software owners to develop online software products and services that have a positive growth trend, such as sale management software, accounting software, hotel management software, point-of-sale (POS) software, and marketplace website software. We aim to meet the needs of local SMEs group both in terms of price and functionality.

During the early stage of penetration into the Software-as-a-Service market, there are many services that are well received among niche market. Although the revenue from this service is still small, it creates a good opportunity for the Company to generate revenue in the long run.

Apart from offering products and services that respond to each customer segment, the Company also incorporates the sustainability of environment and society into the development of products and services in the following ways:

Offer products and services that create positive value to the society:

- Our internet service, data center service, and ICT service help enhance business productivity and facilitate the ability to work from anywhere and anytime. This will enhance the country's sustainable competitiveness in the long run;
- The Company's data center service is designed to increase the efficiency of power and cooling systems to reduce global warming;
- The Company's internet service, data center service, and ICT service promotes use of electronic system, which helps reduce paper use, waste, and pollutions;
- Cloud computing service (Software-as-a-Service) is a fundamental service that helps SMEs to be able to compete with large business operators and foreign companies in the long term by reducing SMEs' burden of investment.

Promote access to necessary products and services

- We offer multi-vendor flexibility, and therefore customers are open to choose from a wide variety of products and services from any service providers. For example, for the corporate internet service and data center, we allow customers to choose many internet network service providers. Alternatively, we offer solutions that suit the customer requirements without adhering to any particular brands for each type of ICT products and services;

- We provide high-speed internet service to condominium residents as a new alternative for customers to use quality service at reasonable prices;

- Our Software-as-a-Service provides SMEs with access to software at affordable monthly fees so they can eliminate the need for investments on hardware, licensed software or ICT system.

The Company offers 24/7 after-sale service, and also provides user manuals and labels on equipment so that customers can use equipment properly and conveniently and perform maintenance by themselves;

The Company focuses on sustainable market development in collaboration with partners from government sector, academic institutions and product owners. As part of this, we organize free-of-charge theory and practice workshops for corporate clients and SMEs entrepreneurs in order to promote a better understanding on how to sustainably deploy appropriate technology in the real world environment;

We support continuous employee development to ensure they have knowledge and expertise that meet international standards, such as certification examinations accredited by third-party agencies and in-house certificate programs. All these are aimed to create career stability for our employees and economic well-being of their family, which leads to the stability of the society;

We collaborate with our business partners in a transparent and straightforward manner to promote sustainable market development. We use wide-open marketing strategy and are not tied to any particular business partners. Moreover, we share information on customer needs with individual business partners so that they can properly improve their products for better competitiveness in the long run;

We support free and fair competition. Therefore, we do not undercut our competitors' prices and do not sell tied-in products, which will ruin the competition structure of the market in the long term.

MARKET SITUATION AND COMPETITION

The competition in telecommunication and ICT market is still intense due to economic slowdown causing customers to delay their investment. Nevertheless, we put a great effort to maintain our revenue growth and endeavour to develop more diversified products and services to minimize risks of relying only on internet service which is the Company's main service.

- The corporate internet market sees high competition, especially for price competition among 4-5 major telecommunication business operators. The Company endeavors to maintain revenue and leader position in the high quality internet service for corporate customers by focusing on quality and services rather than competing on price. Our strength is we manage our own domestic and international internet gateways, and we make our corporate customer needs a priority. We also control costs in order to maintain our competitiveness against major telecommunication service providers by offering reasonable prices and premium quality services. In addition, we have continuously expanded our customer base that emphasizes on quality internet services.

- There are 4-5 major business operators in the data center market. The Company still maintains its position among leading data center service providers. This presents a great opportunity for us to expand our revenue base as the data center market has enjoyed a huge growth, driven by the expansion of online service, social media, and digital content services as well as backup system deployment to support business continuity. The advantage of data center market is the service fee does not experience a downward trend, unlike other telecommunication

services. Besides, we can leverage the strengths of our service, which include continuous operation, security system, and vendor independence. That means customers can choose the network of any service providers for optimum efficiency to directly connect with the Company's internet gateway. Another strength lies in the flexibility of our service to adapt to the needs of individual customers as we have more than 20 years' experiences in data center creation and management. At present, there are foreign companies investing in large-sized data center in provincial areas. However, in our view, their target customers are different from ours.

- The ICT market is very huge with intense competition among large players from overseas and numerous local small businesses. Therefore, we choose to focus on our long professional experience and deep understanding of existing customer base, rather than price competition. Moreover, we are equipped with professional engineering teams who are trusted by customers, and we have business partners that own globally recognized brands. With strong and robust experience, we earn customers' confidence in providing One Stop ICT Services that meet customers' requirements.

- The high-speed internet market for condominium in the inner areas of Bangkok is competitive with 3-4 major players competing on internet speed (bandwidth) and additional services (or bundled services) such as movie package, etc. which many customers do not need. Since the Company has a strong base of corporate customers in the inner areas of Bangkok who have potential to use internet, we are able to extend our services to

condominium residents living in these areas at reasonable prices. Our services have received a positive reception from customers, leading to growth in revenue.

- The Software-as-a-Service market sees strong growth in developed countries. In other countries, telecommunication firms and large software companies have shifted to provide cloud computing services. However, in Thailand, this market is in early stage and still small with good growth potential in the long term. Therefore, we have collaborated with our business partners who own service development software to offer services

to SMEs businesses at reasonable prices. Our strength is we have our own infrastructure and high quality management systems, including data center, virtualization system, security system, and after-sale service system. In the previous year, we offered many major softwares including accounting software, sales staff management software, point-of-sale (POS) software, hotel management software, and ready-to-use marketplace website builder software. We put focus on activities that will create awareness and understanding among our target customers and are open to feedback for long-term improvement of our services.

MARKETING STRATEGY

Apart from being a leading high-quality internet service provider that responds to corporate customers' needs, we are also committed to providing integrated ICT services including internet, computers, and communication. We give high priority to quality and service rather than competition in price. Our major marketing strategies are as follows:

1. Continue to focus on meeting the needs of customers and maintain trusted quality

For over a decade, the Company has positioned itself as a premium quality internet service provider that can meet various needs of corporate clients. Although we have expanded our services from internet to a full range of ICT services, we are still committed to understanding the needs of customers and leveraging our expertise to provide pre and post services to customer satisfaction.

2. Aim to improve quality of products and services with comprehensive solutions

We are dedicated to managing domestic and international internet exchanges to accommodate customers' business growth and usage. We also collaborate with our business partners to continuously improve the efficiency of our network both in country and overseas. In addition, we work with internationally recognized ICT product partners to develop solutions that meet customers' needs under ISO9001 Quality Control, ISO27001 Telecommunication Security

Standards, and management systems that have clear performance indicators and monitoring.

3. Maintain good relationship with customers

The Company strives to consistently achieve the highest customer satisfaction with our full range of solutions and proactive technical assistance and support to corporate customers. This includes advisory service, ICT troubleshooting support, training seminars for customers across the country, regular customer visits, and customer satisfaction survey.

4. Collaborate with business partners to meet various needs of customers

We have a strong and broad relationship with our business partners, local and overseas network service providers, and all global ICT product owners. We are vendor independent to ensure customer-oriented services, maximum efficiency, and suitability of use.

5. Develop ICT specialist workforce

ICT personnel development is a key part of our strategy. We have a large number of engineers and specialists who are responsible for large systems and networks and serve a broad range of customer base. Our staff are armed with hands-on expertise and experience. In addition, we have employee competency assessment and performance management with clear performance indicators and monitoring. We also gain continuous know-how support from our business partners who are technology owners.

TARGET CUSTOMERS

Our target customers are corporate clients who use internet and ICT services to enhance their business operations. This customer group requires dependable advices both before and after using our service to ensure their business continuity and productivity. Therefore, they give preference for service quality and efficiency over price, and they tend to use our services constantly.

Since our services cover internet, ICT, and data center, our target group varies and operates in different businesses. For example, customers who have branch offices would like to use internet to reduce costs of communication between branches, while customers who provide e-commerce services need to use

data center. Customers that deal with overseas need continuous business operations and backup systems in different locations. Some customers may already have a good internal system but would like to use cloud computing system to reduce hardware and software investment costs. There are also companies that need wireless system installation for their customer service delivery. Some of our customers that have foreign parent companies have video conference system installed in presence of high-efficiency international networks. Another group of customers are those who have CCTV cameras installed in their warehouse or office together with remote monitoring via internet, tablet, smartphone etc.

SALES AND DISTRIBUTION CHANNELS

Direct sale is the Company's main channel of distribution. We have sale and engineering teams based in Bangkok and major regions of the country to provide advices to corporate customers.

Apart from customer visits by our direct sale representatives, we have regular newsletters and e-mails to be sent to our customers and target groups. We also organize activities all year round for corporate clients both in Bangkok and major provinces. These activities are held by our in-house specialists as well as local and foreign business

partners, and mainly focus on seminars to introduce new technology or share new knowledge from our actual service experience or from our business partners' specialists, and workshop trainings to build up practical knowledge. This helps create customer confidence in the long term. Moreover, people who attend our seminars are prospects that have real interest in our products and services and can lead to additional potential sales.

BUSINESS OPPORTUNITIES

We see an opportunity to expand our business with corporate clients who invest in ICT in order to enhance their operational efficiency, and at the same time, be able to use ICT systems with no need to worry about natural disasters or unexpected events. While we will continue to focus on developing products and services that meet corporate users' requirements, we will also expand our customer base into general consumers (condominium residents) and SMEs businesses.

- **ICT service** is an integrated service consisting of internet, computer and communication that can serve the needs of customers who have workforce limitation. Despite economic slowdown, corporate clients continue to invest in ICT. Large-sized corporations even increase their investment in ICT to keep up with the rising trend of cloud computing, mobility, big data and social network. In this regard, we have collaborated with our leading business partners to serve needs of all levels of customers.

- **Data center (DC)** service sees high growth potential as the customer base in Thailand is still small while disasters tend to occur more frequently. This creates the need for relocation of in-house servers to external data center that can operate securely and continuously. Moreover, with expansion of online services, social network, digital TV programs and government

support on digital economy, all these factors contribute to the increasing demand of data center services from both public and private sectors.

- **Cloud computing** is a leased processing or application system including Infrastructure-as-a-Service (Virtual server and cloud storage) and Software-as-a-Service (Online Business Software). Although this business is still in early stage in Thailand, it tends to have a very good growth potential and can become a huge market that will replace hardware and software business. Apart from our own system development and service, we also collaborate with many business partners to provide SMEs entrepreneurs with trial services such as accounting software, sales staff management software, point-of-sale (POS) software, hotel management software, and ready-to-use marketplace website creation software. In addition, we have developed additional services to accommodate the rising demand in the future.

- **High-speed internet for condominium customers:** This is a service that we started providing since early 2014. Our main target is condominiums in the inner areas of Bangkok. This is considered an alternative for consumers who would like to use high-speed internet service at affordable price but at the same quality as corporate clients.

TELEINFO MEDIA PUBLIC COMPANY LIMITED

Teleinfo Media Public Company Limited (TMC) is Thailand's leading commercial search provider and largest directory publisher beyond 30 years. Its database consists of all the products and services categories nationwide such as business information for business to business (B2B) and business to customers (B2C) as well as public agencies and others.

The database is valuable resource for the development of various products and services under the brand “**Thailand YellowPages**”.

CORE BUSINESSES

1. Thailand YellowPages Telephone Directories

“Thailand YellowPages” business directories comprise of:

- **Thailand YellowPages - Bangkok Thai edition** distributed to businesses and residents in Bangkok Metropolitan in 4 book issues.
- **Thailand YellowPages - Bangkok English edition** distributed to business travelers and expatriates living in Thailand.
- **Thailand YellowPages - Regional edition** distributed to businesses and residential in 5 regions and totally 20 book issues which are North, Northeast, Central, East and South.
- **DVD YellowPages** - Consist of Bangkok YellowPages, Provincial YellowPages and English YellowPages.

2. Thailand YellowPages Call Center

The personnel of **1188 YellowPages Call Center** are response your need with information center answering inquiries about the business's number, shop and person in Thailand. Moreover, there are covering all products, services, and any information about consumer's lifestyle for more comfortable by staffs/agents who can communicate in both Thai and English.

3. Online YellowPages and other web-based services

- **www.yellowpages.co.th** provides convenient way to search for all business and information. This aligns with digital economy and society trends, and builds more opportunity for your business to be found on the digital world. The website is also built to support both smartphone and tablet (Mobile Responsive.)
- **www.yellowthai.com** provides various kinds of product and service information together with news and interesting information. It consists of 3 categories - Home and Builder, Business, and Lifestyle

- **Home and Builder** provides information and knowledge on various products and services comprises of house decoration, construction materials and home builder. Besides this, the website publishes useful articles, tips and knowledge on how to buy an old house, home decoration according to Feng Shui, and up-to-date news of real estate industry.

- **Business** comprises of interesting information on business for Industry, Office and relative services which including the economic news and PR, office worker tips, Marketing knowledge and analysis.

- **Lifestyle** has tons of personal lifestyle which can be applied to all that divided to 4 parts are Food&Travel, Health, Technology&IT and Car. We are generates and aggregates a lifestyle information and tips for living that everyone can make it done comfortably.

- **www.hunsa.com** is an entertainment hub for round-the-clock updates.

- **www.ROI.com** and the **ROI mobile application** provides information about food and restaurants. Furthermore, there are restaurant reviews and coupon discount. The mobile application is available on both iOS and Android.

Integrated Online Advertising Services A full range of online advertising services are provided to meet every online business needs. Services include:

- **Landing Page:** Landing Page displays the information of customers' product and service including company profile, logo, picture of product and services, video, map, and etc. The system also provides the backend for customers who want to add/edit more details by themselves

- **Online Catalog:** Online Catalog is a product and service showroom on www.yellowpages.co.th. It offers clear information and pictures. This makes the end-user life easier to search and inquire for the products and services they are interesting at.

- **AdSearch:** The online marketing tool in the format of advertisement banners on the top of search results based on end-users' entered keyword.

- **YellowPages Map Search:** It provides location search for business listings of www.yellowpages.co.th on a digital map. The search result is directly linked to Landing Page.

- **AdBanner:** AdBanner Provides exciting and eye-catching multimedia banner advertising on site www.yellowpages.co.th.

- **Priority Listing:** Priority Listing is the special position of advertising. When end-users search on www.yellowpages.co.th, the customer with priority listing will be put on the prime and eye-catching location

- **Thailand YellowPages Mobile Application:** Any users can download the application and search for business information and other related information anywhere on their mobile phones. Such information also consists of locations on map, emergency contact numbers, and promotions of products and services. The users can make a call directly from the application. It is available on both iOS and Android platform.

- **TYPLive E-mail:** TYP-Live Email is value-added service for advertisers' business.

- **TYPLive Connect:** The online chat channel for advertisers to communicate with their customer directly.

4. Outsourcing Call Center Service

Outsourcing Call Center Service is a call center system offered by professional personnel to both small and big size businesses. It provides full range of services at lower cost than such business might run the service itself.

Services can be divided into two categories.

Inbound Call Centers: Services provided for incoming calls

- **Customer Service Information** provides general information on products and services

- **Helpdesk (general information)** provides basic solutions to product problems

- **Claim/Complaint Handling** receives complaints

- **Order Taking** receives orders and requisitions

Outbound Call Centers: Services provided for outgoing calls

- **Tele sales** provides calls to initiate sales

- **Tele survey providing** provides calls for market survey, make appointment, etc.

- **Cross up sell by Tele sales** provides calls to offer additional products and services

5. Other Products and services

Vertical Guide Books to reach more specific target users.

- **Factory Supply Guide** is a yearly guide book that provides information of products and services for industrial users.

- **Builder and Construction Guide** is a yearly guide book that provides information of products and services about the construction business for contractors and home builders.

- **Machine Spare Parts and Hardware Tools Guide** is a yearly guide book that provides information of products and services about machine and spare for industrial users.

- **Aroi.com Magazine** is a yearly free magazine that provides information of restaurants in nationwide. In addition to bring the great offers for food and beverage which be distributed to the white collar whom has a car owner in greater Bangkok area.

"2Get and 2Load", the service that response customers need and want by dialing 1900 222 XXX and infotainment *49XXX. You can choose your entertainment all time by telephone and mobile phone such as horoscope, lottery result, sport program, and any service via SMS. This choice is the best way to support your lifestyle.

Direct Marketing resource: Database rental service ranging from database lease, management and maintenance of database, mailing list, telemarketing service, letter-shopping service to outsourcing call center.

MARKETING ACTIVITIES AND COMPETITIVENESS

In the past year, Thailand YellowPages Online launched the new mobile responsive website powered by a new better search engine, which offer the faster and more accurate results. The new service "Online Catalog" was also introduced to attract more end-users who are interested to immediately make an inquiry on products and services. TMC's main strategy is to respond to the lifestyle of people

in the digital age by focusing to be the inter media between SME nationwide and to create the foundation for them to support a digital economy. TMC also released the new vertical product "Machine Spare Parts and Hardware Tools" to improve the coverage for both advertisers and end users.

OPPORTUNITIES FOR BUSINESS GROWTH

TMC has developed www.yellowpages.co.th to be trendier, and make eye-catching advertisement for advertisers. The new search facility has also been implemented to be powerful and efficient to end-users. All of these will open more opportunities to advertisers to benefit more from TMC's integrated media solution, strengthen their growth on their online businesses, and enhance support for coming of AEC era.

All TMC's services are intended to meet the needs on data search in any convenient channels including YellowPages directories, 1188 YellowPages Call Center, and mobile applications. This progressive improvement continuously maintains Thailand YellowPages's leading position of integrated source for buyers and sellers.

AD VENTURE COMPANY GROUP

AD Venture Public Company Limited (ADV) now operates as a content aggregator. Mobile contents which consist of news and entertainment updates are provided under the name of “**Shinee.com**”. It also acts as a portal website providing online information under the name “**Hunsa.com**”.

CORE BUSINESSES

It's peratrations are divided into two main forms

1. Mobile Content Business

ADV provides mobile content service under the brand “Shinee” through all mobile phone networks, namely, AIS, DTAC, True Move and Truemove H. The landline users can also access its audio information so called Audiotex service. The target group is of 15-50 year of age. Options of services are:

Download the services onto a mobile-phone by entering service code through IVR system, or using SMS download, or visiting wapsite <http://wap.shinee.com>. The contents can be downloaded from the menus that linked to wap portal of any networks. After downloading, charges will be collected by the mobile phone network providers which the customers have prior registered. Services are categorized as following:

- **Shinee Ringtone:** offers 4 formats of ringtone services: Monophonic Ringtone, Polyphonic Ringtone, Truetone Ringtone, and Full Song Ringtone. These tones have been

aggregated from Thai and international music companies and available for download according to customers' preference.

- **Shinee Java game:** provides games on mobile platform, which can use phone buttons to navigate directions. Choices of games such as action, adventure, and sports from all over the world are provided.

- **Shinee Wallpaper, Theme & VDO Clips:** provides a variety of wallpapers from drawings, cartoons, and photographs, which can be downloaded and saved as a mobile phone screensaver. Customers can also download themes in order to change screen background and icons on their mobile phone as well. Video clip service offers 1-3 minute video clips to be downloaded and saved for later viewing. The clips include cartoon, comedies, movies and TV series trailers.

- **Shinee News:** provides updated news selected from several news agencies. The service is available on SMS and WAP access.

- **Shinee Info Entertain:** provides news and gossips of

superstars and celebrities as well as upcoming movie and music reports from well-known sources. The service is available on SMS and WAP access.

- **Shinee Horoscope:** is a horoscope service provided by famous fortunetellers available on SMS and WAP access. The customers can request for one-time service or subscription through IVR system, SMS, or WAP.

- **Smartphone Application:** is an application for Iphone, Ipad, Andriod OS Phone. Some examples are Tarot Reading Application by Theptidapayakorn (Famous Fortuneteller), Game applications for kids and adults, Tutor Application for Satit Admission, Live Chat Application which both user and fortuneteller can see each other while they are chatting, and etc.

IVR and audiotex:

The service can be accessed by dialing the number indicated in the advertisement. Customers then need to follow instructions. Services are categorized as following:

- **Audiotex Horoscope:** is a horoscope service provided by famous fortunetellers. The customers can choose between Live-Horoscope and Non-Live Horoscope.
- **Audiotex Lottery:** provides the latest result of the Government Lottery, Lottery of Bank for Agriculture and Agricultural Cooperatives, and Lottery of Government Savings Bank.
- **Audiotex Sport:** offers insight information on various Thai and international sports. Experts in the field are engaged in this IVR service.

- **Audiotex Charity:** is a charity service for helping AIDS/HIV patients staying at Wat Pra Baht Nampoo, Lopburi. The customers can make donation by calling 1900 222 200.

- **Audiotex Entertainment:** provides a variety of entertaining contents from superstar gossip, movie and music, traveling guide etc.

- **Audiotex SMS:** is a daily horoscope service provided by well-known fortunetellers. Customer can subscribe to receive daily SMS.

2. Website Business

ADV provides a web portal service under the name **www.hunsa.com** - an informative website targeting customers at 10-35 year of age. Contents include:

- **News and entertainment:** provide up-to-date news and entertainment reports gathered from newspaper websites and by Hunsa's team. The service is free of charge.
- **Web-board:** is a chat room opened for opinions and discussion on miscellaneous topics. The service is free of charge.
- **Online Horoscope:** a personal horoscope service provided by well-known fortuneteller team. A customer can submit his birthday and leave a question through Hunsa website. The answer to the question will be delivered to customer after the payment is made by cash card.
- **Advertisement:** provides advertising banner on Hunsa website where more than 100,000 visitors can see daily. The costs are varied according to the position of banner. Targeted customers are companies and shops aiming to promote their products or services.

INDUSTRY AND COMPETITION

The prospering trend of the mobile content business since 2004 has drawn numbers of overseas and local entrepreneurs to enter this business. However, with the effective management and marketing strategies, ADV has successfully retained its customer based on the following methods:

- Maintaining a high standard with honesty. Being true to customers. These result in customers' confidence.

- Managing marketing costs by exercising on effective media that can hit target customers directly.
- Creating satisfaction according to customers' preferences, lifestyle and budget by offering monthly and buffet subscription programs.
- Building strongly within INTOUCH Group to expand distribution channels, and carry on marketing activities, e.g., promoting via website, Mobile Life, One 2 Call card, etc.

MARKETING STRATEGIES

ADV strives to accommodate fast and accurate services with a fair price and after-sale service in order to increase numbers of customers. The policies are anti-deceiving or taking advantage over the customers. The marketing strategies of ADV are listed below:

1. Focus on quality and service

ADV focuses on novelty of content carried out to the customers. The contents must be up-to-date, in-trend, and rich in selections in order to fulfill requirements of a customer as a one-stop service.

Additionally, ADV emphasizes quality control of all downloaded services; as a result, it acts quickly and accurately to deliver excellent service to customers.

2. After-sale Service

Mobile-content provider business needs to pay attention to the customer service system which capable to provide advice, service, and solve customers' problems rapidly. Because of this, ADV puts high values on customer service by providing a call center to ensure effective respond to customers' queries.

3. Continuous development on novelty services

ADV has developed various formats of services focusing on customers' behaviors in order to meet their requirements and preference.

4. Niche Marketing

ADV customizes services to those frequent downloaders, whose behaviors are analyzed and grouped into database. Therefore, appropriate marketing and sales promotion can directly and effectively reach the target groups.

BUSINESS OPPORTUNITY

The speedy growth of mobile phone business through liberalization of telecommunication industry; advancement in technology, and rapid reduction of mobile phone price, the numbers of mobile phone network subscribers have increased. ADV, thus, foresees the positive future of the mobile content business and has been developing new services to meet the customers' needs. Mobile VAS is a service providing easy access to information by just following the menu instructions. Both landline and mobile users who want to add color into their lives can enjoy various audio entertainment contents 24 hours a day.

Regarding the website business, the growth of internet use rate leads way to interactive custom and up-to-date searching system especially for entertainment news. Therefore, Entertainment services are being developed in order to increase channels and thus gain more opportunity and revenue.

Revenue

Structure Ratio

The structure of revenue of the Company's group pursuant to the consolidated financial statements that have already been audited during 2013, 2014 and 2015 can be classified as follows:

Units : Million Baht

Description	Process by	% holding By CSL	Consolidated Financial Statement (Audited)					
			2013		2014		2015	
Revenue from Internet Services	CSL	-						
- via Telephone Line			19	1%	19	1%	22	1%
- via Leased Line			1,302	42%	1,364	44%	1,398	47%
- via Broadband			64	2%	46	2%	36	1%
Total revenue from Internet Services			1,385	45%	1,429	47%	1,456	49%
Data Center (DC)			185	6%	226	7%	262	9%
IT hardware and solutions			459	15%	536	18%	525	18%
Revenue from Television Transmission (Uplink-Downlink)			26	1%	32	1%	31	1%
Revenue from YellowPages	TMC	100%	332	11%	289	9%	237	8%
Revenue from Voice Info Service Business and Mobile Content Business	ADV	100%	627	21%	502	17%	423	14%
Total Revenue from Sales and Services			3,014	99%	3,014	99%	2,934	99%
Other Income			37	1%	31	1%	30	1%
Total Revenue			3,051	100%	3,045	100%	2,964	100%

Risk Factors

In 2015, the business units that contributed materially to the revenue and profit of the Group were

1. **ICT Business with 77% of total revenue and 77% of total profit of the Group**
2. **YellowPages business with 9% of total revenue and have net loss of Baht 18 million**
3. **Voice info Services and Mobile Content Business with 14% of total revenue and 28% of total profit of the Group**

The businesses of the Group are subject to the follow major risks.

I. THE RISK UNDER THE SPECIFIC REGULATIONS AND REQUIREMENTS OF THE TELECOMMUNICATIONS INDUSTRY

ICT Business: Telecommunications industry is governed and regulated by rules and regulations aligning with Constitution and relevant Acts under the policy of competition liberalization promotion. As the result, the large telecommunication enterprises are free to obtain all business licenses. The large operators also have capital and telecommunication network at the more competitive advantage scale than the smaller operators which resulted to an unfair competition. The large operators can offer a high wholesale price to smaller operators while offering lower price to end customers. The Company has changed business direction from ISP to ICT from 2012 onwards. Recently, the Company expanded the Internet Data Center, Cloud Computing Services, High Speed Internet in selected segment & area and Software as a Service or Online Software in order to diversify the risk and increase opportunity to sell products and services.

Infotainment via mobile phone: The regulations and requirements of the telecommunications industry from Mobile operators and The National Broadcasting and Tele Communications Commission (NBTC) have an effect to the mobile business, especially on marketing channel, such as privacy control which does not allow sending advertising sms to users.

Therefore, ADV has studied consumer behavior and continuously developed products and services in order to maintain a good relationship with mobile users of all mobile networks. By improving accessibilities to the Company's services, ADV will create new opportunities to sell new products and services in the future.

YellowPages business: is not under this regulation. Therefore, the Company has no risk is this area.

2. THE RISK OF BUSINESS COMPETITION WITH OTHER OPERATORS

ICT Service Business: In ICT Service Business large operators have advantage to set better selling prices for their customers than companies. As a result, the companies could probably lose its competitive potential. Therefore, the Company adopted a strategy of focusing on selling product and service for organizational customers who have competitive potential. The Company emphasizes service quality leading to higher level of customer satisfaction. Moreover, the Company improved the services to be accepted by its customers along with developing good relationship with them to reduce dependency on individual

customer and increase negotiation power with counterparties which in turn are also competitors. The Company also sought new sources of revenue by offering brand new products and services integrating ICT (I= Internet, C=Computer and T=Telecom) for network, computer, internet communication, Computer Data Center (CDC), Cloud Computing, High Speed Internet in selected segment & area and Software as a Service or Online Software. This is to both enhance and protect the revenue base that is subject to competitive pricing erosion.

YellowPages business: Regarding the transforming of advertising industry from print to digital media and declining in print industry.

In 2015, TMC is developing the new products and services base on digital media. By focusing on the B2B's requirements, we introduce the Integrated Media, call-center support; create the Online Catalog and e-Books functions, which support both PC and mobile users. As a result, the quality of our advertisement will be improved. These are value-added to our advertisers that will eventually motivate our advertiser to continue doing business with us.

Infotainment via mobile phone: Due to technology and market changes, smart phone penetration rate becomes higher, and various media have been used in order to take advantages over other competitors. As a result, ADV creates new communication and service channels to reach more consumers through mobile operators and maintain competitive advantages.

3.

ECONOMIC AND POLITICAL RISK

ICT Business: From the economic slowdown of the world and the country and the economic, social and politic restructuring of the new government, it has been predicted that Thai economics would not grow much and it could affect the purchasing power of Thai people and the income of the local business in 2016.

In mitigating the risk, we focused on costs and expense control and investment pacing to cushion the impact on profitability.

YellowPages business: Good business profits and economy situation are the important factors for advertisement spending. Therefore, changes in Thailand politics and world economic depression affect the spending decisions in the past year.

As a result, TMC has been launching more new beneficial products to serve niche businesses, which are- Industrial Guide Book, Internet and mobile related products.

4.

RISK ARISING FROM TECHNOLOGY AND CONSUMER BEHAVIOR CHANGES

ICT Business: Nowadays ICT technology is changing rapidly and continuously. Consumer needs also changes according to the evolution of products and services; for example, the faster high speed internet service, the popular 4G mobile internet service and the developing Cloud Computing technology in computer service. The equipment and tools to work with ICT also change quickly. These factors may cause the Company currently operating products and services become out of date.

In 2015, the Company has regularly been keeping track of the overall ICT technology such as Internet of Things and Software as a Service to improve the ICT services to be up-to-date and complete in order to maintain or increase customer base or revenue in the long term although the technology has changed.

YellowPages business: Because the internet technology in digital age has become marketing tools in various industries and other consumers' usage, TMC has to accelerate the development of our Search Engine to bring about speed, accuracy and convenience and service ready in 2015 The Online Catalog with data enquiry service has also been launched to engage more online users and increase the opportunity of our advertisers to

sale products and services.

In addition, TMC has also used the bundling strategy to support the business migration from printing to digital.

Infotainment via mobile phone: The shifting in technologies to 3G and 4G has influenced consumers to upgrade their phones to smart phones. This also changes consumer behavior in searching and accessing technologies and content, which result in the downturn of SMS usage and ADV's services.

In order to mitigate such potential disintermediation impact, since 2013 ADV has set up a unit to continually conduct consumer surveys to enable the development of products and services that consistently meet consumer needs. ADV has set up smart phone application development team to develop applications for smart phone for the growing need of the smart phone market as well.

General Information

of the Company and Subsidiaries

CS LoxInfo Public Company Limited (CSL)

Nature of Business	Provide our corporate customers with solutions for brand range of internet-based services		
Head Office	414 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400		
Branch Office	90 CyberWorld Tower A, 17 th - 20 th Floor, Ratchadapisek Road, Huai Khwang, Huai Khwang, Bangkok, 10310		
Registration No.	0107546000377	Home Page	www.csloxinfo.com
Telephone	(66) 2263 8000	Registered Capital	594,514,769 shares
Fax	(66) 2263 8132	Par Value	Baht 0.25
Paid-up Capital	Baht 148,628,692.25		

General Information of Subsidiaries

Teleinfo Media Public Company Limited (TMC)			
Nature of Business	Provide advertising platform through Print, Website, PC, Mobile and Laptop for business and individual user		
Head Office	414 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400		
Branch Office 1	2028 Rim-Tang-Rot-Fai Sai Paknum Road, Phakhanong, Klongtoey, Bangkok 10260		
Branch Office 2	25 th - 28 th Floor, Vanit Bldg. 2, 1126/2 New Phetchaburi Road, Makkasan, Ratchathewi, Bangkok 10400		
Registration No.	0107548000609	Home Page	www.teleinfomedia.net www.typlive.com
Telephone	(66) 2262 8888	Registered Capital	15,654,400 shares
Fax	(66) 2262 8899	Par Value	Baht 10
Paid-up Capital	Baht 156,544,000	Percent of Investment of CSL	100%

AD Venture Public Company Limited (ADV)			
Nature of Business	Content provider through mobile phone and community portal services		
Head Office	414 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400		
Branch Office	Room 2101, 21 st Floor, 1126/2 Vanit Bldg. 2, New Phetchaburi Road, Makkasan, Ratchathewi, Bangkok 10400		
Registration No.	0107552000197	Home Page	www.shinee.com
Telephone	(66) 2262 8888	Registered Capital	1,074,813 shares
Fax	(66) 2262 8899	Par Value	Baht 10
Paid-up Capital	Baht 10,748,130	Percent of Investment of CSL	100%

Major Developments

CS LoxInfo Public Company Limited (CSL), formerly known as CS Communications Company Limited, was established on 20 July 1994 as a joint venture company of CAT Telecommunication Public Company Limited (CAT) and Thaicom Public Company Limited (THCOM). The major business of the Company is the provision of internet data center services, internet and satellite uplink-downlink services for domestic and international communications.

Furthermore, the Company expanded its business into some related businesses by investing in the subsidiaries such as Media and Advertising on Yellow Pages Business and Mobile Content Business in 2005 and 2006, respectively.

In November 2003, The Company changed its status from a limited company to a public limited company, and listed on the Stock Exchange of Thailand in April 2004. As at 24 August 2015, DTV Service Company Limited ("DTV") which is the Company's major shareholders holds 42.068 percent of shares in the Company.

At present, the operation under the CSL's Group could be classified into 3 major business categories as follows:

Internet Access and ICT Services Business (ICT):

CS LOXINFO provides the top-quality internet services under the name "CS LOXINFO" to respond the customers' requirements by targeting in the business and corporate customers sectors. In 2015, Internet Access and ICT Services Business contributes 77% of consolidated revenue and 77% of consolidated profit. The main revenue streams were Leased Line Services, Data Center (DC) Services, ICT Solution and Cloud Computing Services, which was contributed 96 of ICT revenue.

Moreover, CS LOXINFO was granted a concession from CAT Telecom Public Company Limited ("CAT") to provide television signal and internet access via satellite for a period of 22 years from 9 August 1994 to 8 August 2016 to provide comprehensive Uplink/Downlink services such as TV signaling via satellite and live satellite broadcasting. In 2015, Satellite uplink-downlink Service Business contributes 1% of consolidated revenue, and 3% of consolidated net income.

Media and Advertising on YellowPages Business (YellowPages):

CS LOXINFO provides the publishing of the Thailand YellowPages through its subsidiary, Teleinfo Media Public Company Limited (TMC). TMC provide advertising platform through Print, Website, PC, Mobile, and Laptop for business and individual user. In 2015, Media and Advertising on YellowPages Business contributes 9% of consolidated revenue and had net loss Baht 18 million.

Voice Info Services & Mobile Content Business (Voice & Mobile Content):

- Mobile Content Services and Web Portal, namely hunsa.com through its subsidiary, AD Venture Plc. (ADV) by targeting in "Mobile Telephone Consumers users"
- Audiotex and Outsourcing call center Service through its subsidiary, Teleinfo Media Public Company Limited (TMC) by targeting in "business and corporate customers both small and big size business"

In 2015, Voice Info Services & Mobile Content Business contributes 14% of consolidated revenue, and 28% of consolidated profit.

The Company's Progress & Development

- 1994** • Was established as a joint venture of CAT Telecommunication Plc. and Thaicom Plc. under the named "CS Communications Company Limited"
-
- 2003** • Changed its name to "CS LOXINFO Company Limited" in January
• Changed its status to a public limited company in November
-
- 2004** • Registered into the Securities and Exchange of Thailand in April , under the Tigger name "CSL"
• CSL purchased 63.25% of TMC's share capital with total price Baht 507 million from TOT in March
• Increased its share capital 125 million shares with IPO price at Baht 9 each and listed in SET in April
-
- 2005** • CSL purchased addition 36.75% of TMC's share capital with total price Baht 510 million in June
• TMC changed its status into a public company limited, changed the name to Teleinfo Media Public Company Limited, and decreased its share capital by a total of Baht 521 million in August
-
- 2006** • CSL purchased up to 99.99% of ADV's share capital with total price Baht 35 million in September
-
- 2007** • CSL purchased 60% of WATTA's share capital with total price Baht 80 million in April
• CSL run treasury stock program in August (51.7 million shares with total amount for the shares repurchase shall not exceed 225 MB)
-
- 2008** • CSL decrease its share capital by reducing par value and paid cash return in amount of Baht 0.75 per share to its shareholders in order to manage shareholders' return other than dividend payment. CSL had registered its reduction to the Ministry of Commerce on June.
• LoxServe which is a subsidiary of the Company had liquidated in December
-
- 2009** • In April and June, ADV decreased its share capital from Baht 172 million to Baht 11 million by reducing the number of original shares in order to offset against the remaining deficits.
• ADV changed its status into a public company limited, changed the name to AD Venture Public Company Limited
-
- 2010** • CSL had written off its repurchased shares which was due under the treasury program in 2007 (51.7 million shares at par value Baht 0.25 per share or 8.04 % of the paid-up capital before cancellation) and had registered its capital decrease with the Ministry of Commerce on 26 November 2010. As a result of this transaction, the share capital of the Company had change to 590.99 million shares (par value of Baht 0.25 each) or Baht 147.75 million.
-
- 2011** • TMC decreased its share capital by a total of Baht 16.99 million in June. As a result of this transaction, the share capital of TMC had change to be 15.65 million shares (par value of Baht 10 each) or Baht 156.54 million.
-
- 2012** • CSL had disposed all investment in Watta Classifieds Company Limited (120,000 of the ordinary shares, which are 60% of the registered capital) in October, and accordingly WATTA Classifieds Company Limited has ceased to be a subsidiary of the Company.
-
- 2013** • CSL had invested in new Internet Data Center in order to expand and support the growth Computer Data Center and build the Stand Alone Computer Data Center to meet international best practice. Total investment was approximately Baht 350 million, including land and other supporting facilities & equipment. The sources of fund for this investment are come from long term loan from the financial institution and the Company's working capital.
-
- 2014** • In September, CSL had recognized impairment of goodwill and investment in Teleinfo Media Plc. (a subsidiary which operates the Media and Advertising on Yellow Pages Business) in amount of Baht 550 million and Baht 443 million, respectively.
• In December, CSL transferred the Company's legal reserve of Baht 31 million and premium on ordinary shares of Baht 141 million to offset the retained loss arising from the recognition of impairment of goodwill and investment of Yellow Pages business.
-

2015

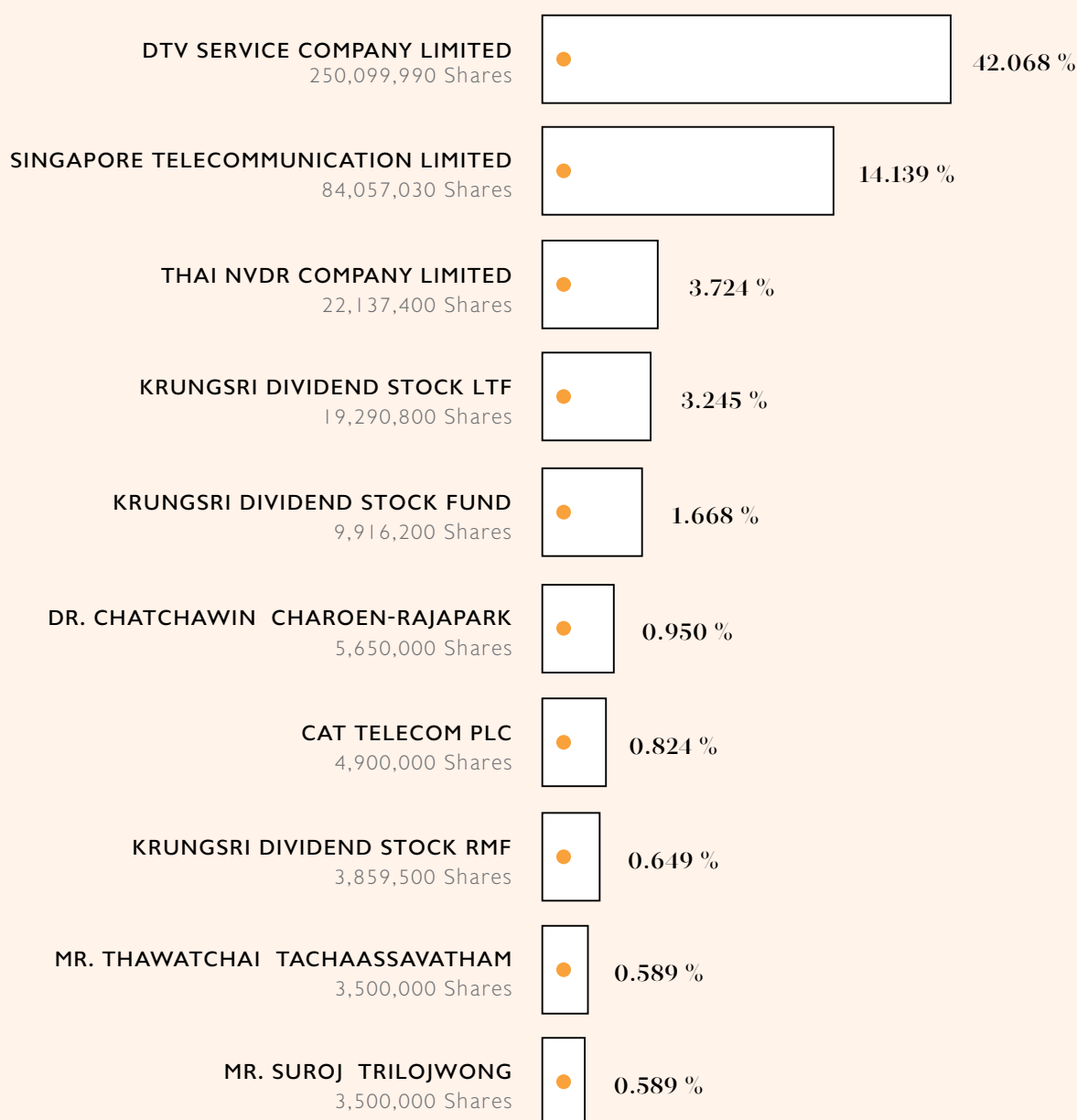
- CSL has started offering the high-speed internet services in some specific areas (Condominium's customers). The first phase trial serves as condominiums along the Skytrain and Subway lines such as Sukhumvit, Ratchadaphisek, Lat Phrao and Phahon Yothin areas etc., which has good response from users. CSL believes that this service has a potential to grow and can be competitive in the future.

Major Shareholders

CS LoxInfo Public Company Limited

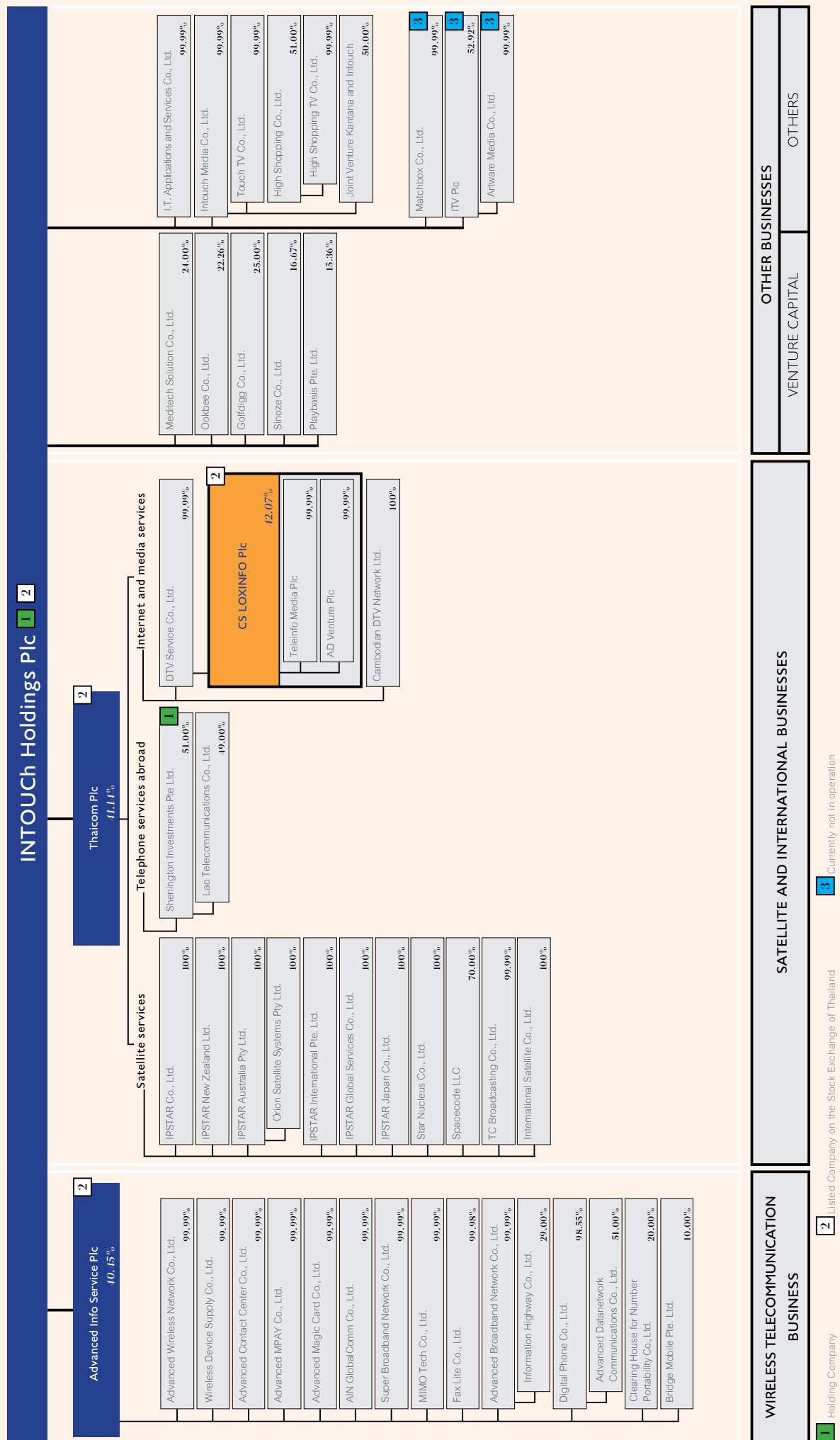
TOTAL (SHARES)	% OF TOTAL SHARES
406,910,920	68.444

The first top 10 shareholders on the closing date of the registration book as of 24 August 2015 are as follow:



Source: Major Shareholders' report as of 24 August 2015 prepared by Thailand Securities Depository Co., Ltd.
The investors can find for more information in website: www.set.or.th before Annual General Shareholders Meeting for the year 2016 date.

INTOUCH Group's Investment Structure as of 8 January 2016



WIRELESS TELECOMMUNICATION BUSINESS

SATELLITE AND INTERNATIONAL BUSINESSES

OTHER BUSINESSES

VENTURE CAPITAL

OTHERS

¹ Holding Company

² Listed Company on the Stock Exchange of Thailand

³ Currently not in operation

Management Structure

BOARD OF DIRECTORS

The Board consists of nine qualified and experienced directors in the relevant fields, including telecommunications, legal, and accounting, as well as finance and business management. Four Board members are representatives of two major shareholders; one is representative of CAT Telecom Plc. serving on behalf of the business license grantor; four are independent directors, who together account for forty-four percent of the Board. The Board composition and numbers of shares holding are as follows;

Name	Position	Numbers of Shares holding ¹ (Dec 31, 2015)
1. Prof. Wongkulpat Snidvongs na Ayudhya, M.D.	Independent Director / Chairman of the Board	None
2. Mr. Sittichai Chantravadee	Independent Director / Chairman of the Audit Committee / Member of the NCG Committee	None
3. Dr. Sillapaporn Srijunpetch ²	Independent Director / Member of the Audit Committee / Chairman of the NCG Committee / Member of the Remuneration Committee	None
4. Mr. Suraphol Pluemarom ³	Independent Director / Member of the Audit Committee / Chairman of the Remuneration Committee	None
5. Mr. Hansa Chevapurke	Director / Representative of CAT Telecom Plc.	None
6. Mr. Lee Han Kheng	Director /Member of the Executive Committee / Member of the Remuneration Committee / Member of the NCG Committee / Representative of major shareholder	None
7. Mr. Paiboon Panuwattanawong ⁴	Director / Chairman of the Executive Committee / Member of the NCG Committee / Member of the Remuneration Committee / Representative of major shareholder	None
8. Mr. Anant Kaewruamvong	Director / Member of the Executive Committee / Representative of major shareholder	609,000 shares
9. Mr. Vuthi Asvasermcharoen	Director / Member of the Executive Committee / Representative of major shareholder	None

¹ Numbers of shares included holding by spouse and minor children

² The director with knowledge and experience in reviewing financial statements of the Company with CPA No.3692. Currently, he is Assistant Prof .Dr. at Faculty of Commerce and Accountancy, Thammasat University. He has been in the field of finance and accounting for more than 10 years, and competent enough to review the financial statements.

³ Being appointed by the AGM Meeting No. 1/2015 on March 25, 2015 as Independent Director and Member of Audit Committee to replace Mr. Prathueng Srirodbang who retired by rotation in 2015 and being appointed by the Board meeting No. 6/2015 on May 6, 2015 as Chairman of the Remuneration committee.

⁴ Being appointed by the Board Meeting No.8/2015 on September 28, 2015 as Director, Chairman of the Executive Committee, Member of the NCG Committee and Member of the Remuneration Committee to replace Ms. Suphatee Suthumpun who resigned with effect from October 1, 2015.

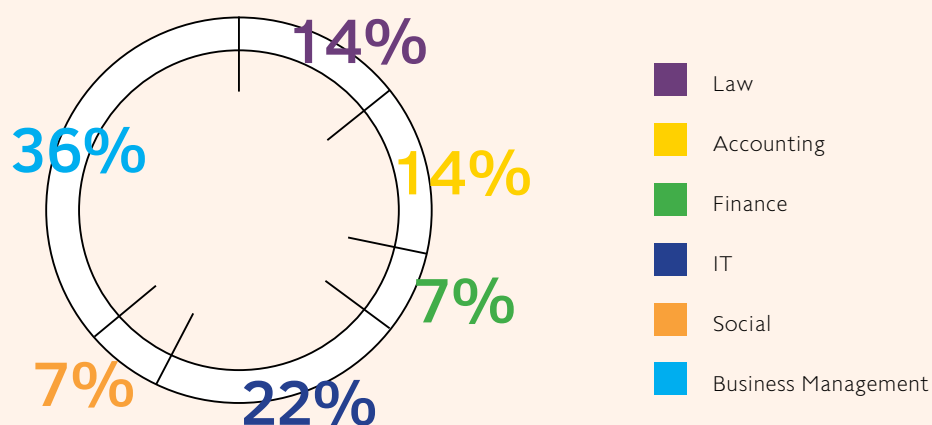
Total shares hold by The Board of Directors is less than 25 percent of the paid-up capital. (The paid-up capital, as of December 31, 2015 was 594,514,769 shares)

BOARD FIELD EXPERTISE

The Nomination and Governance Committee (NCG) requires that the Board of Directors should be diverse in terms of skills, experience and knowledge in order to have various aspects in consideration of each matters. This will also help in strengthening the corporate governance.

Diversity in the current Board of Directors, in terms of skills, experience and knowledge are as follows;

Directors	Field of Expertise
1. Prof. Wongkulpat Snidvongs na Ayudhya	Social
2. Mr. Sitthichai Chantravadee	Accounting
3. Mr. Suraphol Pluemarom	Law and Business Management
4. Dr. Sillapaporn Srijunpetch	Accounting
5. Mr. Paiboon Panuwattanawong	IT
6. Mr. Vuthi Asvasermcharoen	Finance and Business Management
7. Mr. Lee Han Kheng	IT and Business Management
8. Mr. Anant Kaewruamvongs	IT and Business Management
9. Mr. Hansa Chevapurke	Law and Business Management



The Authorized Directors

Mr. Paiboon Panuwattanawong, Mr. Vuthi Asvasermcharoen, Mr. Anant Kaewruamvongs or Mr. Lee Han Kheng, any two out of four directors signing jointly, with the Company's seal affixed.

ROLE OF THE BOARD COMMITTEE

CS LoxInfo Public Company Limited

Principle activities undertaken by the Board in the year of 2015.

Board Meeting No.	Performance	Proposed By
No.1/2015	For Approval <ul style="list-style-type: none"> The appointment of the Company's auditors for the year 2015 and fixing of their remuneration To acknowledge and consider <ul style="list-style-type: none"> Related Party Transaction Internal Audit Report The 2014 annual performance of Internal Audit Office Review the appropriateness and adequacy of AC & IA Charter The revision of Related Party Transaction Policy Information be disclosed in form 56-1 and Annual Report in the part of "Risk Factor and Internal Control and Risk Management" The adequacy of Internal Control of the Company 2015 	Audit Committee
	To acknowledge and consider <ul style="list-style-type: none"> Consider person being nominated by minority shareholders to be elected as a director by Shareholders' meeting Review the Company's represent in the boards of its subsidiaries Review the succession plan for the position of CEO and Senior Management Review the adequacy of the NCG Charter 	Nomination and CG Committee
	To consider and approve <ul style="list-style-type: none"> The 2015 CSL Group Budget To consider <ul style="list-style-type: none"> The notification "The prohibition of acts that appear to be dominated by Foreigner" Information be disclosed in form 56-1, 56-2 (Annual Report) [Risk factors and legal disputes] 	Executive Committee
	To acknowledge and consider <ul style="list-style-type: none"> HR Report Q4/2014 	Management
No.2/2015	To consider and approve <ul style="list-style-type: none"> The financial statements for the year 2014 ended on December 31, 2014 The appointment of the Company's auditors for the year 2015 and fixing of their remuneration To acknowledge and consider <ul style="list-style-type: none"> Reviewed Auditors and Audit fee Reviewed the Related Party Transaction Reviewed the Risk Management of CSL & Subsidiaries (TMC/ADV) Meeting with Auditors The 2014 Audit Committee Self Assessment 	Audit Committee

Board Meeting No.	Performance	Proposed By
No.2/2015	<p>To acknowledge and consider</p> <ul style="list-style-type: none"> • To review the size, structure, composition, term, of the sub-committees • To recommend directors in place of those to be retired by rotation the authorized directors • To Review CG Policy • Oversee the 2014 annual performance of the Nomination and CG Committee performance <p>To Consider</p> <ul style="list-style-type: none"> • To authorize the NCG committees to nominate the independent director candidates to be elected as directors • Form 56-1 and Annual Report in the part of “The commitment statements of Financial Report of the Board of Directors”, “Management Structure”, “Corporate Governance” 	Nomination and CG Committee
	<p>To acknowledge and consider</p> <ul style="list-style-type: none"> • The 2014 Bonus payment of the Company & Subsidiaries • The 2014 Performance and bonus of Executive • The 2014 Performance and bonus of Directors • Oversee the 2014 annual performance of the Remuneration Committee performance and Remuneration Charter <p>To Consider</p> <ul style="list-style-type: none"> • Remuneration Policy and Directors remuneration budget for the year 2015 	Remuneration Committee
	<p>To consider and approve</p> <ul style="list-style-type: none"> • The allocation of net profit as legal reserve fund and consider dividends payment of the year 2014 <p>To acknowledge and consider</p> <ul style="list-style-type: none"> • The 2014 Annual Operating Results of the Company and its subsidiary companies (TMC/ADV) 	Executive Committee
	<p>To acknowledge and consider</p> <ul style="list-style-type: none"> • Risk Mapping and Risk Treatment Plan of CSL & Subsidiaries (TMC/ADV) 	Risk Management Committee
	<p>To consider and approve</p> <ul style="list-style-type: none"> • The calling of the Annual General Meeting of Shareholders for the year 2015 and the designation of the closing date of the Shares Registration Book <p>To acknowledge and consider</p> <ul style="list-style-type: none"> • The report on the directors' and executives' shareholding in the Company • New rules, regulations and notifications of the SET and the SEC • Market Consensus and Investment Strategy Summary 	Management
No.3/2015	<p>To Consider</p> <ul style="list-style-type: none"> • To Appoint Directors in place of those to be retired by rotation 	Nomination and CG Committee

Board Meeting No.	Performance	Proposed By
No.4/2015	To Consider <ul style="list-style-type: none"> To Appoint Directors in place of those to be retired by rotation 	Nomination and CG Committee
No.5/2015	To consider and approve <ul style="list-style-type: none"> The revision of Audit Committee Charter To acknowledge and consider <ul style="list-style-type: none"> Control Self Assessment progress and IA competency 	Audit Committee
	To consider and approve <ul style="list-style-type: none"> Step KPI 2015 of the Company and its subsidiary companies (TMC/ADV) Annual Information Form (56-1) to be disclose to SEC, SET and Shareholder 	Executive Committee
No.6/2015	To consider and approve <ul style="list-style-type: none"> Company's Interim Financial Statements for the three-month periods ended March 31, 2015 To acknowledge and consider <ul style="list-style-type: none"> Reviewed Internal Audit Report Reviewed Related Party Transaction Reviewed the Risk Management of CSL & Subsidiaries (TMC/ADV) 	Audit Committee
	To consider and approve <ul style="list-style-type: none"> The appointment of the Board's sub-committees The Securities Trading Policy 	Nomination and CG Committee
	To acknowledge and consider <ul style="list-style-type: none"> Actual status of the Business Action Plan 2015 (CSL/TMC/ADV) The Operating Results of the Company and the subsidiary companies (TMC/ADV) for Q1/2015 	Executive Committee
	Executive Committee <ul style="list-style-type: none"> Risk Mapping and Risk Treatment Plan of CSL & Subsidiaries (TMC/ADV) 	Risk Management Committee
	To acknowledge and consider <ul style="list-style-type: none"> HR Report Q1/2015 The report on the directors' and executives' interest in CSL SET/SEC regulations updates Market Consensus and Investment Strategy Summary 	Management

Board Meeting No.	Performance	Proposed By
No.7/2015	<p>To consider and approve</p> <ul style="list-style-type: none"> Company's Interim Financial Statements for the three-month and six-month periods ended 30 June, 2015 <p>To acknowledge and consider</p> <ul style="list-style-type: none"> Reviewed Mission, Strategy of IA and feedback on medium-term plan (3 years) Discussed development of internal audit work in audit tools, Control Self Assessment [CSA] and Internal Audit Competency Framework Updated Auditor Report Reviewed Internal Audit Report Reviewed Related Party Transaction Reviewed the Risk Management of CSL & Subsidiaries (TMC/ADV) 	Audit Committee
	<p>To acknowledge and consider</p> <ul style="list-style-type: none"> Risk Mapping and Risk Treatment Plan of CSL & Subsidiaries (TMC/ADV) 	Risk Management Committee
	<p>To consider and approve</p> <ul style="list-style-type: none"> The allocation of the net profit as legal reserve fund and interim dividend payment Increasing the new credit lines and opening new bank account <p>To Consider</p> <ul style="list-style-type: none"> The 2015 half year strategic review of the Company and subsidiary companies (TMC/ADV) <p>To acknowledge and consider</p> <ul style="list-style-type: none"> Q2/2015 Operating Results of the Company and subsidiary companies (TMC/ADV) 	Executive Committee
	<p>To consider and approve</p> <ul style="list-style-type: none"> The amendment of CSR Policy <p>To acknowledge and consider</p> <ul style="list-style-type: none"> AGM Results 2015 by Thai Investors Association Board of The Year Awards 2015 Report of CSL's Securities Holdings to comply with the Securities Trading Policy HR Report Q2/2015 The report on the directors' and executives' interest in CSL SET/SEC regulations updates Market Consensus and Investment Strategy Summary 	Management
No.8/2015	<p>To consider and approve</p> <ul style="list-style-type: none"> The change of director and authorized director The assessment form of the Board, individual Board member and sub-committee The CSL's Policy and Practice Guidelines for the Board of Directors 	Nomination and CG Committee

Board Meeting No.	Performance	Proposed By
No.9/2015	<p>To consider and approve</p> <ul style="list-style-type: none"> Company's Interim Financial Statements for the three-month and nine-month periods ended September 30, 2015 <p>To acknowledge and consider</p> <ul style="list-style-type: none"> Reviewed Mission, Strategy of IA and feedback on medium-term plan (3 years) Discussed development of internal audit work in audit tools, Control Self Assessment [CSA] and Internal Audit Competency Framework Updated Auditor Report Reviewed Internal Audit Report Reviewed Related Party Transaction Reviewed the Risk Management of CSL & Subsidiaries (TMC/ADV) 	Audit Committee
	<p>To acknowledge and consider</p> <ul style="list-style-type: none"> Risk Mapping and Risk Treatment Plan of CSL & Subsidiaries (TMC/ADV) 	Risk Management Committee
	<p>To consider and approve</p> <ul style="list-style-type: none"> The 2016 Strategic Direction and KPI items & Weight of the Company and subsidiaries (TMC/ADV) <p>To acknowledge and consider</p> <ul style="list-style-type: none"> Q3/2015 Operating Results of the Company and the subsidiary companies (TMC/ADV) Actual status of Business Action Plan 2015 (CSL/TMC/ADV) 	Executive Committee
	<p>To consider and approve</p> <ul style="list-style-type: none"> The assessment form of the Board, individual Board member and sub-committee The CSL's Policy and Practice Guidelines for the Board of Directors The revision of CG Policy <p>To Consider</p> <ul style="list-style-type: none"> The matter regarding the director who will complete the terms in AGM 2016 	Nomination and CG Committee
	<p>To acknowledge and consider</p> <ul style="list-style-type: none"> Sustainable Development Evaluation Results 2015 of CSL SET/SEC regulations updates HR Report Q3/2015 The report on the directors' and executives' interest in CSL Report of CSL's Securities Holdings to comply with the Securities Trading Policy Market Consensus and Investment Strategy Summary 	Management

MEETING PARTICIPATION

In summary, the Board and Sub-committee meetings in 2015 are as follows;

Director	Meeting					
	Shareholder	BOD	AC	NCG	RC	EXCOM
	No. of Meeting Participation / No. of Meeting in 2015 (%)					
Non-Executive Directors						
1. Prof.Dr. Wongkulpat Snidvongs na Ayudhya, MD.	1/1 (100)	9/9 (100)				
2. Mr. Prathueng Srirodbang ¹	0/1 (0)	5/5 (100)	3/3 (100)	4/4 (100)		
3. Mr. Gan Hui Beng ¹	1/1 (100)	4/5 (80)	3/3 (100)		1/1 (100)	
4. Dr. Sillapaporn Srijunpetch	1/1 (100)	9/9 (100)	7/7 (100)	7/7 (100)	2/2 (100)	
5. Mr. Sitthichai Chantravadee	1/1 (100)	9/9 (100)	7/7 (100)	2/2 (100)		
6. Mr. Suraphol Pluemarom ²		4/4 (100)	4/4 (100)		1/1 (100)	
7. Mr. Hansa Chevapurke	1/1 (100)	7/9 (77.7)				
Executive Directors						
8. Mr. Lee Han Kheng	1/1 (100)	9/9 (100)		6/7 * (85.7)	2/2 (100)	9/12 * (75)
9. Ms. Suphajee Suthumpun ³	1/1 (100)	7/8 (87.5)		5/6 (83.3)	2/2 (100)	8/9 (88.8)
10. Mr. Paiboon Panuwattanawong ⁴		1/1 (100)		1/1 (100)	0/0 (0)	3/3 (100)
11. Mr. Anant Kaewruamvongs	1/1 (100)	9/9 (100)				12/12 (100)
12. Mr. Vuthi Asvasermcharoen	1/1 (100)	9/9 (100)				12/12 (100)

* Participate the meeting via tele conference 1 time.

¹ was retired by rotation from March 25, 2015 in order to be in accordance to best practice in good corporate governance that can serve on the directorship for a maximum of 3 consecutive terms, or no longer than 9 years.

² Being appointed by the AGM Meeting No.1/2015 on March 25, 2015 as Independent Director and Member of the Audit Committee to replace Mr. Prathueng Srirodbang who retired by rotation in 2015.

³ Director resigned with effect from October 1, 2015.

⁴ Being appointed by the Board Meeting No.8/2015 on September 28, 2015 as Director to replace Ms. Suphajee Suthumpun who resigned with effect from October 1, 2015.

For the Year 2015, there was Offsite Board Meeting 1 time to consider strategic direction of the Company and its subsidiaries.

Non-Executive Directors Meeting For the Year 2015, there were 1 meeting of Non-Executive Directors on June 17, 2015.

The Committee discussed and expressed with details as follows;

- To sustainable business in Economic, Social and Environmental dimension.

- To contest "Board of the year Awards 2014/2015"
- To contest "SET sustainability Awards 2015"
- To contest "NACC Integrity Awards 2015" that granted by the Office of the National Anti-Corruption Commission.

The Company's first four management personnel as of December 31, 2015, under the definition of SEC, are as follows;

Name	Position
1. Mr. Paiboon Panuwattanawong ¹	Chairman of the EXCOM
2. Mr. Anant Kaewruamvongs	Chief Executive Officer (CEO) and Managing Director (MD)
3. Mr. Anuwat Sanguansappayakorn	Chief Financial Officer (CFO)
4. Dr. Somchai Kittichaikoonkit	Vice President- Marketing & Sales
5. Mr. Surasak Uthayopas	Vice President -Technical & Operation

¹ Being appointed by the Board Meeting No. 8/2015 on September 28, 2015 as Director, Chairman of the Executive committee, Member of the NCG Committee and Member of the Remuneration Committee to replace Ms. Suphatee Suthumpun who resigned with effect from October 1, 2015.

Chief Executive Officer (CEO)

Mr. Anant Kaewruamvongs was promoted to be Chief Executive Officer under resolution of the Board Meeting No.4/2013 held on March 28, 2013 which effective since April 1, 2013.

Responsibilities of Chief Executive Officer are as follows;

- Oversee and supervise the overall operations and financial situation of the CS LoxInfo Public Company Limited and its subsidiaries and monitor transactions in the Group be conducted under the rules and regulations of SEC and SET.
- Supervise and manage overall operations according to objectives, policies, rules, regulations, the resolution of the shareholders and/or the Board of Directors and/or the Executive committee.
- Propose and present the business plan, investment plan, business strategy, goals, annual budget to the Board of Directors and/or the Executive committee.
- Perform any other duties as assigned by the Board of Directors and/or the Executive committee.

Managing Director

Mr. Anant Kaewruamvongs was appointed to be Managing Director under the resolution of the Board of directors No. 4/2005 held on May 1, 2005 which its effective date is July 1, 2005.

Scope of Authorities and Responsibilities of the Managing Director are as follows;

- Perform as assigned by the Board of Directors, the Executive committee, Chief Executive Officer's commands, resolutions of shareholders' meeting and/or resolutions of the relevant meeting, which must execute and manage in according to the rules, policies and regulations of the company.
- Responsible for the daily business operations of the company, including command and supervise all operations, track and report the performance of operations to the Board of Directors and/or other relevant committees.
- Carry out the approval duties and operations according to the scope of the Company's Approval Authority.

The Managing Director (MD) also has authority according to that being delegated by the Board, which is in compliance with the rules, regulations, and Articles of Association of the Company. The MD has not initiated transaction or enter into transaction that he or conflicting person may have conflict of interests with the Company or the subsidiaries, as defined by the Notifications of the relevant regulators.

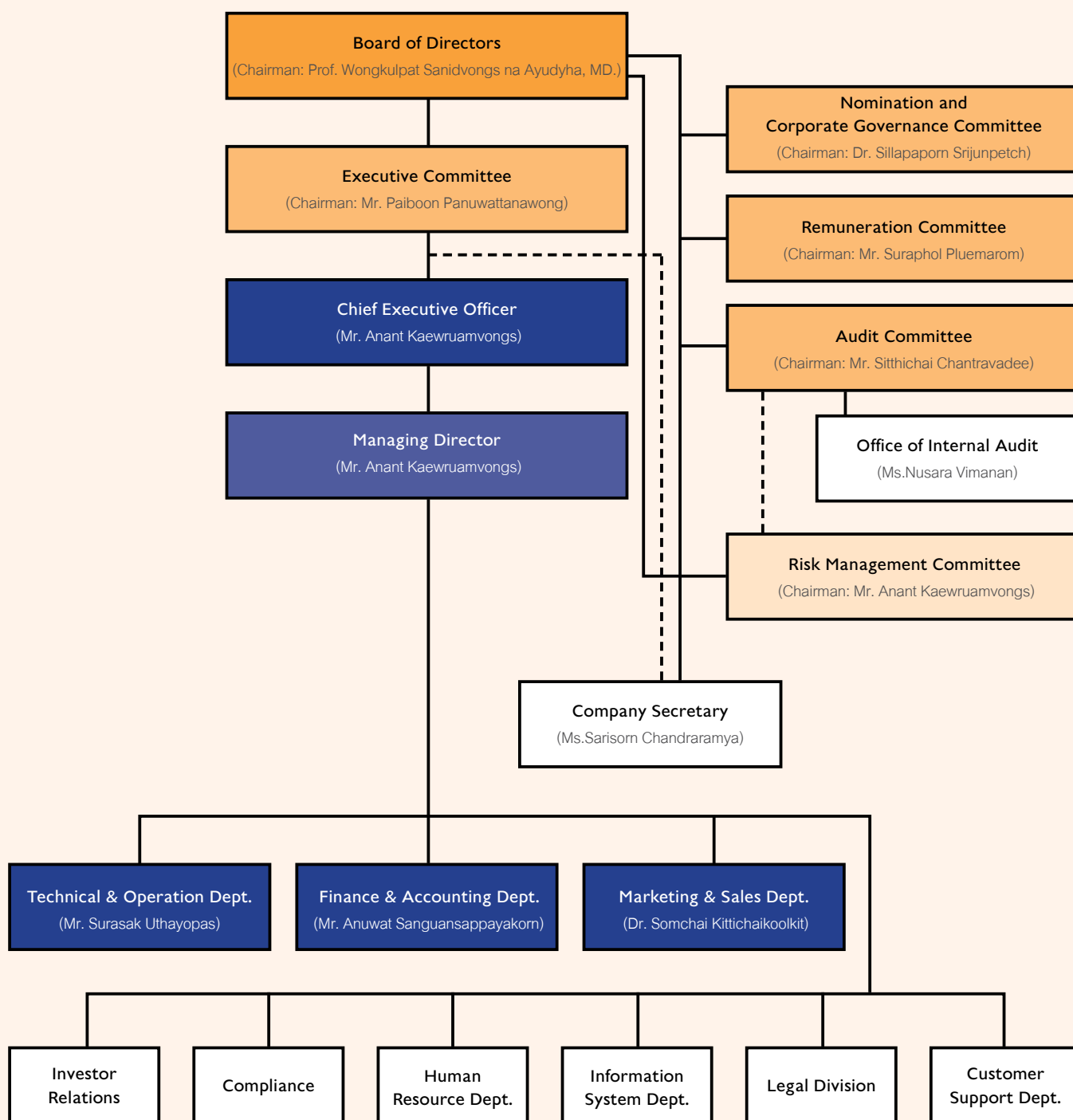
Approval authority of the MD

The MD has been delegated financial authority by the Board up to the maximum of Baht 30 Million for budgeted capital expenditure.

The Organization Structure as of December 31, 2015 is as follows;

ORGANIZATION STRUCTURE CS LOXINFO PUBLIC COMPANY LIMTIED

Last Updated: December 31, 2015



The Board has appointed Ms. Sarisorn Chandramya as a company secretary, details of her profile and qualifications are shown on page 60 Roles of Company Secretary are provided under Topic Corporate Governance Chapter 1: Board of Directors section 6 Company Secretary.

DIRECTORS AND MANAGEMENT REMUNERATION

Directors Remuneration

Every February, the RC considers, analyzes, and recommends remuneration of the directors to the Board for further recommendation to the shareholders for approval. The RC also approves the remuneration make-up scheme of the management. The remuneration of the directors and the management should commensurate with their duties and responsibilities, be comparable to the industry standard, and attractive enough to retain qualified directors and management.

The Company's policy is to remunerate only independent directors and external directors.

The remuneration structure of directors is as follows;

Position	2015 Remuneration (Baht)			2014 Remuneration (Baht)		
	Monthly Retainer	Meeting Allowance	Annual Retainer [Bonus]	Monthly Retainer	Meeting Allowance	Annual Retainer [Bonus]
The Board of Directors						
Chairman	120,000	×	✓	120,000	×	✓
Member	×	25,000	✓	×	25,000	✓
Audit Committee						
Chairman	25,000	30,000	✓	25,000	30,000	✓
Member	20,000	25,000	✓	20,000	25,000	✓
NCG Committee						
Chairman	×	30,000	✓	×	30,000	✓
Member	×	25,000	✓	×	25,000	✓
RC Committee						
Chairman	×	30,000	✓	×	30,000	✓
Member	×	25,000	✓	×	25,000	✓

The executive directors do not receive remuneration for being a director.

Remuneration for each management personnel is linked with the operating performance of the Company and his/her working performance.

In 2015, the Company paid the following remuneration.

1. Monetary Remuneration

Total monetary remuneration for the Board (only to independent directors and non-executive directors) for the year ended December 31, 2015 comprised of director monthly retainer, annual remuneration and meeting allowance totaling Baht 6,835,335 for six directors with details as follows;

Name Surname Position	Board		Sub Committee							Total Remuneration ²
			Audit Committee		Nomination and CG Committee	Remuneration Committee	Non-Executive Director	Other Remuneration	Directors Bonus 2015 ¹	
	Monthly Retainer	Meeting Allowance	Monthly Retainer	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance			
Prof.Dr. Wongkulpat Snidvongs na Ayudhya, MD. Independent Director and Chairman of the Board	1,440,000	-	-		-	-	-	390,336	400,000	2,230,336
Mr. Prathueng Srirodbang * Independent Director and Chairman of the AC	-	125,000	70,161	90,000	120,000	-	-	-	-	405,161
Mr. Gan Hui Beng * Independent Director and Member of the AC	-	100,000	56,129	75,000	-	25,000	-	-	-	256,129
Mr. Suraphol Pluemarom Independent Director and Member of the AC	-	100,000	184,516	100,000	-	30,000	25,000	25,000	320,000	784,516
Dr. Sillapaporn Srijunpetch Independent Director and Member of the AC	-	250,000	240,000	175,000	185,000	50,000	25,000	25,000	430,000	1,380,000
Mr. Sitthichai Chantravadee ** Independent Director and Member of the AC	-	250,000	279,193	190,000	50,000	-	25,000	30,000	430,000	1,254,193
Mr. Hansa Chevaprueke Director	-	200,000	-	-	-	-	25,000	-	300,000	525,000
Total	1,440,000	925,000	645,483	530,000	355,000	105,000	100,000	470,336	1,880,000	6,835,335

* Director retired by rotation in 2015.

** Being appointed by the Board meeting No.6/2015 on May 6, 2015 as Chairman of the Audit Committee to replace Mr. Prathueng Srirodbang who retired by rotation in 2015.

¹ Bonus for the period from January to December 2015 which would be paid in March 2016.

² Director monthly retainer and meeting allowance for the period from January to December 2015, and accrued bonus which would be paid in March 2016.

2. Other Remunerations

Apart from the monetary remuneration for the independent directors and external directors, the Company provided fringe benefits (non-monetary remuneration) to the Chairman of the Board, an independent director, in form of car and fuel.

Executive Remuneration

The Board has delegated to the Remuneration Committee reviews and recommends the remuneration for executives annually. The executive remuneration based on the following guidelines;

- Remuneration must be competitive, motivate and retain key executives of the Company's long term success.
- Remuneration for each executive is consistent with the results of operations of the Company in both the short and long terms.
- Consider the common interests between the Company, the executives and shareholders.

The remuneration paid to the Company's Chief Executive Officer and Executives have been approved by the Remuneration Committee is composed of these categories;

Category		The purpose and link to the principle of remuneration
Fixed Pay	Salaries and other benefits such as Provident Fund	To motivate and retain competent executive.
Short Term Incentive	Annual bonus	To reward the success of the performance that defined for each year. (Measure financial and non-financial factors).
Long Term Incentive	Pay-for-performance as bonus and the granted for purchase shares (Stock Option)*	<ul style="list-style-type: none"> • To motivate and retain competent executive. • To ensure alignment between executive interests and shareholder interests. • To promote the growth and value to shareholders in long term.

Remark : * The purchase shares (Stock Option) right will be depend on the Board of Directors consideration which will be based on the appropriate time and company situations.

According to the definition of Capital Market Supervisory Board, total monetary remuneration for 4 Executives, for the year ended December 31, 2015, comprising of salary, bonus, provident fund, and other fringe benefits, was Baht 22,387,992 (excluding the Executive Chairman who receives remuneration from Thaicom Plc., the indirect shareholder of the Company).

PERSONNEL PERSONNEL

As at December 31, 2015, the Company and its subsidiaries had a total of 933 employees in major departments as follows;

Main departments	Number of employees (persons)	
	CSL	TMC & ADV
Marketing and Sales	153	128
Technical and Operation / Production	163	127
Customer Service	106	61
Others example ; Executive , Finance& Accounting, Human Resources etc.	135	60
Total	557	376

Total remunerations for personnel of the Company and its subsidiaries consist of salaries, bonuses, contribution to the provident fund and other benefits amounted to Baht 706.92 million.

HUMAN RESOURCES MANAGEMENT POLICY

CS LoxInfo Plc. Group strongly believes that human resources are our most valuable asset and the key indicator of our competitive advantage. The role our employees play in the organization is even more important now in our drive towards growth and sustainable success. The 'Human Resources Policy' contains the sections as follows;

- 1) Organization Structure and Manpower: All details are reviewed from time to time in order to ensure alignment with the Company's business direction and strategy, and respond to any changes.
- 2) Fairness of Recruitment and Selection: Recruitment and selection staffs are conducted fairly with equality non-discrimination.
- 3) Equal Opportunities: The Company provides opportunity equally in employment and appointed, as well as opportunities for progress and development that based on knowledge and ability without discrimination.
- 4) Human Rights: The Company supports and respects for human rights and will not engage in any action that is contrary to principles of human rights.
- 5) Freedom of Association: The Company respects the rights of its employees to associate freely, and/or join workers' associations or any organizations established in accordance with applicable laws and regulations, as long as this does not involve any outside personal interests or additional sources of remuneration which may impair their independence towards performing their duties, and/or using the Company's intellectual property and time without prior permission.
- 6) Employee Privacy: The Company respects the privacy of all employees and will not disclose any personal information to anyone who does not have a right to that information unless it is required by law.
- 7) Fair Compensation Management: The Company considers its high priority to provide equitable rewards through a meritocratic system and ensure that compensation is in line with the market by using the following "3P" principle which are Pay for position, Pay for performance and Pay for person.
- 8) Welfare, Health, Environment and Safety: The Company complies with relevant legislation. Encouraging employees to have a better quality of life for employees at all levels with appropriate welfare and setting up Provident Fund to strengthen stability their standard of livings after retirement of employees.
- 9) Employee Development: The Company supports and invests in continuous employee development with a systematic approach. The Company also encourages its employees to show initiative and is open to suggestions and new ideas that will improve business processes and overall competency.
- 10) Succession Planning: The Company has implemented a systematic succession plan and has appointed the committee to nominate successors and monitor their development.
- 11) Management Role: The Company encourages managers at all levels of the organization to undertake the human resource management roles, and must be responsible and attention, as well as task and organization management.
- 12) Community and Social Responsibility: The Company supports the practice of mindfulness and sharing with others, and encourages all employees to voluntarily participate in and/or initiate CSR or community-based activities for the good of society.

The Group considers that supervisors at all levels have significant responsibilities in taking good care of their subordinates to maintain their morale, enhance their knowledge and competencies so that they can perform their duties efficiently, and set themselves as good example for their subordinates.

In order to consider details relating to Human Resources, the Board of Directors assigned the management to quarterly report the human resources data to the Board.

In 2015, the Company conducted Corporate Climate Survey in order to acknowledge and understand the perceptions and satisfaction of employees. The survey measured variety factors which relevant to the good workplace, such as pride in the workplace, culture and working environment, leadership and management, supervisors, colleagues, communication, opportunities to develop or career growth, benefits, regulations etc. The survey results found the employee satisfaction average score is in level of good (3.93), which is higher than the average score of 2014 (3.86). The highest average score is "colleagues" which is in a very good level (4.23). The survey results with employees' suggestions in the survey report were delivered to the management in order to consider for development and improvement.

Directors and Management Team



**Prof. Wongkulpat
Snidvongs na Ayudyha, M.D.**

Independent Director / Chairman of the Board



Mr. Sitthichai Chantravadee

Independent Director / Chairman of the Audit Committee /
Member of the Nomination and CG Committee



Dr. Sillapaporn Srijunpetch

Independent Director /
Member of the Audit Committee /
Member of the Remuneration Committee /
Chairman of the Nomination and CG Committee



Mr. Suraphol Pluemarom

Independent Director /
Member of the Audit Committee /
Chairman of the Remuneration Committee



Mr. Paiboon Panuwattanawong

Director / Chairman of the Executive Committee /
Member of the Remuneration Committee /
Member of the Nomination and CG Committee /
Representative of major shareholder



Mr. Hansa Chevapurke

Director / Representative of CAT Telecom



Mr. Lee Han Kheng

Director / Member of the Executive Committee /
Member of the Remuneration Committee /
Member of the Nomination and CG Committee /
Representative of major shareholder



Mr. Vuthi Asvasermcharoen

Director / Member of the Executive Committee /
Representative of major shareholder



Mr. Anant Kaewruamvongs

Director / Member of the Executive Committee /
Representative of major shareholder and
Chief Executive Officer and Managing Director



Mr. Anuwat Sanguansappayakorn

Chief Finance Officer



Mr. Surasak Uthayopas

Vice President - Technical and Operations



Dr. Somchai Kittichaikoolkit

Vice President - Marketing and Sales



Ms. Sarisorn Chandraramya

Company Secretary

**Prof. Wongkulpat
Snidvongs na Ayudyha, M.D.**



**Mr. Sitthichai
Chantravadee**



Age 75 **Nationality** Thai

Title
Independent Director / Chairman of the Board

Appointment date 23 April 2007

Shareholding ¹ None

Relationship with Management None

Highest Education
Doctorate Degree FRCOG:D.Obst.RCOG (UK):MB.BS (London) MRCS.
LRCP (England)

Governance Training :
Thai Institute of Directors (IOD)
DCP : Directors Certification Program Class 89/2007

Other
Year 2014

- Audit Committee Financial Expert by Federation of Accounting Professions under the Royal Patronage of His Majesty the King
- Integrated Internal Audit Planning Class 1/2014 by Federation of Accounting Professions under the Royal Patronage of His Majesty the King

Experience
2009 - Present
Consultant, Hydro and Agro Informatics Institute
Audit Committee, Thai Red Cross
2007 - Present
Independent Director and Chairman of the Board, CS LoxInfo Plc.
Academic Advisor, College of Public Health Sciences,
Chulalongkorn University
1997 - Present
Member of the Council, Thai Red Cross

Illegal Record in past 10 years None

Age 64 **Nationality** Thai

Title
Independent Director / Chairman of the Audit Committee /
Member of the Nomination and CG Committee

Appointment date 30 March 2011

Shareholding ¹ None

Relationship with Management None

Highest Education
Master Degree in Accounting, Chulalongkorn University

Governance Training :
Thai Institute of Directors (IOD)
ACP : Audit Committee Program Class 12/2006
DAP : Directors Accreditation Program Class 49/2006
DCP : Directors Certification Program Class 69/2006
MFM : Monitoring Fraud Risk Management Class 1/2009
MIA : Monitoring the Internal Audit Function Class 5/2009
MIR : Monitoring the System of Internal Control and Risk Management
Class 6/2009
MFR : Monitoring the Quality of Finance Reporting Class 7/2009
DCPU: Director Certification Program Update Class 5/2015
AAPC: Advanced Audit Committee Program Class 21/2015

Other
-

Experience
May 2015 - Present
Independent Director and Chairman of the Audit Committee, CS LoxInfo Plc.
2012 - Present
Director and Chairman of Remuneration Committee,
Thai British Security Printing Plc.
Independent Director, Thai Cane Paper Plc.
2011 - May 2015
Independent Director and Member of the Audit Committee, CS LoxInfo Plc.
2002 - Present
Independent Director, Member of the Audit Committee and
Risk Management, Sammakorn Plc.
2000 - 2010
Director, The Audit Office, The Siam Cement Plc.
2001 - 2003
Chairman of the Board of the Institute of Internal Auditors of Thailand

Illegal Record in past 10 years None

¹ Includes holdings by spouse and minor children as of December 31, 2015

**Dr. Sillapaporn
Srijunpetch**



**Mr. Suraphol
Pluemarom ²**



The director with knowledge and experience in reviewing financial statements of the Company with CPA No.3692.

Age 52 **Nationality** Thai
Title

Independent Director / Member of the Audit Committee /
Member of the Remuneration Committee /
Chairman of the Nomination and CG Committee

Appointment date 10 November 2005

Shareholding ¹ None

Relationship with Management None

Highest Education

Doctorate Degree in Accounting, Manchester Business School,
University of Manchester, U.K.

Governance Training :

Thai Institute of Directors (IOD)

DAP : Directors Accreditation Program Class 51/2006

Other

-

Experience

2005 - Present

Independent Director and Member of the Audit Committee, CS LoxInfo Plc.

1997 - Present

Lecturer of Master of Accounting Profession, Faculty of Commerce and
Accountancy, Thammasat University

2004 - 2006

Director of Master of Accounting Profession, Faculty of Commerce and
Accountancy, Thammasat University

1995 - 1997

Director and Group Financial Controller, Jardine Matheson (Thailand) Limited
1986 - 1995

Senior Manager, PriceWaterhouseCoopers ABAS Limited

Illegal Record in past 10 years None

Age 60 **Nationality** Thai
Title

Independent Director / Member of the Audit Committee /
Chairman of the Remuneration Committee

Appointment date 25 March 2015

Shareholding ¹ None

Relationship with Management None

Highest Education

Master of Management, Sasin Graduate Institute of Business Administration
of Chulalongkorn University

Governance Training :

Thai Institute of Directors (IOD)

DAP : Director Accreditation Program class 67/2007

Other

-

Experience

Mar 2015 - Present

Independent Director and Member of the Audit Committee, CS LoxInfo Plc.

2001 - Present

Managing Director, Professional Alliance Legal Advisory Limited

2007 - Present

Independent Director and Audit Committee, Draco PCB Plc.

2001 - Present

Executive Directors, The Institute of Advocacy Training of the Law Council
of Thailand

1994 - 2001

Managing Director, Crown Development Co., Ltd.

1978 - 1994

Vice President of Legal &Tax Affairs , Berli Jucker Plc.

Illegal Record in past 10 years None

¹ Includes holdings by spouse and minor children as of December 31, 2015

² Being appointed by the AGM 2015 on March 25, 2015

**Mr. Paiboon
Panuwattanawong ³**



Mr. Hansa Chevapurke



Age 56 **Nationality** Thai

Title

Director / Chairman of the Executive Committee /
Member of the Remuneration Committee /
Member of the Nomination and CG Committee /
Representative of major shareholder

Appointment date 1 October 2015

Shareholding ¹ None

Relationship with Management None

Highest Education

Master of Science in Electrical Engineering (M.S.E.E.)
Carnegie Mellon University, Pittsburgh, PA, USA

Governance Training :

Thai Institute of Directors (IOD)

DCP : Director Certification Program class: 119/2009

Other

-

Experience

Oct 2015 - Present

Director and Chairman of the Executive Committee, CS LoxInfo Plc.

Director, Chief Executive Officer, Thaicom Plc.

2011 - Present

Member of Executive Committee, Thaicom Plc.

2009 - Present

Chief Technical Officer, Thaicom Plc.

Illegal Record in past 10 years None

Age 56 **Nationality** Thai

Title

Director / Representative of CAT Telecom

Appointment date 12 March 2010

Shareholding ¹ None

Relationship with Management None

Highest Education

- Master of Public and Private Management Program,
Graduate School of Public Administration, National Institute of
Development Administration (NIDA)
- Graduate Diploma in Politics and Governance in Democratic Systems for
Executives Class 14, King Prajadhipok's Institute
- National Defense College class 54
- Diploma, The 6th Course on Administrative Justice for Executive,
The Administrative Court

Governance Training :

Thai Institute of Directors (IOD)

DCP : Director Certification Program Class 132/2010

SFE : Successful Formulation & Execution of Strategy Class 17/2013

Other

-

Experience

2011 - Present

Senior Executive Vice President, Legal and Business Partner,
CAT Telecom Plc.

2009 - 2011

Executive Vice President, Legal Counsel, CAT Telecom Plc.

2010 - Present

Director, CS LoxInfo Plc.

2007 - 2009

Vice President, Business Partner Contract Management Department,
CAT Telecom Plc.

Illegal Record in past 10 years None

¹ Includes holdings by spouse and minor children as of December 31, 2015

³ Being appointed by the Board Meeting No. 8/2015 on September 28, 2015 as Director to replace Ms. Suphaje Suthumpun who resigned with effect from October 1, 2015

Mr. Lee Han Kheng



Mr. Vuthi Asvasermcharoen



Age 48 **Nationality** Singaporean

Title
Director / Member of the Executive Committee /
Member of the Remuneration Committee /
Member of the Nomination and CG Committee /
Representative of major shareholder

Appointment date 9 June 2011

Shareholding ¹ None

Relationship with Management None

Highest Education

Masters of Business Administration,
Nanyang Technological University / Singapore

Governance Training :

Thai Institute of Directors (IOD)

DAP : Directors Accreditation Program Class 101/2013

Other

-

Experience

2011 - Present

Director and Member of Executive Committee, CS LoxInfo Plc.

Vice President, Global Products, Singapore Telecommunications Ltd.
2011

Vice President, Regional Products, Singapore Telecommunications Ltd.
2007 - 2011

Chief Operating Advisor, Globe Telecom Inc.

2005 - 2007

Vice President, Business Products, Singapore Telecommunications Ltd.

Illegal Record in past 10 years None

Age 48 **Nationality** Thai

Title
Director / Member of the Executive Committee /
Representative of major shareholder

Appointment date 9 May 2012

Shareholding ¹ None

Relationship with Management None

Highest Education

MBA, Indiana University of Pennsylvania, USA

Governance Training :

Thai Institute of Directors (IOD)

DCP : Director Certification Program Class 168/2013

Other

-

Experience

2012 - Present

Director and Member of the Executive Committee, CS LoxInfo Plc.

2011 - Present

Chief Financial Officer, Thaicom Plc.

2011 - 2011

Chief Financial Officer (CFO), GMM Grammy

2004 - 2010

Deputy Chief Financial Officer, Sahaviriya Steel Industries

2001 - 2004

Vice President, Bangkok Bank

Illegal Record in past 10 years None

¹ Includes holdings by spouse and minor children as of December 31, 2015

**Mr. Anant
Kaewruamvongs**



**Mr. Anuwat
Sanguansappayakorn**



Age 54 **Nationality** Thai

Title
Director / Member of the Executive Committee /
Representative of major shareholder and
Chief Executive Officer and Managing Director

Appointment date 9 June 2011

Shareholding¹ 0.1024% or 609,000 shares

Relationship with Management None

Highest Education

- Diploma, National Defence College, The Joint State - Private Sector Course (JSP) Class 26
- Master Degree in Management, SASIN Graduate Institute of Business Administration of Chulalongkorn University

Governance Training :
Thai Institute of Directors (IOD)
DCP : Directors Certification Program Class 66/2005
DAP : Directors Accreditation Program Class 45/2005
SFE : Successful Formulation and Execution of Strategy Class 6/2010

Other
Year 2008

- TLCA Executive Development Program (EDP) Class 2 by Thai Listed Companies Association

Year 2014

- Advanced Management Program 187 by Harvard Business School, USA

Experience
2013 - Present
Chief Executive Officer and Managing Director, CS LoxInfo Plc.
2011 - Present
Director and Member of the Executive Committee, CS LoxInfo Plc.
2005 - 2013
Managing Director, CS LoxInfo Plc.
2007 - 2007
Director and Member of the Executive Committee, CS LoxInfo Plc.
1999 - 2005
Deputy Managing Director, CS LoxInfo Plc.
1997 - 1999
General Manager, CS Satellite Phone Co., Ltd.
1995 - 1997
General Manager, Lao Telecommunications Co., Ltd.

Illegal Record in past 10 years None

Age 50 **Nationality** Thai

Title
Chief Finance Officer

Appointment date 1 May 2003

Shareholding¹ None

Relationship with Management None

Highest Education
Master Degree in Accounting, Chulalongkorn University

Governance Training :
Thai Institute of Directors (IOD)
DCP : Directors Certification Program Class 88/2007

Other
Year 2012

- TLCA Executive Development Program (EDP) Class 9 by Thai Listed Companies Association

Experience
2003 - Present
Chief Finance Officer, CS LoxInfo Plc.
1998 - 2003
Accounting Manager, CS Communications., Ltd.
1997 - 1997
Planning Manager, Thai Capital Final Finance & Securities Co., Ltd.
1996 - 1997
Manager, Krung Thai Finance & Securities Co., Ltd.
1994 - 1996
Accounting Manager, Multi Credit Corporation of Thai
1988 - 1993
Senior Auditor, Deloitte Touch Thomatsu Jaiyos

Illegal Record in past 10 years None

¹ Includes holdings by spouse and minor children as of December 31, 2015

Mr. Surasak Uthayopas



11

Dr. Somchai Kittichaikoolkit



12

Age 52 **Nationality** Thai

Title
Vice President - Technical and Operations

Appointment date 1 April 2014

Shareholding¹ 0.0008% or 5,000 shares

Relationship with Management None

Highest Education
Master of Engineering (Electrical Engineering),
Chulalongkorn University

Governance Training :
Thai Institute of Directors (IOD)
DCP : Directors Certification Program Class 177/2013

Other
Year 2013
- TLCA Executive Development Program (EDP) Class 11 by Thai Listed Companies Association

Experience
Apr 2014 - Present
Vice President - Technical & Operation, CS LoxInfo Plc.
2009 - 2014
Senior Director - Technical & Operation, CS LoxInfo Plc.
2008 - 2009
Acting Senior Director - Technical & Operation, LoxInfo Plc.
2006 - 2008
Senior Project Manager, Smiths Detection (Thailand)
1998 - 2006
Assistant Vice President, Loxley Plc.
1995 - 1998
Assistant Vice President, Loxley Infra Co., Ltd.
1994 - 1995
Manager, TT & T Plc.
1993 - 1994
Sales Support Manager, Shinawatra Satellite Co., Ltd.

Illegal Record in past 10 years None

Age 49 **Nationality** Thai

Title
Vice President - Marketing and Sales

Appointment date 1 April 2014

Shareholding¹ 0.0317% or 188,187 shares

Relationship with Management None

Highest Education
Doctorate Degree in Electronic Engineering, Tohoku University, Japan

Governance Training :
Thai Institute of Directors (IOD)
DCP : Directors Certification Program Class 180/2013

Other
Year 2013
- TLCA Executive Development Program (EDP) Class 10 by Thai Listed Companies Association

Experience
Apr 2014 - Present
Vice President - Marketing and Sales, CS LoxInfo Plc.
2009 - 2014
Senior Director - Marketing, CS LoxInfo Plc.
1999 - 2009
Director - Marketing, CS LoxInfo Plc.
1997 - 1998
IT Specialist, Shinawatra Information Technology Co., Ltd.
1994 - 1996
Marketing Manager, Shinawatra Computer and Communications Co., Ltd.

Illegal Record in past 10 years None

¹ Includes holdings by spouse and minor children as of December 31, 2015

**Ms. Sarisorn
Chandraramya**



13

Age	45	Nationality	Thai
Title	Company Secretary		
Appointment date	9 June 2011		
Shareholding ¹	0.0040% or 24,000 shares		
Relationship with Management	None		
Highest Education	<ul style="list-style-type: none"> - Master Degree of Arts in Economic Laws, Chulalongkorn University - Barrister at Laws, Institute of Education, Thai Bar Association - Graduate Diploma in Business Law, Thammasat University - Bachelor Degree of Laws, Thammasat University 		
Governance Training :			
<i>Thai Institute of Directors (IOD)</i>			
CSP :	Company Secretary Program Class 41/2011		
EMT :	Effective Minute Taking Class 20/ 2011		
CRP :	Company Reporting Program Class 2/2011		
<i>Other</i>			
Year 2015			
-	Risk Management Certificate Program Class 5 by The Faculty of Economics, Chulalongkorn University		
Experience			
Apr 15 - Present			
Director - Legal, CS LoxInfo Plc.			
2014 - Apr 15			
Assistant Director - Legal, CS LoxInfo Plc.			
2011 - Present			
Company Secretary, CS LoxInfo Plc.			
2003 - 2014			
Senior Legal Manager, CS LoxInfo Plc.			
1995 - 2003			
Senior Legal Counsel, Shin Satellite Plc.			
1995 - 1995			
Legal Officer, Citicorp Finance Co., Ltd.			
1992 - 1994			
Comptroller in Bankruptcy, Legal Execution Department			
Illegal Record in past 10 years	None		

¹ Includes holdings by spouse and minor children as of December 31, 2015

Directors and Managements' Shareholding in the Company and Its Subsidiaries

No.	Name	Position	CS LOXINFO PLC.					TELEINFO MEDIA PLC.					AD VENTURE PLC.		
			Ordinary Shares (shares)					Ordinary Shares (shares)					Ordinary Shares (shares)		
			31 Dec 2014	Changes during 2015 Increase	Decrease	31 Dec 2015	31 Dec 2014	Changes during 2015 Increase	Decrease	31 Dec 2015	31 Dec 2014	Changes during 2015 Increase	Decrease	31 Dec 2015	
1	Prof. Wongkulpat Snidvongs na Ayudyha Spouse and Minor children	Independent Director and Chairman of the Board	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Mr. Sithichai Chantavadee Spouse and Minor children	Independent Director and Chairman of the Audit Committee	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Mr. Suraphol Pluemarom ¹ Spouse and Minor children	Independent Director and Member of the Audit Committee	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Dr. Silapaporn Srijunpetch Spouse and Minor children	Independent Director and Member of the Audit Committee	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Mr. Hansa Chevapurke Spouse and Minor children	Director	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Mr. Palboon Panuwattanawong ² Spouse and Minor children	Director and Chairman of the Executive Committee	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Mr. Lee Han Kheng Spouse and Minor children	Director and Member of the Executive Committee	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Mr. Vuthi Asvasermcharoen Spouse and Minor children	Director and Member of the Executive Committee	-	-	-	-	1	-	-	1	-	-	-	-	-
9	Mr. Anant Kaewruamvongs Spouse and Minor children	Director and Member of the Executive Committee	609,000	-	-	609,000	1	-	-	1	1	-	-	-	1
10	Mr. Anuwat Sangunsappayakorn Spouse and Minor children	Chief Finance Officer	-	-	-	-	1	-	-	1	1	-	-	-	1
11	Mr. Surasak Uthayopas Spouse and Minor children	Vice President - Technical and Operations	5,000	-	-	5,000	-	-	-	-	-	-	-	-	-
12	Dr. Somchai Klitchaikoilkitt Spouse and Minor children	Vice President - Marketing and Sales	188,187	-	-	188,187	-	-	-	-	-	-	-	-	-
13	Ms. Sarisorn Chandramaya Spouse and Minor children	Company Secretary	24,000	-	-	24,000	1	-	-	1	1	-	-	-	1

¹ Being appointed by the AGM 2015 on March 25, 2015

² Being appointed by the Board Meeting No. 8/2015 on September 28, 2015 as Director to replace Ms. Suphaje Suthumpun who resigned with effect from October 1, 2015

Corporate Governance

CG Policy

The Board of Directors believes that leadership of a visionary and responsible Board of Directors, with accountability to stakeholders, that can motivate and guide management, using a sound management system that utilizes internal control to balance business priorities and operations transparency, while respecting the rights and equitable treatment of all shareholders, are the essential factors in maximizing long term shareholders value. To this end, the Board has established a good CG Policy that addresses five key areas:

1. Board's structure, composition, roles and responsibilities
2. The rights and equitable treatment of Shareholders and the Roles of Stakeholders
3. Information Disclosure and Transparency
4. Internal Control and Risk Management
5. Code of Conduct

Since 2005, the Board has subscribed to the growing importance of CG and has since overseen the implementation of appropriate practices to enhance CG awareness and standard within the Company. The Board annually reviews the CG policy of the Company to ensure that it is up to date and at an acceptable standard in the context of its business and operations.

CHAPTER 1: BOARD OF DIRECTORS

1. Leadership and Vision

The Board positions CS LoxInfo Public Company Limited (CSL), a Company within INTOUCH Group, to be a leading Thai company, recognized by domestic and international investors as one with proven success in its business mission which is supported by strong management and competent staff.

The Board members exercise leadership, vision and independence in making decisions, and are responsible for the strategic direction and governance of the Company in creating value for its stakeholders through sound and sustainable business performance. To this end, the duties, roles and responsibilities of the Chairman of the Board, the Chairman of the Executive Committee, Chief Executive Officer and the Managing Director are clearly segregated.

The Board approves the annual business plans proposed by management of the Company and its subsidiaries by reference to stated business direction, assessment of the target market conditions and discussions with key management personnel. Implementation of the approved business plan by management is guided and overseen by the Executive Committee, a sub-committee of the Board. Key operating results and information are provided monthly to each member of the Board which meets quarterly to review financial performance and approves the financial statements for communication to the investing public.

Through the Executive Committee, the Board ensures that the business positioning and operations are in line with strategic direction set and articulated.

In 2012, the Board redefined and expanded the Company's internet services (herein after referred to as ICT services) strategy to include internet, computer and communication services to better serve customer needs in a larger target market. As a result, the Company recorded much larger revenue streams from system integration and solution.

As there is an increasing trend and more customers are interested in ICT service in the year of 2013, the Board of Directors by the suggestion of the Executive Committees approved purchasing land to build the new Internet Data Center (IDC) in order to strengthen the ICT business of the Company, sufficiently supply the demand of the customers and help managing a diversification. IDC is finished at 2014 and now ready to serve the customer.

In addition, the Board ensures that the Company conducts its business within the statutory legal and regulatory framework. Non-executive Directors meeting takes place at least once a year to discuss the state of the Company for example business and financial performance, risk management, human resource management, cash flow and corporate reputation and identify areas of improvement.

2. Composition of the Board of Directors, the Appointment, and its Independence

2.1 The Board must hold qualification as stipulated in Section 68 of Public Limited Companies Act B.E.2535 pursuant to the related Notifications of Securities and Exchange Commission (SEC). The Company has to additionally consider knowledge, ability, experience, and management expertise of that person. The Directors must have adequate time and devote their knowledge and abilities in performing duties to the Company. There shall be sufficient directors to govern the corporation with not less than 5 as required by law, and not exceeding 12. The Directors shall have variety of experience, at least one director shall be experienced in the area of Telecommunications, and at least one in the area of Finance and Accounting.

2.2 The Board shall be representative of all shareholders, not of a particular group of shareholders.

2.3 The Board shall include independent directors, consisting of at least one-third of the entire Board, but not less than three people. More than one-half of the Board must be non-executive directors in order to ensure a good balance between executive and non-executive members.

2.4 The Board should have a policy in which there should be a proportional number of directors fairly representing the investments of the controlling shareholders of the Company.

2.5 Appointment of the Board shall be complied with under the Articles of Association of the Company and the prescribed relevant laws. Selection of directors shall be transparent and clear, and processed through the Nomination and Governance Committee. Considerations shall be made on the educational and professional background of the candidates. Sufficient decision-making information shall be provided to the Board and shareholders.

2.6 Directors shall have a term as defined in the Articles of Association of the Company. A retired director can be re-elected with no upper ceiling to the number of re-elections, with the exception to the independent directors who can serve on the directorship for a maximum of 3 consecutive terms, or no longer than 9 years.¹

2.7 Age limit for Directors¹

2.7.1 It is the Board's policy that an individual who will be 72 years of age or older at the time of appointment shall not be nominated as a director. When this policy becomes effective, current directors who are 72 years of age or older may still hold their positions for their remaining terms of office.

2.7.2 The Board may approve the nomination for re-appointment of directors who will be 72 years of age or older at the time of appointment for only one more term.

Presently, the Board consists of nine qualified and experienced directors in the relevant fields, including telecommunications, legal and accounting, as well as finance and business management.

Four Board members are representatives of two major shareholders; one is representative of CAT Telecom Plc. serving on behalf of the business license grantor; four are independent directors, who together account for 44.44 percent of the Board.

Qualifications of the Board of Directors

Directors of the Company have qualifications and characteristics as specified in the relevant laws. They have knowledge, capability and ethics in carrying out business and sufficient time to devote their knowledge and capabilities in performing duties for the Company. It is acceptable for them to be directors in other companies as long as such directorship does not hamper their performance in carrying out duties at the Company.

The Board also encourages the directors to attend training classes for roles and responsibilities of being a director, e.g., DAP, DCP, etc. in order to have a thorough understanding of their roles. The profile of the Company and its subsidiaries, relevant rules and regulations, and the Director's Handbook are normally provided to the directors, especially for new appointees. Business environment updates of the Company and its subsidiaries, e.g., market situation, technology, laws and regulations, etc. are also made to the Board regularly. This should enable the Board to have sufficient information, knowledge and understanding about the business of the Company, as well as the most current roles and responsibilities of being a director. The Board also encourages the directors to have continuing education programs to enable them to perform their duties effectively including corporate governance matters.

The Directors of the Company has already finished all the important courses concerning with the duty of directors. In the year of 2015, Directors have attended variety of courses related to their roles and responsibilities as follows:

1. Mr. Sithichai Chantravadee, Independent Director / Chairman of the Audit Committee / Member of the Nomination and CG Committee

- DCPU: Director Certification Program Update Class 5/2515 by Thai Institute of Directors (IOD)
- AACP: Advanced Audit Committee Program Class 21/2515 by Thai Institute of Directors (IOD)

Independence and Definition of the Independent Directors

The Company defines "Independent Director" in the Company's CG policy as a director who meets all the qualifications with regards to independence, in accordance with the guidelines of Capital Market Supervisory Board, SEC, and/or SET. He/She shall be able to equitably safeguard the interests of shareholders and prevent a conflict of interest. He/She shall also be able to give independent opinions in the Board and/or Sub-Committee meetings. Details of his/her qualifications are as follow;

1. Holding shares of not more than 0.5% of voting shares of the company, its parent companies, subsidiaries, affiliates, or being a

¹ Board No.1/2016 on 28 January 2016 approved the amendment of CG Policy as recommended by Nomination and CG Committee

juristic person who may have a conflict of interest. The share held by an independent director includes those owned by a related person(s) as prescribed by relevant laws and regulations.

2. Not being or ever having been an executive director, employee, or consultant who received a fixed salary from the Company, its parent companies, subsidiaries, affiliates, same class subsidiaries, or a juristic person who may have had a conflict of interest, except whereby he or she has vacated the office for longer than 2 years before being appointed an independent director. Such forbidden characteristics exclude a case of the Independent Director who used to be government official or advisor and is a major shareholder or controlling person of Company.

3. Not having relationship via blood or legal marriage registration as parents, spouse, sibling, and child of executives, major shareholder, controlling person or a person to be nominated as an executive or controlling person of Company or subsidiary.

4. Being a director who does not protect only the interests of the executives, major shareholders or shareholders related to the major shareholders.

5. Being able to perform the independent director's duties and to voice their opinions independently without the influence of the executives, major shareholders and their related parties.

6. The board is able to assign an independent director to make a collective decision about the operations of the Company, parent companies, subsidiaries, affiliates, same class subsidiaries, or conflicting entities.

7. Not having or ever had direct or indirect interests both financially and operationally from the Company, related companies, subsidiaries, affiliates, same class subsidiaries, or conflicting entities, except whereby he or she has relinquished their interests for longer than 2 years before being appointed an independent director.

The above business relationship includes normal business transactions, rent, offering for renting property, transactions about assets, services, offering or receiving financial assistance by lending, guarantee or other similar packages, which result in the Company or the counterparty to have liabilities of more than 3% of net tangible assets of the Company, or 20 MB, whichever is lower. SEC's regulation about RPT could be applied. Liabilities which happened during a period of 1 year before the beginning of a business relationship shall also be included in the calculation of the transaction.

8. Not being or ever having been an auditor of the Company or related companies, and not being a major shareholder, director, in management or partner of that audit firm, except whereby he or she has vacated the office for longer than 2 years before the appointment of being an independent director.

9. Not being or ever having been a professional advisor including legal advisor, financial advisor with a fee of higher than Baht

2 million per year for the Company or related companies. In the case where the advisor is a juristic person, this shall mean, not being the major shareholder, director, in management or partner of such an advising firm, except that he or she has vacated the office for longer than 2 years before being appointed an independent director.

10. For an occasional, necessary or appropriate event, during the term of office, an independent director may have a business relationship more than the determined level. However, a consensus of approval resolution, prior to the event, shall be obtained from the Board. Such a relationship by the director shall be disclosed as required by law.

11. Not operating similar or significant competitive business to the business of the Company or subsidiary, or not being significant partner in the partnership or Directorship with management participation, staff, employee, advisor with regular salary, or holding shares exceeding 1% of the total voting shares in other company where operates business similar to or significantly competes with business of the Company or subsidiary.

However, the Company's definition of the independent directors is stricter than the regulation of SEC in the topic of shareholding which SEC stipulates a maximum of one percent (while the Company allows to held not more than 0.5 percent of the voting shares).

3. Chairman of the Board and Chairman of the Executive Committee

The Company has a policy that the Chairman of the Board and the Chairman of the Executive Committee should be capable and possess appropriate experience and qualifications. They shall not be the same person, in order to balance the power between direction and management functions. The responsibilities of the Chairman of the Board and the Chairman of the Executive Committee are specified as follows:-

- **Chairman of the Board** is a non-executive Director, has responsibility as the leader of the directors in directing and monitoring the performance of the Executive Committee and the other Board appointed sub-committees in achieving its goals and objectives. He also chairs the Board meeting and the shareholders meeting. Currently, our Chairman of the Board is an independent director.

- **Chairman of the Executive Committee** takes responsibility as the leader of the executives of the Company, considers strategic direction that is appropriate with Company, together with Executive Committee and Board of Director, is responsible to the Board for supervising the management of the Company to achieve planned assignment.

4. Authorities, Scope of Duties, and Responsibilities of the Board

Major authorities, duties, and responsibilities of the Board are as follows;

1. To carry out duties in accordance with the laws, the objectives, the Articles of Association of the Company, and the resolutions of the shareholders' meeting in good faith and with care to preserve the interests of the Company

2. To consider, to approve and review the Company's strategic direction, annual business plan, budget and key performance indicators, and monitor the management the implementation of its strategic direction and the performance against business plan and budget.¹

3. To consider to approve or propose to shareholder to approve, where the case may be, the major transactions about business operations of the Company and its subsidiaries, such as new investment, asset acquisition or disposition, and other transactions specified by the law

4. To approve or agree to the related transactions between the Company and its subsidiaries in compliance with the relevant notifications, regulations and guidelines of the Stock Exchange of Thailand

5. To arrange to have a reliable accounting system, financial reports, auditing, as well as oversee the evaluation process for an appropriate, effective, and efficient internal control, internal auditing, risk management, financial reporting, and monitoring. There should be an independent sector, to monitor and annually review such system. This information should be disclosed in the annual report.

6. Provide a system, and organize the process in receiving complaint, including doing such process via www.csloxinfo.com

The regulations of such matters are provided in Reporting and Investigation of Misconduct and or Fraud and Whistleblower Protection Policy

7. To oversee for not having a case of conflict of interests between the concerned persons of the Company as well as to approve the Connected transactions and Conflicting transactions

8. To govern the Company to carry out the business ethically and in line with the principle of good Corporate Governance

9. To review the Company's CG Policy and assess due compliance at least annually

10. To conduct Board appraisal, as a group, annually

11. To appoint or delegate any power to any other persons to conduct the Company's business subject to the control of and within the time as may be specified by the Board, whereby such appointment or delegation of power may, at any time, be canceled, revoked, withdrawn or amended. Provided that the said appointment or delegation of power shall not be made in the manner that the Board or the person appointed or delegated then be able to approve any transaction to be entered into between the Board, the person appointed or delegated by the Board, or any person who may have conflict of interest or any other benefits (as stipulated by the Office of the Securities and Exchange

Commission) and the Company or the Company's subsidiaries, unless the approval for such transactions is in compliance with the policy and rules already approved by the Board.

12. To determine each director and executive to have duty in preparing and submitting the Report of Securities Holding in the Company by himself (herself), his(her) spouse, his(her) immature children, to the SEC, by using the 59-1 and 59-2 form, and by the timeframe stipulated in the Notification of the SEC no. Sor Jor 12/2552

13. To govern the business, employee development plan and succession plan to have a continuity in a long term period

14. To implement a guideline to manage in subsidiary and nominating the qualified person to be a director in subsidiary

5. The Sub-Committees

The Board has appointed four sub-committees, each with a specific charter, to assist the Board in focusing on key areas under the Board's responsibilities.

- Audit Committee
- Remuneration Committee
- Nomination and Corporate Governance Committee
- Executive Committee

The details will be provided below in section Sub-Committees

6. Company Secretary

On September 8, 2008, the Board passed a resolution to appoint Company Secretary to comply with the Securities and Exchange Act (No.4) B.E.2551. The incumbent Company Secretary is Ms. Sarisorn Chandaramya. The Company Secretary has a dual reporting line to the Board & its committees and the management. The Company Secretary Office has the following duties and responsibilities:

- Organize and facilitate the board and the sub committee meetings
- Organize the annual general meeting of shareholders, and record and publish the related minutes
- File all documents and related records
- Monitor and ensure that the Board is in compliance with all related laws and regulations
- Handle corporate governance issues and provide advice on these to the Board
- Assist shareholders, directors and members of management with any board-related matters
- Follow upon all resolutions passed and instructions given by the Board and shareholders' meetings
- Perform any other actions specified in the Securities and Exchange Act (No.4) B.E.2551 or related laws and regulations including notifications from the Capital Market Supervisory Board

¹ Board No.1/2016 on 28 January 2016 approved the amendment of CG Policy as recommended by Nomination and CG Committee

7. Meeting of the Board of Directors

The Board has policy to schedule Board's meetings of at least six times a year. The meetings are normally pre-scheduled for the entire year and inform the Board. Special meeting can be held where necessary. In organizing a meeting, the Company Secretary will coordinate with the Chairman of the Board and Chairman of the EXCOM to agree on a specific meeting agenda, the directors are freely to propose an agenda. The Company Secretary will then coordinate with the relevant parties and distribute the notice of meeting together with the meeting agenda and meeting documents to the directors at least seven days prior to the meeting date for the Board members to have sufficient time to digest the information. In case the meeting is not held monthly, in the month that the meeting is not held, the Company should provide the performance report to the Board for consideration and acknowledge.

At least two-thirds of the directors must be present at a meeting to constitute a quorum.¹

In 2015, the Board met for 9 times and the Non-Executive Directors met 1 times as detailed under the topic "Management Structure: Directors".

Each meeting would normally take around three hours, with the Chairman of the Board, or in his absence an appointed director, chairing the meeting. The Chairman is responsible for overseeing the meeting process and managing time for each agenda to be sufficient for the directors to discuss and express their opinions independently, taking into fair consideration the interest of the shareholders and stakeholders. The Board of Directors should encourage the executive to join the meeting in order to receive sufficient information for making consideration.

Where a director may have conflict of interest with any meeting agenda, he/she will excuse himself/herself from that agenda item.

The Board has established the Company's secretary to be responsible for writing and maintaining documents of Director's record, invitation letter of Board of Directors meeting, annual report, invitation letter of Committee and minutes of Shareholder Meeting, and report of interests of Directors and executives. The Board shall perform the duties responsibly, carefully, and honestly in compliance with laws, objectives of Company, resolution of Board of Directors meeting, and resolution of Shareholder Meeting.

Minutes of the meeting will be distributed by the Company Secretary to the directors for review and comments within 14 days from meeting date. The minutes and supplementary documents of each meeting are approved by the Board and kept in accordance with the law and represent records to evidence the Board's performance of duties in compliance with applicable laws, rules and regulations, and shareholders' meeting resolutions.

8. Directors and Management Remuneration

Every February, the Remuneration Committee considers,

analyzes, and recommends remuneration of the directors to the Board for further recommendation to the shareholders for approval. The RC also approves the remuneration make-up scheme of the management. The remuneration of the directors and the management should commensurate with their duties and responsibilities, be comparable to the industry standard, and attractive enough to retain qualified directors and management.

The Company's policy is to remunerate only independent directors and external directors. The executive directors do not receive remuneration for being a director.

Remuneration for each management personnel is linked with the operating performance of the Company and his/her working performance.

The remuneration will be in monetary and non-monetary form, the details were already provided in section Directors and Management Remuneration.

9. Succession Plan

Corporate Governance policy of the Company specifies that there should be a succession plan for the position of CEO, Managing Director (Top executive) and senior management to build up confidence among shareholders and staff that the operations of the Company will not be disrupted.

The Board has authorized the Nomination and Governance Committee to set up succession planning criteria and to nominate the new CEO and senior executives by consultation with the chairman of the Executive Committee whenever the position becomes vacant. The succession plan shall be reviewed annually and report the Board on a yearly basis.

For the year 2015 Nomination and CG Committee meeting No.1/2015, NCG Committee reviewed the succession plan for the position of CEO and Senior Management and recommended Human resources department to provide training courses for the position of successors.

10.Meeting of Non-executive Directors (NED)

CG policy of the Company also specifies that there should be meetings of the NED without the presence of executive directors from time to time as appropriate, to provide an opportunity for the NED to discuss any subject of interest relating to the business operations of the Company. The conclusions made at each meeting shall be reported to the Board and the Executive Chairman.

In 2015, Non-executive Directors met 1 times with the details specified under the topic "Management Structure: Directors: Non-executive Directors Meeting"

11.Performance Assessment of the Board of Directors

The Board of Directors evaluates its own performance as a whole and individual basis (Board Self-Assessment) annually in

¹ Board No.1/2016 on 28 January 2016 approved the amendment of CG Policy as recommended by Nomination and CG Committee

order to assess and improve the directors' own fiduciary duties and their compliance with corporate governance policy.

For the year 2015 Board agreed with the recommendation of Nomination and CG Policy for the evaluation its own performance in the Board Sub Committee.

Criterion for assessment of the Board and Board Sub Committee

The evaluation forms adopted as the guideline of Securities and Exchange Commission. The differences criterion are as follows:

The Evaluation form of the Board (As a Whole) consists of two (2) key components.

- **Component I:** The evaluation is related to the following six (6) aspects of its operation:

1. Board of Directors' structure and qualifications of the Board of Directors;
2. The roles, duties and responsibilities of the Board of Directors;
3. Board of Directors' meetings;
4. The Board's performance;
5. Relationships with management;
6. Directors' self-development and executive development.

- **Component II:** The opinions and suggestions provided by the Board of Directors so as to identify special issues in its performance or any aspects of the Company's operation.

The Evaluation form of the Board Sub Committee (As a Whole) [Nomination and CG Committee and Remuneration Committee] consists of two (2) key components.

- **Component I:** The evaluation is related to the following three (3) aspects of its operation:

1. Sub Committee structure and qualifications
2. Sub Committee Meeting
3. Role, duties and responsibilities of Sub Committee

- **Component II:** The opinions and suggestions

For the criterion of the evaluation form of Executive Committee same as the criterion of the others Board Sub Committee included 1 more aspects for evaluation the roles and duties of Executive Committees' Chairman.

The Evaluation form of the Board and Board Sub Committee (Individual basis) consists of two (2) key components.

- **Component I:** The evaluation is related to the following three (3) aspects of its operation:

1. Structure and qualifications of the committee
2. Director performance (himself) for the committee meeting
3. Roles, duties and responsibilities of director (himself)

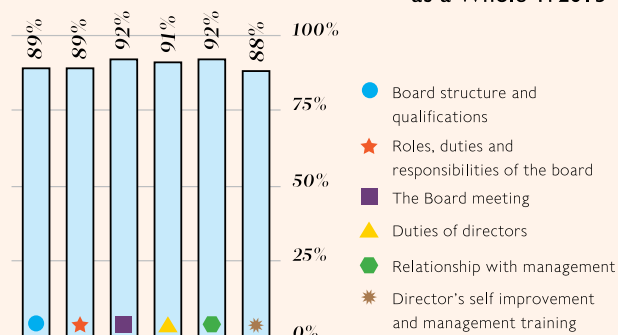
- **Component II:** The opinions and suggestions

Procedure

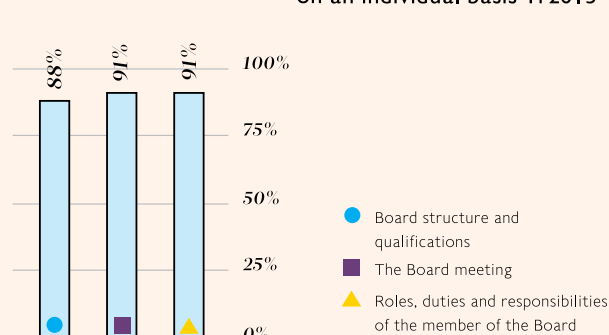
The Company secretary will propose the form to directors every year, then gather and report the result of assessment to the Board of Directors for consideration.

Evaluation results of Board and Board Sub Committee summarized as follow:

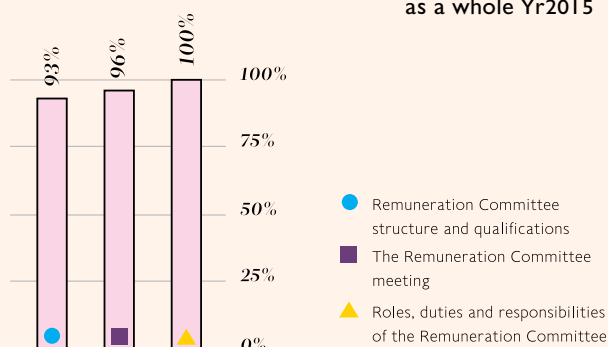
Self-assessment of the Board of Director as a Whole Yr2015



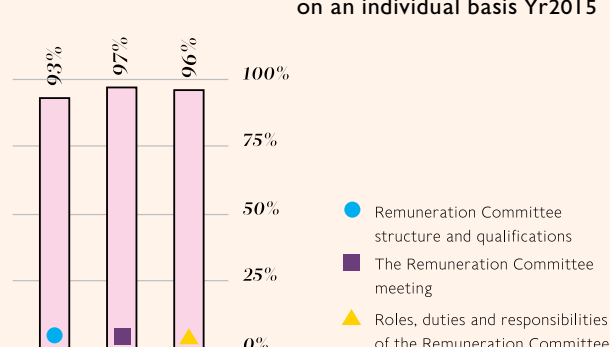
Self-assessment of the Board on an individual basis Yr2015



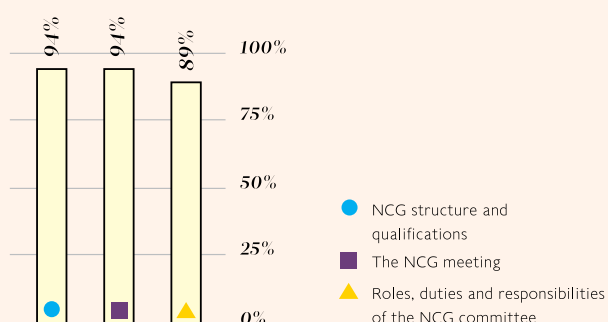
**Self-assessment of the Remuneration Committee
as a whole Yr2015**



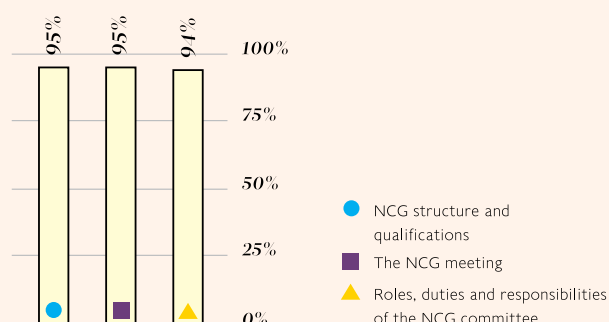
**Self-assessment of the Remuneration Committee
on an individual basis Yr2015**



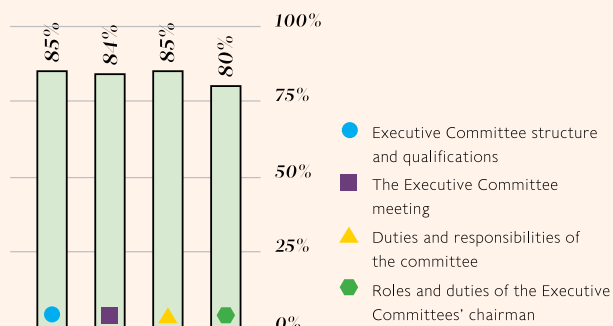
**Self-assessment of the Nomination Corporate Governance
Committee as a whole Yr2015**



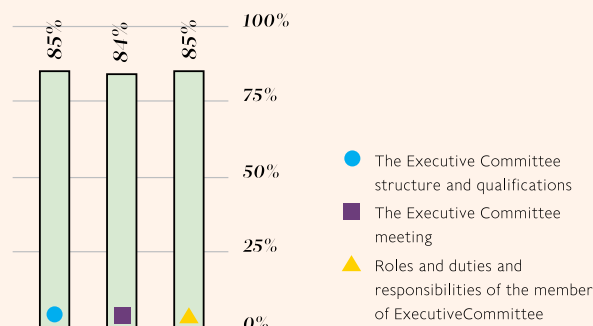
**Self-assessment of the Nomination Corporate Governance
Committee on an individual basis Yr2015**



**Self-assessment of the Executive Committee
as a whole Yr2015**



**Self-assessment of the Executive Committee
on an individual basis**



CHAPTER 2: SHAREHOLDERS' RIGHTS AND EQUITABLE TREATMENT AND ROLES OF THE STAKEHOLDERS

1. Shareholders' Rights and equitable treatment

The Board respects the shareholders rights and has duty to protect the rights of every shareholder equitably, regardless of type of shareholders, i.e., retail, foreign, institutional, or wholesale investor. Every shareholder shall have the following rights and equitability;

1. Right to receive the share certificates, transferring shares, acknowledging the information, operating performance and business policy, regularly, sufficiency and in a timely manner
2. Right to receive profit sharing, equitably, in the form of dividend
3. Right to attend the shareholders' meeting, expressing their

opinions, giving recommendations, and being involved in decision making for significant changes

4. Right to appoint and remove the directors
5. Right to grant approval for appointment of Auditors
6. Right to determine or amend regulations and memorandum of association
7. Other rights as specified in laws and article of association

To promote rights and equitable treatment of shareholders, since the AGM for the Year 2009, the Company has prescribed that shareholders holding at least 5 percent in the aggregate of the outstanding voting shares can propose the agenda items for the

annual general shareholders meeting and nominate an individual to become a director via the Company's website 2 months in advance.

For the Annual General Meeting of Shareholders for the Year 2015, the Company granted the right to shareholders holding not less than 1 percent in the aggregate of the outstanding voting shares to propose the agenda items and to nominate an individual to become a director 3 months in advance before the end of the Company's accounting period, during October 1, 2014 to December 30, 2014.

The rules and process in considering proposal of agenda from the shareholder, and qualification of the shareholder in proposing agenda are provided on the Company website. Such rules and regulation are in compliance with the related laws.

2. Shareholders' Meeting

The policy of the Company is to conduct the shareholders' meeting to be in compliance with the law, the Articles of Association and the guideline stipulated by the regulatory bodies. In 2015, there were one shareholders' meetings: the Annual General Meeting (AGM)

Every shareholder, including retail, foreign, institutional, or wholesale investor, shall have rights and equitable treatment in accessing information of Shareholders' Meeting. The Company has policy for the shareholders to access the meeting schedule and information on the website of the Company at least 30 days prior to the meeting date. Hard copies of the notice to the meeting and the meeting document are sent to the shareholders at least 21 days prior to the meeting date.

The Company provided notices, documents related to the meeting and the minutes in bilingual: Thai and English, and the translator was also provided during the meetings for the purpose of equally acknowledgement to foreign shareholders. Therefore, foreign shareholders will equally acknowledge all the information with Thai shareholders. The document normally contains necessary information as required by related law and regulations, including opinion of the Board, background or rationale information for each agenda item deemed useful for the consideration of the shareholders. For example in the agenda "To consider and approve the Financial Statement for the year", "To consider and approve dividends payment of the year" and "To consider and approve the appointment of the Company's external auditors" etc.

In the notice to the meeting, the Company always informs and attaches document required for meeting registration, proxy form, as well as the instruction in giving proxy together with name list and profile of at least one independent director to be the agent for the shareholders who cannot attend the meeting. All such notice and meeting documents will be published in the Company's website for not less than 30 days, and in newspaper for three consecutive days prior to the meeting. The minutes of the meeting shall also be published in the website for shareholders to access by 14 days after

the meeting date.

In the meeting registration process, the Company employs an advanced and reliable registration system to facilitate shareholders and quick vote counting. The registration process is ready to operate at least two hours before beginning of the meeting. In counting or examining the votes in shareholder meeting, the Board will use independent person or company in conducting such processes and will report to the meeting and take in a minute. The voting result will be disclosed the next day of the meeting on company website. A legal advising firm would be engaged to act as an external inspector to monitor the AGM to ensure its transparency, legitimacy, and conformance with the Article of Association of the Company. In order to promote better transparency in the votes counting, in the agenda of director election, voting process was done in the meeting room. Voting ballots will be collected from all present shareholders; agree, disagree or abstain.

In the 2015 AGM, the Chairman of the Board and all directors attended the meeting, with details under "8.1 Board of Directors: Meeting Participation", to answer questions arising from shareholders.

Before commencement of the meeting, the Company explained the voting method for common understanding of the shareholders. The voting results were recorded in the registration system. The meeting was conducted following the Article of Associations of the Company by using one share one vote basis for all agendas. The Chairman also encouraged the shareholders to express opinion and assured that sufficient time was provided to each agenda. When there was no more query in an agenda item, the voting results, which the shareholders had voted during the registration process, would be announced. There was no case that various unrelated matters were gathered for approval in one agenda item.

In the light of encouraging rights of shareholders according to corporate good governance, the Company invited a Right Protection Volunteer to the meetings.

The Minutes of the Shareholder Meeting shall clearly and completely include attendance list of directors and executive directors, voting and counting methods, voting results and resolutions to each agenda item as well as shareholder questions and answers and comments discussed in the meeting.

3. Role of the Stakeholders

The Company is aware of the rights of stakeholders and has policy to ensure the importance of the rights by the appropriate prioritization of all stakeholders, who are shareholders, employees, executives, customers, partners, creditors, society, and the public. Cooperation between stakeholders shall be made according to their roles and responsibilities so that the Company (We) can run smoothly and strongly in order to fairly benefit all groups of stakeholders as follow:

Shareholders

The Board of Directors strives to be a good representative of shareholders in carrying out business to maximize shareholders value with regards to the sustainable growth of the value of the Company in the long run, good and continual return, and the transparent and reliable information disclosure to the shareholders.

Employees

The Board of Directors values its employees as the most important resource and key factor of corporate success. Hence, the Board of Directors sets policy that support employees to improve their knowledge and skill by providing skills trainings, knowledge sharing workshops and learning opportunities to all employees for their self-development and career growth with the Company. The Employee Performance Assessment system integrates the employees' values with the corporate objectives to ensure that the business success is their mutual benefits. Moreover, the Board of Directors also has a policy to take care of environment of workplace by implementing the requirements of the, which has been certified since the year 2002 until present and a policy on employee benefits by providing health insurance and annual medical check-up and establishes provident fund for the staffs' long term benefit.

The Company provides employee handbook containing their rights and benefits of the employees. The handbooks are distributed publicly in prints and online at <http://intranet.csloxinfo.net/>.

Customers

We strive to make our customers confident and satisfied with top quality services with continual improvement at appropriate charges. We provide them reliable service information, keep good relationship, and do not disclose their information without prior permission except for information that has to be disclosed to the public by law.

Regulation regarding "non-disclosure" of customers and partners has been announced in written and enforced in September 1, 2012. The regulation is publicly announced via <http://intranet/csloxinfo.net/>

Partners

We are aware of the importance of partners and regard them as a critical factor in mutual building up of value to the customers. Therefore, we make relationship with groups of partner equitably for mutual business interest without breaching reputation or law.

Creditors

We pay attention to the importance of the creditors and strive to keep good relationship with them on the best interest of the Company. We also hold to the contract conditions committed with the creditors.

Competitors

We are aware of the benefits from competition toward business management and continual service quality improvement for the interest of customers. Therefore, we have policy to support and promote for free and fair trade, and have no policy to compete by means of having their information illegally and immorally.

The Company runs its business with sincerity, transparency and under Corporate Governance Policy. The Company will eliminate bribery and corruption as the Company realizes that bribery and corruption are harm to the free and fair competition in the market and damage the development of the economy and society.

In 2013, The Board approved the Company to sign in 'Declaration of Intent in View of Establishing Thailand's Private Sector Collective Action Coalition against Corruption' that will work in cooperation with Government, civil society, media, and international organizations to foster cleaner business practices.

The Company has provided Anti-Bribery and Corruption Policy to govern such issue and this is one of the code of conduct that all executive and employees should acknowledge and make into practice. In 2014, the Company was certified to be part of Collective Action Coalition.

We are Thai company that is community minded and strives to be a good corporate citizen to society. Our community service can reach out across the country. We have initiated a project to provide people, including children and people in remote area, with the information on correct usage of the internet to access useful information to enable wider learning and become a knowledge-base society.

In the year of 2013 the Board approved the Company to implement “Corporate Social responsibility Policy under Good Corporate Governance” in order to be a practical guideline for employees and for a sustainable development.

In 2014, the Board assigned the management team to create a sustainability report in order to illustrate that apart from the Corporate Governance that the Company complied, the Company also pay an attention to other matters such as society and environment.

CHAPTER 3: INFORMATION DISCLOSURE AND TRANSPARENCY

The Board values transparency and sufficient information disclosure that is embedded as a role and responsibility of the Board provided in “Corporate Governance Policy” as follows;

1. The Board shall have duties to disclose Vision and Mission of the Company, company business, the financial information, list of Directors and Executives, operating performance, and other relevant information accurately, sufficiency, completely, thoroughly, and timely to the shareholders and stakeholders having equal information, by making through channels and media available for publicizing information of the Stock Exchange of Thailand (SET), Securities and Exchange Commission (SEC), and the Company’s website www.csloxinfo.com.

2. There shall be an Investor Relations Unit representing the Company in communicating useful information to shareholders, investors, securities analysts, and concerned parties to learn about the Company.

3. In addition to information disclosure in line with a duty under laws and regulations, the Company has held a Mini Info Meeting, which announces the Company’s performance at least once a year, to investors and security analysts. The Chairman of Executives and concerned Executives have attended the meeting to explain and answer questions asked by investors, security analysts, fund managers, and interested persons.

4. The Company has a policy to disclose the following information to the public:

4.1 Objectives of the Company and nature of business and competition

4.2 Financial status and operating performance of the Company

4.3 Shareholding structure and voting rights

4.4 Name list of directors, committees, Chairman of the Executive Committee, Managing Director, including roles and

duties of the Board and sub-committee, their remuneration and the annual performance of the subcommittee under their roles and duties scope

4.5 Factors and policy on both material and foreseeable risk factor management, both operational and financial risks

4.6 Corporate Governance structures and policies including the responsibility of the committee regarding the financial report and the report of the Chairman of the Audit Committee, etc.

4.7 The number of meeting attendance of each director and/or each sub-committee member shall be compared with the total number of meetings of the Board and/or the Sub-committees in each year, which shall be illustrated in the annual report, including the course training and learning that the committee has attended

4.8 The Company will publicly disclose audit fees and other fees from auditors

4.9 Other information disclosure as stipulated by laws or related regulations

4.10 Disclosing the responsibility of Director under Financial report by disclosing with Auditor’s report, in annual report

4.11 Disclosing policy in remunerating Director and Executive from their duties and responsibility, and also form of the remuneration

Principles of disclosure of Information, scope, disclosure procedure and Market Communication are written in the Market Disclosure Policy.

Communicate with the Board

The Board has given an opportunity for stakeholders to directly communicate with the Board via an email: board@csloxinfo.net which is also provided on website of the Company.

Investor Relations (IR)

Investor Relations (IR)

The Company has established the Investor Relations Unit as the representative in communicating relevant and meaningful news and information to the shareholders, investors, securities analysts, and other relevant parties. Apart from the disclosure responsibility on financial information and quarterly and yearly operating performance, as required by law, the Company also arranges press conference immediately on the next working day after information discloses are made to the SET. This is to ensure the information will reach investors, interested parties and the public on a timely and thorough basis.

In 2015, . Briefing of quarterly and yearly operating performance was also arranged to the investors, analysts, and interested people as detailed below;

Analyst briefing

1Q2015 Quarterly Briefing	on May 12, 2015
2Q2015 Quarterly Briefing	on August 17, 2015
3Q2015 Quarterly Briefing	on November 11, 2015
2015 Annual Briefing	on February 23, 2016

Opportunity day

1Q2015	on May 14, 2015
2Q2015	on September 4, 2015
3Q2015	on November 13, 2015
2015 Annual Briefing	on February 25, 2016

You can contact IR of CSL at Tel. 02-263 8000 Extension 5184, or at email address: ir@csloxinfo.net for more information.

CHAPTER 4: INTERNAL CONTROL AND RISK MANAGEMENT

1. Internal Control

The Board is responsible for the Company's system of internal control to safeguard shareholders' investment and the Company's assets. Internal control facilitates the effectiveness and efficiency of operations, helps ensure the reliability of internal and external reporting, assist compliance with laws and regulations, and strengthens overall risk management of the environment within which the business operates. To this end, the Board has empowered the Audit Committee (AC), as part of its charter, to monitor the working of the internal control system within the Company and report its findings to the Board on a regular basis.

The AC is assisted by the external and internal auditors in its review and supervision of internal control operations within the Company. Both the external and internal auditors are independent of Management. The Internal Audit Office of the Company reports functionally and directly to the AC. The annual work plan of the Internal Audit Office forms the basis upon which the systems within the Company relating to internal control, risk management and corporate governance are reviewed and reported to the AC and Board of Directors.

2. Management Supervision

The Board, with its composition of skills and experience, annually considers and approves the strategic direction and

business plan developed by management to fulfill the goals of the Company. Management performance is reviewed on an ongoing basis, comparing actual performance against the business plan and budget, as well as other financial and operational reports submitted to the Board. Management performance is evaluated annually in the determination of compensation rewards.

3. Risk Management

The Company has a policy to manage all risks which may have an impact on the Company, to ensure that the Company operates within an appropriate and acceptable risk level.

A Risk Management Committee (RMC) is in place, comprising the MD as the Chairman, and the heads of major departments as committee members. The Internal Audit Office supports and monitors the risk management procedures to ensure that risk factors are identified, determined and managed properly.

The RMC meets quarterly to review and update Company risk profile which consists of both internal and external risk factors, risk level assigned, and status of high level risk factors.

The Chairman of the Risk Management Committee will update risk management effectiveness to the Audit Committee and the Board of Directors.

The Company has included corporate Code of Conduct as a part of the CG policy to act as guidelines and good practice for the directors, management, and staff to uphold the reputation of the Company. The Code of Conduct covers the following major topics.

1. Business Competition

The Company has a policy of free and fair competition, not bind the distributors to solely sell the products of the Company. The Company shall not acquire information of its competitors by any illegal or unethical methods.

The Company shall conduct its business with integrity and transparency, consistent with its Corporate Governance Policy. The Company denies bribery and corruption which can harm the fair and freedom of competition and damage the development of the economy and society.

The Company is a signatory to 'Declaration of Intent in View of Establishing Thailand's Private Sector Collective Action Coalition Against Corruption' that will work in cooperation with Government, civil society, media, and international organizations to foster cleaner business practices.

The Company has the Anti-Bribery And Corruption Policy which is incorporated into its code of conduct that binds all its executives and employees.

2. Conflicts of Interest

Directors, management and staff members at all levels involved in any outside interest or additional source of remuneration which may impair their independence towards performing their duties, or may affect the interests of the companies in the Group or their customers, thus the policy or regulations concerning with this matters have been implemented with the main principles as follows:

- The prohibition of personally receiving and offering of money or other benefit to the customer, partner, and anybody they are dealing with on behalf of the Company.
- All directors, management and employees should refrain from accepting gifts, either in monetary or non-monetary form, from the Company's business partners, suppliers, customers, creditors or any other person they are dealing with on behalf of the Company. The only exceptions are traditional, seasonal gifts which are in accordance with normal cultural practice. The value of any gift received may not be over 5,000 baht. If the value is above this amount, the recipient must consult his or her immediate supervisor for advice.
- All directors, management and employees can accept invitations to seminars, business events and company visits where the traveling expenses are sponsored by a business partner, suppliers, customers, creditors or any other person they are dealing

with on behalf of the Company. However, the aforementioned activities must benefit the Company's business and be authorized by the relevant authority. No director, manager or employee may accept spending money or other benefits for these events.

Therefore, The Company has drawn up the Policy & Practice Guidelines for the Board of Directors that covers the directors' activities such as gifts, accepting invitations to seminars, business events etc. This will ensure that all the directors act in a transparent and efficient manner without conflicts of interest, follow the principles of good corporate governance, abide by the Company' Anti-Bribery & Corruption Policy, and comply with all relevant laws.

- The directors, management, and staff members at all levels shall not engage in any other business that affects their performance, duties and working hours in the Company. A director or an executive, under the definition of the SEC, shall report his/her business involvement with the Company to his/her direct supervisor, whether it is his/her direct business, his/her family, or other legal entity, by using the specific Company form, immediately upon joining the Company, or immediately after entering into such a conflicting business, and to be updated on a yearly basis. The completed form shall be kept with the Company Secretary. For the avoidance of doubt, no director, management and staff member at all levels of the Company is permitted to be involved in any business which is in competition with the companies in the Group, regardless of whether the management or the staff directly or indirectly benefit from that business.

- The holding of director position in a company outside the Group shall not be barred provided it does not infringe on relevant laws and regulations, and approval in advance has been obtained from the authorized person, except for a director position in a non-profit organization.

3. Connected transactions within the Group

The Company is committed to complying with the principles of good corporate governance and transparency, and eliminating any conflicts of interest that may arise from transactions between the Company or its subsidiaries and related persons. In order to achieve this, the Related Party Transactions Policy ("this Policy") has been developed and adopted by the Board of Directors.

In 2015, The Company has improved the Related Party Transactions Policy, which the policy is more suitable as there are the duties, responsibilities, purpose and definition of the words. Moreover, other words and expressions associated with related-party transactions are defined in the Notification of the Capital Market Supervisory Board, Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock

The purpose of the policy is intended to;

- Ensure that all transactions between the Company or its subsidiaries and related persons comply with the relevant laws along with the regulations and guidelines of the regulatory agencies.
- Ensure that all related-party transactions are both transparent and reasonable, and provide the highest benefit to the Company similar to entering into transactions with independent third parties (on an arm's-length basis).
- Define the process of identification, review, approval and disclosure of all related-party transactions made by the Company and its subsidiaries.
- Ensure that all related-party transactions are disclosed in compliance with the notifications issued by the regulatory agencies and accounting standards of the Federation of Accounting Professions.

Review all related-party transactions or transactions that may lead to conflicts of interest and report to the Board for approve and/or agree with the related-party transactions of the Company and its subsidiaries, in order to ensure that such transactions are appropriate and beneficial to the Company.

4. Participation in Political Activities

The directors, executives, and staff can participate in political activities under the terms of the Constitution of Thailand. However, they could not claim the status of being a Company employee for the purpose of political activities, or to mislead that the Company is in support or in favors of a political party. The Company has the policy of politics neutrality. The directors, executives and staff shall resign from the Company if they would like to accept a political related position, or stand for both regional and national elections.

5. Human rights

The Company has a policy to support the internationally proclaimed human rights including the UN Declaration and conventions on human rights. Directors, executive directors and employees shall respect the personal dignity, privacy and the rights of each individual you interact with during the course of work and shall not in any way cause or contribute to the violation or circumvention of human rights.

6. Use of Inside Information, Trading of the Group's Securities, and Distribution of Information or Interview to the Press or the Public

The Company's Code of Conduct specifies that the directors, management, and staff, at all levels, shall not use market sensitive inside information of the Group for their own or others' interests

before such information is disclosed to the market and investing public the details related to this issue will be provided in section 9.5 Internal Information management.

In 2015, the Board has approved the Securities Trading Policy of CS LoxInfo Public Company Limited to preserve shareholder and investor confidence in trading of the Company's securities. Such Policy applies to all directors, executives and employees of the Company. Some areas of this Policy also extend to their spouses and minor children.

Insider Trading Prohibition

All directors, executives and all designated persons must comply with the insider trading prohibition as defined in Section 241 of the Securities and Exchange Act, B.E.2535: "In the purchase or sale of securities which are listed in the Securities Exchange or traded in an over-the-counter center, no person, whether directly or indirectly, shall purchase or sell, offer to or sell or invite any other person to purchase, sell or offer to purchase or sell securities which are listed in the Securities Exchange or traded in an over-the-counter center in such a way as to take advantage of other persons by using information material to changes in the prices of securities which has not yet been disclosed to the public and to which information he has access by virtue of his office or position, and whether or not such act is done for his own or another person's benefit, or to disclose such information so that he will receive consideration from the person who engages in the aforesaid acts."

Blackout Periods

All directors, executives and all designated persons are prohibited from trading CSL's Securities for a period of thirty (30) days prior to the disclosure or publication of the quarterly and annual financial statements, or any other period that the Company might specify from time to time.

All designated persons must report their holdings of CSL Group's Securities (including securities held by their spouses and minor children) to the Company.

Report of Securities Holdings

All directors and senior executives are responsible for preparing and disclosing their holdings of that company's securities (including securities held by their spouses and minor children) as well as any changes in their holdings to the Office of the Securities and Exchange Commission in compliance with Section 59 of the Securities and Exchange Act, B.E.2535.

Policy Violations

Any director, executive or employee who violates this Policy may face disciplinary action up to and including termination of employment, and may also be subject to criminal and civil liabilities under the Securities and Exchange Act, B.E. 2535.

Sub-committee

The Board has appointed four sub-committees, each with a specific charter, to assist the Board in focusing on key areas under the Board's responsibilities.

1. Audit Committee
2. Remuneration Committee
3. Nomination and Corporate Governance Committee
4. Executive Committee

I.

AUDIT COMMITTEE (AC)

Name	Position
1. Mr. Sitthichai Chantravadee	Chairman of the AC / Independent Director
2. Dr. Sillapaporn Srijunpetch ¹	Member of the AC / Independent Director
3. Mr. Suraphol Pluemarom	Member of the AC / Independent Director

¹ The director with knowledge and experience in reviewing financial statements of the Company with CPA No.3692. Currently, he is Assistant Prof. Dr. at Faculty of Commerce and Accountancy, Thammasat University. He has been in the field of finance and accounting for more than 10 years, and competent enough to review the financial statements.

The AC consists of three independent directors. The ones qualified and experienced in the financial and accounting fields are , Mr. Sitthichai Chantravadee, Dr. Sillapaporn Srijunpetch and Mr. Suraphol Pluemarom is qualified and experienced in the legal field. Every member has qualifications as specified under the guideline of the Capital Market Supervisory Board, the SEC. as well as meets the requirements of an independent director as defined in the Company's CG policy.

An AC has the same term as the directorship position. The term of the AC membership can be extended via re-election but for no more than nine consecutive years.

In 2012, the AC Charter was revised and approved to be in line with the amendment on qualifications and scope of duties of the AC stipulated by the Capital Market Supervisory Board, SEC, and SET issued in the same year. The revised AC Charter is as follows;

- Review the accuracy of the Company's financial reports in accordance with financial reporting standards, and ensure there is adequate disclosure.
- Review the changes to the Company's accounting policies and financial authorities delegated to EXCOM and Managing Director and give recommendation to the Board.
- Consider and make recommendations on the appointment and remuneration of the Company's external auditor, and changing the external auditor for compliance with the good corporate governance.
- Review independence of the auditor, give policy for the approval of non-audit services and make recommendations.

- The private meeting must arrange for at least in a year with the auditor of the Company without participation of the management.
- Review to ensure that the Company's internal control systems are suitable and efficient.
- Review the internal procedure concerning whistle blowing and complaint effectiveness.
- Supervise to ensure that the internal audit systems are efficient and effective.
- Review the independence of the Internal Audit Department, as well as agree with the appointment, rotation, termination, performance appraisal and merits of Internal Audit Department Head.
- Review and evaluate the performance of the Internal Audit Department and provide internal audit quality assurance.
- Approve Internal Audit Charter, organization structure and internal audit manual.
- Approve the annual internal audit plan, budget, manpower and training and development plan of Internal Audit Department to ensure consistency with nature and the level risks of the Company.
- Evaluate the risk management system for effectiveness regarding the business of the Company.
- Review the Company's compliance with Securities and Exchange Acts, regulations of the Stock Exchange of Thailand and any other relevant laws.
- Review and provide opinion on material connected transactions or the transactions which may lead to conflict of interest to be in compliance with the relevant law and regulations, as well as reviewing for the accurate and complete disclosure.

- Investigate any circumstances reported by the external auditor where a director, executive or other person responsible for the Company's operations, is suspected of committing an offense under the Securities and Exchange Act (No4) B.E. 2551. The Committee shall report the results of the preliminary investigation to the Board, the Office of the Securities and Exchange Commission, and the external auditor within thirty (30) days from the date reported by the external auditor. The type of suspicious circumstances that must be reported and the procedures for obtaining information pertinent to these are listed in and must comply with the notifications of the Capital Market Supervisory Board.

- Annually undertake a self-assessment program to evaluate the Audit Committee's scope of work and performance.

- Annually review and reassess the adequacy of this charter and recommend any proposed changes to the Board for approval.

- Perform other tasks requested by the Board, which agrees to by the Audit Committee

- have full access to and cooperation by management;
- have the power to invite members of the management, officers and employees of the Company or external parties to give statements, to attend the meeting and to deliver necessary documents;

- have direct access to the external auditors in the investigation of any matter within its terms of reference

- have the power to engage the consultant(s) or independent person(s) to provide opinion or advice if necessary, in accordance with the Company's regulations, and expense (with no budget provided) under the approval authority of the Managing Director; and

- Report the activities of the Audit Committee activities to the Board of Directors at least every quarter.

- To prepare the Audit Committee report to disclose in the Company's annual report and form 56-1. The report shall be signed by Chairman of the Audit Committee and shall contain at least below information.

- (a) Opinions about completeness, accuracy, and reliability of the Financial Statements

- (b) Opinions about adequacy of internal control system

- (c) Opinions about compliance with SEC Acts, regulations of the SET, any other relevant laws

- (d) Opinions about appropriateness of the external auditor

- (e) Opinions about transactions which may lead to conflict of interest

- (f) Number of Audit Committee Meetings and number of meeting attendance of each Audit Committee member

- (g) Overall opinions or observations from working according to the Audit Committee Charter

- (h) Other matters that shareholders and investors should know, under the scope of duties and responsibilities as assigned by the Board.

- In carrying out of Audit Committee's duties, if the Audit Committee finds or suspects below cases which may cause significant impact to the financial status and performance of the Company, the Audit Committee shall report the case to the Board for actions to be taken in the timeframe agreed to by the Audit Committee.

- 1) Transactions which may lead to conflict of interest.

- 2) Fraud, abnormality, or significant deficiencies in internal control system.

- 3) Breaking of the SEC Acts, regulations of the SET, any other relevant laws.

The Audit Committee shall arrange the meeting at least 4 times a year and shall annually evaluate its own performance and report the evaluation result to the BOD. The Audit Committee also has a meeting without an executive at least once a year.

2.

REMUNERATION COMMITTEE (RC)

Name	Position
1. Mr. Suraphol Pluemarom	Chairman of the RC / Independent Director
2. Dr. Sillapaporn Srijunpetch	Member of the RC / Independent Director
3. Mr. Paiboon Panuwattanawong	Member of the RC
4. Mr. Lee Han Kheng	Member of the RC

Base on the Charter of the Remuneration Committee, the committee shall compose of at least three (3) directors and at least one shall be non-executive directors.

Presently the RC consists of four directors. Two are representatives of the major shareholders, and two is an independent director. The scope of duties and responsibilities are as follows;

- Fix appropriate compensation and remuneration both monetary and non-monetary for members of the Board, Sub-committees, and senior executives of the companies in CSL Group
- consider the annual remuneration of directors and submit its recommendation to the Board of Directors and for the Shareholders' Meeting for approval
- prescribe criteria and policy for determining the remuneration of the Board and senior executives of the companies in CSL Group for the Shareholders' or the Board's approval, as the case may be;
- The Committee is responsible to the Board and has a duty to provide reason/answer relating to the remuneration of directors at the Shareholders' Meeting
- Engage consultant or independent person to give opinion or advice as necessary and in accordance with the Company's regulations
- Review and assess the adequacy of this charter and recommend to the Board if any change or amendment is needed
- Report the performance of important tasks to the Board on a regular basis and the important issues for the Board's knowledge
- Require the management, executives or concerned persons to give opinion, information or to participate in the meeting
- Carry out any other duties assigned by the Board

The Remuneration Committees shall arrange the meeting at least twice a year and shall make a self-assessment and report the result to the Board.

The scope of duty and authority of Remuneration Committee are written in the charter of Remuneration Committee.

Report of the Remuneration Committee

In 2015, the RC met 2 times to consider the matters under scope of duties which was specified in Remuneration Charter. Summarized as follows;

- Reviewed directors' remuneration policy and recommend the 2015 remunerations budget for independent directors and external directors to be equitable with the market and industry standards and commensurate with each member's responsibility and performance also, to be as an incentive for the directors.
- Considered the bonus payment of the Company & subsidiaries based on KPI results
- Considered the performance and bonus of executive based on KPI results, duties and responsibilities as assigned
- Oversee the 2014 annual performance of the Remuneration Committee performance and Remuneration Charter

The Remuneration Committee has made the self-assessment for the year 2015 in the form of whole committee and individual basis. The evaluation results are shown under the topic "Performance Assessment of the Board of Directors" page 66-68

3. NOMINATION AND CORPORATE GOVERNANCE COMMITTEE (NCG)

Name	Position
1. Dr. Sillapaporn Srijunpetch	Chairman of the NCG / Independent Director
2. Mr. Sitthichai Chantravadee	Member of the NCG / Independent Director
3. Mr. Paiboon Panuwattanawong	Member of the NCG
4. Mr. Lee Han Kheng	Member of the NCG

Based on the Charter of the NCG, the committee shall be composed of at least three directors with at least half of the committee being non-executive directors.

Presently the NCG consists of four directors. Two are representatives of major shareholders; the other two are independent directors. The scope of duties and responsibilities are as follows;

- Review with the Board, the criteria, minimum qualifications, necessary qualities or skills for being a board member as set forth in the Company's CG Policy, on a yearly basis
- Review and make recommendations to the Board, the size, structure, composition, term, processes and practices of the Board and the Board's sub-committees
- Identify, evaluate and recruit individuals qualified for being board members
- Consider the nominations for directors proposed by the Company's shareholders
- Recommend to the Board, the nominations for directors proposed for election at the Board or Shareholders' meeting, to fill vacancies or for newly-created directorships
- Recommend to the Board, the directors to be nominated for appointment as Executive Committee members, other sub-committees members, including Chairperson of the Board
- Consider and nominate the Company's representatives to sit on the boards of the Company's subsidiaries, associates and joint ventures
- Periodically review the Company's standards of director independence and recommend changes to the Board of Directors for approval
- Oversee the orientation program for new Board members
- Review and make recommendations to the Board regarding the Company's process for continuing education to be provided to the Board members
- Engage consultants or independent professionals to provide opinions or advice, if necessary, in accordance with the Company's regulations
- Oversee the annual performance evaluations of the Board, sub-committees of the Board (including a review by the Committee of its own performance), and each Board member. Review the evaluation results of each sub-committee. Report the evaluation results relating to the Board, sub-committees (including this Committee), and individual directors to the Board as appropriate
- Periodically review the Company's Corporate Governance Policy and recommend changes to the Board for approval
- Review and make recommendations to the Board regarding potential waivers of the Code of Conduct & Ethics involving Board members or executives as and when they may occur
- In consultation with the Chairman of the Executive Committee,

evaluate potential successors for the CEO, Managing Director [the Top Executive] and senior management, and report annually to the Board on succession planning

- Review and reassess the adequacy of NCG charter and recommend changes to the Board for approval on a yearly basis
- Report regularly to the Board matters within the scope of responsibilities of the Committee, as well as any special issues that merit the attention of the Board
- Perform other duties as required by law, or as deemed necessary, or as deemed appropriate, to ensure the effective functioning of the Board, the high quality corporate governance, and the effective ethics programs and compliance with the laws and regulations, or as the Board may assign from time to time.
- To determine policies and criteria for nominating members for the Board and Sub-Committees of the Company
- To nominate directors by considering suitable candidates for approval by the Board, and/or the Shareholders Meeting, as the case may require
- To consider suitable candidates to be nominated as Chairman of the EXCOM, if there is vacancy, as well as to determine criteria for succeeding the senior executives
- Others as assigned by the Board

The Nomination and Corporate Governance Committee shall arrange the meeting at least twice a year and shall make a self-assessment and report the result to the Board annually.

The scope of duty and authority of Nomination and Corporate Governance Committee is written in the charter of Nomination and Corporate Governance Committee.

Report of the Nomination and CG Committee

In 2015, the Nomination and CG Committee met 7 times to consider the matters under scope of duties which was specified in Nomination and CG Committee Charter. Summarized as follows;

- Considered matters under the scope of duties of the NCG
 - Reviewed the size, structure, composition, term, of the sub-committees
 - Reviewed the Company's representatives in the boards of its subsidiaries
 - Considered CG Policy
 - Considered succession plan for the position of CEO and senior Management
 - Reviewed the adequacy of the NCG Charter
 - Recommended directors in place of those to be retired by rotation and fix the authorized directors
- To review 2014 CG report to be disclosed in the Form 56-1, 56-2
- To review the Securities Trading Policy

To identify director candidates, The Nomination and Corporate Governance Committee considered a required field expertise, a diversity and structure of the Board and used the following sources: (1) Recommendations from current Board members (2) Proposals by the Company's shareholders who hold voting rights, as individuals or a group, equivalent to not less than five (5) percent of the total (3) Professional search firms (External Auditor) (4) Each specialist disciplines (5) The IOD director pool.

For the year 2015, the Nomination and Corporate Governance

Committee recommended Mr. Suraphol Pluemarom to be appointed as a new director for replacing Mr. Prathueng Srirodbang and also recommended Mr. Paiboon Panuwattanawong to be appointed as director for replacing Mrs. Suphatee Suthumpan.

The Nomination and CG Committee has made the self-assessment for the year 2015 in the form of whole committee and individual basis. The evaluation results are shown under the topic "Performance Assessment of the Board of Directors" page 66-68

4.

EXECUTIVE COMMITTEE (EXCOM)

Name	Position
1. Mr. Paiboon Panuwattanawong	Chairman of the EXCOM
2. Mr. Lee Han Kheng	Member of the EXCOM
3. Mr. Anant Kaewruamvongs	Member of the EXCOM
4. Mr. Vuthi Asvasermcharoen	Member of the EXCOM

The EXCOM consists of four Executive Directors. The scope of duties and responsibilities are as follows;

- Provide recommendations on the Company's strategic direction, core management structure for Board's approval so that the Company's operation can adjust to economic conditions and competition.
- Provide recommendations on annual business plan and budget for the Strategic Organizational Review Committee's consideration for Board's approval.
- Manage the Company's business operations in order to achieve the planned objectives and targets.
- Monitor the financial and operating results of the Company and the companies in the Group, and keep the board members informed by monthly report.
- Identify and evaluate new business opportunities.
- Review and make recommendations to the Board regarding the Company's dividend policy.
- Review and approve all transactions concerning investments and disposal of assets, human resource management, finance and treasury, general administration and any other transaction related to the Company's business within the limits of delegated approval authority granted by the Board.

The scope of the approval authority in accordance with paragraph 1, The Board of Directors has determined in writing separately.

- Oversee and manage the Company's investments and provide direction on key issues at companies in the Group before the relevant executive committee considers them.
- Review matters that require the Board's approval and make appropriate recommendations with the exception of activities that have been delegated to other Board sub-committees;
- Consider and review the Company's risk management and control system;
- The Committee may delegate its authority to any member of the management or staff as it deems appropriate. However, such authority does not permit the Committee or appointed persons to approve any transaction between them or related persons having mutual benefits or conflicts of interest (as prescribed in the Company's articles of association and Notifications of the Securities Exchange Commission). The approval for transactions shall be in accordance with the policies and principles already determined by the Board and regulatory bodies;
- Engage consultants or independent persons to provide opinions or advice if necessary;
- The Committee may ask members of the management or other persons to attend its meetings or provide pertinent information as necessary;
- Report to the Board on a quarterly basis regarding the material actions taken by the Committee under the CEO Report agenda;

- Annually review its own performance and assess the adequacy of this charter, which may be done in conjunction with the annual evaluation of the Board and its other committees, conducted under the oversight of the Nomination and Governance Committee; and
- Take any other action or assume any other powers and responsibilities that may from time to time be assigned or delegated to the Committee by the Board.

The scope of duty and authority of Executive Committee is specifically written in the charter of Executive Committee.

In 2015, the Executive Committee was held 12 times for consideration the matters which have been informed in advance for example; monthly performance of the Company and its subsidiaries, financial statement of each quarter, and etc.

- Consider strategic direction of the Company and subsidiary companies

- Considered KPI of the Company and subsidiary companies
- Considered Budget of the Company and subsidiary companies

- The Operating Results of the Company and the subsidiary companies (TMC/ADV)

- Reviewed and approved all transactions concerning investments and disposal of assets, human resource management, finance and treasury, general administration

- Made recommendations to the Board regarding the Company's dividend policy

And other transaction related to the Company's business within the limits of delegated approval authority granted by the Board. All activities were reported to the board, details are provided in Management Structure, topic "Role of the Board Committee" page 40-44

Recruitment and Nomination of Directors and High Level of Executives

1. Independent Director

Qualification of the Independent Director has already been stated in No. 9.1 Corporate Governance. For the nomination of independent director will be provided below.

2. Directors and Top Level of Executives

Directors Nomination and Appointment Process

The Board empowers Nomination and CG Committee (NCG) to determine standards and other criteria in selecting a qualified person to act as a director of the Company under the Company's Articles of Association and relevant laws, as well as to nominate such a qualified person to be a director of the Company where the office is vacant or new seat is created following shareholders' approval.

Since December 2008, the Board approved the CG policy change to allow qualified minority shareholders of the Company to nominate person(s) to be considered for election as director(s) of the Company in the shareholders meeting. In order to allow the Shareholders to fully exercise their right, the Board granted the right to shareholders holding in the aggregate of the outstanding voting shares to nominate an individual to become a director 3 months in advance before the end of the Company's accounting period, during the 1st of October to the 30th of December of each year.

In nominating a candidate for the director position, the NCG considers the educational background and professional experience of each nominated candidate before making recommendation

supported by relevant information to the Board or Shareholders Meeting for consideration and decision.

It is also the policy of the Company that in every AGM meeting, one third of the directors shall resign from their positions but are eligible to seek re-election. In case that number of the directors cannot be divided into three, the closest to one third of the directors shall resign from their positions. In the first and second year following the listing of the Company on the Stock Exchange of Thailand, the directors required to resign were determined from the drawing of lots. In subsequent years, the longest serving directors had to resign but were eligible to seek re-election to remain on the Board.

In the event the office of director is vacant due to reasons other than the rotational scheme described above, the Board shall elect a person who is qualified and has no prohibited characteristics in accordance with Clause 68 of the Public Company Act, B.E. 2535. The successful candidate will replace the vacated director in the Board meeting following the candidate's election. Unless the remaining tenure of the director vacating office is less than two months, a director who has been elected as a replacement shall retain this position only up to the remaining tenure of such preceding director.

As stipulated in the Company's Articles of Association, the shareholders meeting shall elect directors under the following rules and procedures.

1. All shareholders have voting rights equivalent to the number of shares being held.
2. Each shareholder may use all votes set forth in (1) to elect one or more directors. In case of election of a number of directors, those votes may not be divided in any proportion for any particular director.
3. Those who receive the highest respective votes shall be elected as directors in a number equal to those to be elected at such a meeting. In cases of tied votes cast, which would result in the number of directors greater than that permitted for the time being, the presiding chairman shall have a casting vote.

The Company has not determined the maximum number of occasions a director can be re-elected, or his/her age, but will take into consideration his/her time, capability and knowledge devoted to the Company in performing duties. However, for an independent director, The Company determines that an independent director

shall not serve the directorship for more than three consecutive terms or a total of nine years.

Top Level of Executives Nomination and Appointment Process

The Board has authorized the Nomination and Governance Committee to set up succession planning criteria and to nominate the CEO, Managing Director (Top Executive) and senior management by consultation with the Chairman of the Executive Committee to evaluate potential successors and report to the Board for consideration. The succession plan shall be reviewed annually.

Governance of Subsidiary or Joint Venture

The Company has 2 subsidiaries which are;

1. Teleinfo Media Public Company Limited (TMC) hold 100% of total shares
2. AD Venture Public Company Limited (ADV) hold 100% of total shares

The governance structure of the Board in subsidiary is as follows;

1. **Nomination and CG Committee (NCG) will consider and select a qualified person to be a representative of the Company to act as a director or executive in the subsidiary** before propose to the board for approval. NCG also review an appropriate of such position regularly and report to the Board.
2. **The Board has specified the roles and authorities of directors in subsidiary as follows;**

The roles and authorities of directors in subsidiary

- To carry out duties in accordance with the laws, the objectives, the Articles of Association of the Company, and the resolutions of the shareholders' meeting in good faith and with care to preserve the interests of the Company.
- To determine vision, policy, and direction of the Company, as well as to oversee and superintend the management to be in line with the policy effectively and efficiently for maximizing corporate value and shareholders' wealth.
- To consider, to approve or propose to shareholders to approve where the case may be, major transactions about business operations of the Company and its subsidiaries, such

as new investment and asset acquisition or disposal and other transactions specified by law.

- To arrange to have a reliable accounting system, financial reports, auditing, as well as oversee the evaluation process for an appropriate, effective, and efficient internal control, internal auditing, risk management, financial reporting, and monitoring. There should be an independent sector, to monitor and annually review such system. This information should be disclosed in the annual report.
- Provide a system and organized process in receiving complaint. The regulations of such matters are provided in Reporting and Investigation of Misconduct and or Fraud and Whistleblower Protection Policy.
- To oversee not having a case of conflict of interests between the concerned person(s) of the Company, as well as to approve connected and conflicting transactions.
- To appoint or delegate any power to any other person(s) to conduct the Company's business subject to the control of and within the time frame as may be specified by the Board, whereby such appointment or delegation of power may, at any time, be cancelled, revoked, withdrawn or amended. Provided that the said appointment or delegation of power shall not be made in the manner that the Board or the person

appointed or delegated then be able to approve any transaction to be entered into between the Board, the person appointed or delegated by the Board, or any person who may have conflicts of interest or any other benefits (as stipulated by the Office of the Securities and Exchange Commission) and the Company or the Company's subsidiaries, unless the approval for such transactions is in compliance with the policy and rules already approved by the Board.

- To determine each director and executive to have a duty in preparing and submitting the Report of Securities Holding in the Company by himself (herself), his(her) spouse, his(her) immature children, to the SEC, by using the 59-1 and 59-2 form, and by the timeframe stipulated in the Notification of the SEC no. Sor Jor 12/2552.

List of the CSL representatives in subsidiaries as a Director in subsidiary are as follows;

TMC		ADV	
Position in TMC	Name and Position in CSL	Position in ADV	Name and Position in CSL
Board Member and Executive Committee (EXCOM)	<ol style="list-style-type: none"> 1. Mr.Paiboon Panuwattanawong (Board and Chairman EXCOM of CSL) 2. Mr. Vuthi Asvasermcharoen (Board & EXCOM members-CSL) 3. Mr. Lee Han Kheng (Board & EXCOM members-CSL) 4. Mr. Anant Kaewruamvongs (Board & EXCOM members, CEO and MD-CSL) 	Board Member	<ol style="list-style-type: none"> 1. Mr. Anant Kaewruamvongs (Board & EXCOM members, CEO and MD, CSL) 2. Mr. Anuwat Sanguansappayakorn (CFO-CSL)

Authorities of executive in subsidiary;

- Conduct their duties as assigned
- In case the executive is also an Executive Committee (EXCOM) the duties are as follows;

- To determine the policies, directions, strategies and core management structure for business operations in line with economic and competitive conditions that have been defined and declared to Shareholders, for approval by the Board.

- To determine the business plans, budgets, and working authority limits of the Company for approval by the Board.

- To monitor efficient policy implementation and operating procedures according to favorable business conditions and report to the Board.

- To monitor the Company's operating performance to be in line with the approved business plan and report the comparison between actual performance and the plan to EXCOM and Board for consideration.

- To report the Company's performance and financial to the Board on the monthly basis.
- Others as assigned by the Board.

The Company has assigned Mr. Anuwat Sanguansappayakorn, Chief Finance Officer (CFO) to act as a Finance and Accounting Director (FDA) in Teleinfo Media Public Company Limited (TMC)

3. Internal Audit in subsidiary

We designated the management to be director or management in the subsidiaries and affiliate. To date, the subsidiaries were required to report its operating performance to the monthly Executive Committee Meeting. The Office of Internal Audit is also required to monitor and evaluate the adequacy of their internal control systems.

Use of Inside Information

The Company's Code of Conduct specifies that the directors, management, and staff, at all levels, shall not use market sensitive inside information of the Group for their own or others' interests before such information is disclosed to the market and investing public.

Although investment and trading in the Group's securities is the individual's right and freedom, the Code of Conduct requires the directors, management, and staff to avoid or suspend trading of the Group's securities for a period of one month prior to the disclosure of all financial statements to the public in order to prevent the conflict of interest.

In addition, for compliance with the clause No. 59 of the Securities and Exchange Act, B.E. 2535, the Company requires the

directors and management, including their spouse and minor child to report their securities holding and changes using the prescribed form and on the timing specified by the regulation. Such reports are presented to and acknowledged by the Board on quarterly basis.

The distribution of information relating to the Company shall be made only by the person having direct responsibility, or being specifically assigned, on the basis of fact, correctness, and prudence.

In 2015, the Board has approved the Securities Trading Policy of CS LoxInfo Public Company Limited. This Policy intends to provide rules and guidelines for trading the Company's securities, details are provided in page 74

Audit Fee

Audit Fee

1. Audit fee

In 2015, the Company and its subsidiaries paid auditor fee as follows:

- The Company paid audit fee to the auditor's firm in the amount of Baht 1,523,000 (excluded out of pocket expenses).
- The Subsidiaries paid audit fees to the auditor's firm in the amount of Baht 880,000 (excluded out of pocket expenses).

2. Non-audit service fee

- In 2015, the Company and its subsidiaries had no any paid the non-audit service fee to the auditor's firm.
- In 2015, the Company and its subsidiaries had paid the professional service for stock destruction observation in the amount of 15,000 Baht. The Company and its subsidiaries had neither additional fee nor additional fee from uncompleted services from previous year

Complying with Good Corporate Governance in other matters

According to CS LoxInfo Public Company Limited conducts the business with the good corporate governance that is following to the responsibilities, transparency and disclosure, our policies, call for balancing the benefits and respectful treatment of all stakeholders. We signed to become a part of the Collective Action against corruption and intend to contribute to the elimination of

corruption, by working in cooperation with civil society, media, and organizations to foster cleaner business practices.

In order to reach that goal, for the year 2015 the Company sent the request for cooperation to abstain from giving any gift to executive or staffs of the Company in the New Year Festival and other special occasions.

Roles of Social Responsibility

The company adheres to the guiding principles of Corporate Social Responsibility established by the Securities and Exchange Commission of Thailand in order to meet our key objectives and lead to sustainable development. We focus on providing a comprehensive range of sales and services to satisfy our customers' needs. We offer an extensive variety of ICT services that meet international standard quality so that our customers can employ the powerful technology to be internationally competitive. The company has leveraged technology as well as internal and external human resources, shareholders and partners to achieve our goals with honesty, transparency, and fairness. This is to ensure economic growth and environmental sustainability for our community and the country.



In terms of human resources, the company supports and respects human rights by incorporating this into our human resource management policy. We conduct business in accordance with the principles and spirit of the United Nations Universal Declaration of Human Rights to the extent we are permitted. Moreover, the company promotes occupational health and safety as well as a safe workplace environment, ensures equal opportunity in recruitment and selection, cultivates a sense of giving among our workforce, and builds awareness of the value of society, community, and environment. All of these are aimed to strengthen our organization and create sustainable growth in every aspect for the benefits of our customers, partners, shareholders, employees, community, and environment.

In 2015, the company has implemented its plan in compliance with the G4 Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI). We embrace corporate governance into all aspects of business management, taking into account economic, social, community and environmental matters. All these dimensions are integrated into our strategic planning to ensure business sustainability. We develop enhanced products and services to build innovation into our organization in many different ways. This creates added value that can be maximized to benefit stakeholders in all sectors through creating shared value (CSV) for our business and society. Also during this year, we have prepared reports according to the international standard Global Reporting Initiative (GRI). More details are available on the company's website: www.csloxinfo.com, under the section "Sustainability Report," and in printed version under the same title.

Audit Committee

Report

In 2015, the Audit Committee (AC) is composed of Mr. Sitthichai Chantravadee (Chairman), Dr. Sillapaporn Srijunpetch, and Mr. Surapol Pleumarom. The committee members have expertise in internal control, auditing, accounting and legal matters respectively.

All three AC members are not directors of the parent company, subsidiaries, affiliates, or same level subsidiaries of the Company. They possess qualifications as prescribed by applicable laws and regulations. In compliance with existing laws and regulations, the AC members own no shares in the Company; take no part in the management of the Company and do not act as auditors, consultants, business partners, or have any other involvement with the Company or its related companies. In particular, the AC members do not accept appointments that would specifically protect the interests of directors or major shareholders.

In 2015, the AC held seven meetings in total. In each meeting, relevant senior management, internal auditors, and, where appropriate, external auditors also attended to provide useful information and evidence so that the AC could carry out its duties and responsibilities under the AC Charter as assigned by the Board. During the year, the audit committee has addressed many important matters as set out in the AC Charter, which can be summarised as follows:

1. Review of Financial Statements

The AC, together with the company auditors and management, has reviewed the Quarterly and Year End financial statements of the Company, both on standalone and consolidated basis, before proposing them to the Board and the Annual General Meeting of Shareholders (AGM) for approval. This is to ensure that the financial statements are accurate, reliable, and compliant to the Accounting Standards of the relevant Accounting Act. The review focused on irregular accounting transactions, significant extraordinary transactions, adjustments, provisions and accounting estimates

as well as material information disclosures to ensure that they are properly stated, clear, adequate, timely and meaningful for the shareholders and other users of the published financial statements. In 2015, the AC has reviewed many significant matters, including impairment of asset, employee benefits obligations, and related party transactions.

Following its review and satisfactory response to inquiries, the AC had concurred to the financial statements for the year 2015 as unqualified opinion certified by the external auditor. The financial statements were then presented to the Board for further considerations before they were reported to the SEC, public investors and AGM.

2. Internal Control of the Company

The AC reviewed the adequacy of internal control of the Company on a regular basis, based on the findings from of both internal and external auditors. The AC would bring major issues of concern to the Board's attention together with remedial action to be taken. This approach motivated management of the Company to have in place adequate and effective internal controls in achieving operations efficiency and timely and accurate accounting of business transactions within a strong control environment. This year, the Company has expanded the implementation of control self-assessment (CSA) with 10 processes in total to all departments and planned to further implement this internal control next year.

Overall, the AC was of the opinion that the Company had internal controls that were adequate and appropriate for the company's operations.

3. Compliance with the SEC's and SET's laws and regulation and other laws relevant to the Company's business

The Company has a Legal & Compliance Unit that monitors, analyses and reports changes of laws, rules and regulations applicable to the Company, as well as ensures correct and complete compliance. In its reviews, the AC also ensures that the Company

adheres to relevant laws and regulations of the SEC and SET, as well as other laws relevant to the business of the Company. The AC was of the opinion that the Company has strictly and successfully complied with applicable laws, rules, and regulations.

4. Transactions which may cause conflicts of interest

The Company has a policy on conflict of interest and related party transactions that is in compliance with existing laws and regulations, and clearly communicated company wide. As permitted by law, a limited authority to sanction connected transactions has been delegated to the Managing Director of the Company. Connected transactions above the delegated authority level shall be presented to the Board for approval in advance. All connected transactions are identified and submitted quarterly to the AC for review. The AC was of the opinion that connected transactions in 2015, which were disclosed in the annual report, were in line with the business of the Company, on arm's length basis, and of normal commercial terms.

5. Risk Management Assessment

The AC has reviewed the quarterly meeting results of the Risk Management Committees of the Company and its subsidiaries, paying particular attention to risk factor identification, impact and risk mitigation to acceptable levels in accordance with the policy and established practices. The Audit Committee also assessed the Company's risk management plan and provided useful suggestions on how to effectively identify and manage risks. The AC was of the opinion that the Company has managed those risks identified in 2015 annual report in a prudent way.

6. Overseeing the Company's Internal Audit Function

The Office of Internal Audit of the Company reports directly to the AC. In 2015, the AC held meetings with the Office of Internal Audit to review vision, mission, strategy and audit policy; set medium-term plan (3 years); provide suggestions to improve the efficiency of internal audit work; and review and approve the internal audit annual work plan, including manpower, budget, and internal auditors' development plan, for both the Company and its subsidiaries. In the review, the AC took into account the sufficiency of human resources and budget, the risk-based assessment results, and the independence of internal audit. The AC then provided constructive suggestions on improvements to the Internal Audit function for its continuous development. In 2015, the Office of Internal Audit has followed its work plan much more efficiently and effectively, compared to the previous years.

7. Self-assessment of the AC

The AC has completed self-assessment of its performance in 2015 at both individual and committee levels, based on the AC Charter and established best practices. The results indicated that the scope of work covered by the AC in 2015 was in line with the AC Charter and established best practices both in terms of efficiency and effectiveness.

8. Appointment of the external auditor

The AC assessed the suitability of the external auditor subject to the Accounting Standard and auditor qualifications, especially for the independence criteria, based on the quarterly and yearly financial statements review, and the meetings with the external auditor and his audit team the AC was of the opinion that the auditor had appropriate qualifications and duly performed their duties this year.

The AC also conducted a meeting, to consider and propose the appointment of auditor and the audit fee for 2016 to the Board. Auditors from 4 leading audit firms were invited to propose the scope of audit work, qualifications and manpower required, other services, and audit fee. The AC concurred with the appointment of Mr. Chavala Tienpasertkij, Dr. Suphamit Techamontrikul and Mr. Permsak Wongpatcharapakorn from Deloitte Touche Thomatsu Jaiyos Co., Ltd (Deloitte) as the auditors of the Company with audit fee amount of 2.14 MB

In conclusion, in 2015, the AC was of the opinion that it had fulfilled its duties and responsibilities under the AC Charter, particularly for the supervision of the internal audit function, to ensure that the business of the Company and its subsidiaries was conducted with good governance, adequate internal control, and appropriate risk management. The reported financial statements were accurately prepared and disclosed in accordance with accounting standards as defined in the Accounting Act. The related party transactions were conducted in the normal course of business and under applicable laws. The Company strictly follows the applicable laws and regulations.



Mr. Sitthichai Chantravadee

Chairman of the Audit Committee

21 January 2016

Internal Control & Risk Management

The Board is responsible for the Company's internal control systems. The audit committee, as a sub-committee of the Board, is chartered to oversee the internal controls within the company in order to safeguard shareholders' investments and the company's assets and liabilities. Internal controls facilitate the effectiveness and efficiency of business operations, help ensure the reliability of internal and external reporting, assist compliance with laws and regulations, and strengthen overall risk management of the environment within which the business operates. The audit committee, supported by both the internal and external auditors, evaluates the internal control performance within the company on an on-going basis and regularly reports the results to the Board.

INTERNAL CONTROL

The company manages and controls risk by adhering to the principles of the Committee of Sponsoring Organizations of the Treadway Commission - Enterprise Risk Management (COSO-ERM), which consist of the following 8 elements:

1. Internal Environment

The Company establishes a strong control environment with appropriate organization structure that supports policy and planning and error free execution. Appropriate monitoring and control mechanism are put in place and regularly updated. Business transactions are subject to the Company's Code of Business Ethics. Directors and employees are held accountable to the Code of Conduct, anti-corruption policy, and misconduct and fraud prevention practices. Moreover, the Company is a certified member of the Thailand's Private Sector Collective Action Coalition against Corruption to foster transparent, corruption-free business environment.

2. Objective Setting

The Company establishes clear business goals and objectives which are in line with its missions and core objectives, both in terms of strategies and operations. Key aspects include sales revenue, costs, and profits; customers, new products and services; operating procedure improvement; and human resources. These objectives are set based on the company's risk appetite and tolerance. The Company regularly updates its business plan and strategies to reflect current market situation and changing risk factors.

3. Event Identification

The Company has delegated to the Risk Management Committee (RMC), which consists of the Managing Director and all Department Head who have knowledge and expertise in key business areas including marketing and sales, network operations, information technology, accounting and finance, and human resources, the responsibility to identify potential risks of internal and external events on a timely basis, so that appropriate response measures can be developed and deployed. On a quarterly basis, the both assessment and risk management result of The RMC are reported to both the Audit Committee and the Board.

4. Risk Assessment

The Company has a risk management policy which governs the operation of the Risk Management Committee (RMC) and reviewed by the Audit Committee. The committees meet quarterly to review and update the internal and external risk factors underlying the businesses. A model dimensioning the 'likelihood' and 'impact' associated with each risk factor identified is used to assist the RMC in determining appropriate response. The risk assessment and response plan are regularly documented in the RMC report which is shared with both the Audit Committee and the Board.

Key risk factors involve business competition, technology and consumer behavior changes, economic impacts, and investments in subsidiaries which need to be monitored and taken into account when doing business review for effective of operation continuing. In this year, the legal risks that are involved with its business operations have been evaluated and discovered that the risk level was still low. All these are aimed to make sure that the company will be able to operate and achieve its established goals.

5. Risk Response

The Company establishes that risk management is the responsibility of every employee. Risks arising in the normal course of business within the operating departments (operational risks) are addressed and resolved by the operating staff concerned. Risk factors identified by the Risk Management Committee as having a high likelihood of occurrence with significant adverse impact on the Company's business operations will be addressed with appropriate cost-effective measures, developed to either avoid or mitigate their impact.

In 2015, most risks were in acceptable level. However, some risks involve IDC service interruption and Electricity interruption required treatment plan; nonetheless, the company could mitigate these risks into acceptable level. Other risks that the company has to keep monitoring include competition risk, economic risk, and investments in subsidiaries.

6. Control Activities

The Company has clear policies and procedures that define key control activities in each operation. These policies and procedures are reviewed periodically to ensure they are consistent with and relevant to current operating environment.

The key control activities include the establishment of procedures for disbursement, procurement, general administration, delegation of approval authority and financial authority limits that are clearly defined in written, and separation of duties related to approval, recording of transactions and information, and asset management in order to maintain a check and balance. Apart from that, the Company also implemented ISO 9001, ISO27001, and Control Self-Assessment (CSA), which was initiated in 2014 with some selected operating departments. It turned out that the two processes which were evaluated using the CSA could be improved effectively. Therefore, in 2015; the Company has expanded the implementation of the other 8 processes to all departments and planned to continuously expand this program every year.

7. Information and Communication

The Company utilizes management information systems, including SAP, Sales system, and Service system, through which key data can be transmitted and processed. This allows the Company to produce reliable, timely, and consistent financial reports. The Company also has communication channels to cascade key information relating to corporate governance, policies and regulations, and procedures and practices to employees throughout the organization via the Company's website and intranet system. This provides employees with access to guide them in their personal conduct and business activities, and as feedback for improving their performance in the future.

The Company also has provided a whistleblowing system to allow employees to engage, by receiving any concerns from internal and external party on ethical or legal violations as the investigations are conducted in a timely manner and report the result to the senior management, the Audit Committee, and the Board.

8. Monitoring

The Company tracks and monitors its operating process and performance at several levels. The managers and supervisor groups are responsible for monitoring conduct and performance of their staff against acceptable behavior norms, business targets, and key performance indicators. Secondly, special purpose committees like the Management Committee and Risk Management Committee monitor business performance as specifically indicated in the respective charters. Thirdly, the sub-committees of the Board, namely the Executive Committee, the Audit Committee, the Nomination and Governance Sub-committee, and the Remuneration Sub-committee, review the Company's performance in various areas on a regular basis.

In the Meeting No.1/2016 held on 28 February 2016, where the AC also attended, the Board reviewed the adequacy of internal control within the Company as presented by the AC in a format prescribed by the Securities and Exchange Commission based on COSO's internal control framework. The framework incorporates 5 following factors: Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring activities. Following the review, the Board was of the opinion that the Company had adequate internal control to protect the business and its assets. The Board was of the further opinions that the Company had sufficient staff to uphold the integrity of the internal control system, and that the control monitoring system was sufficiently effective to safeguard the assets of the Company, detect conflict of interest in business contracts, identify related party transactions and unauthorized use of assets by directors or staff. It was showed by no any transactions has defect in materiality or key assets were lost and/or unauthorized use.

INTERNAL AUDIT

The Office of Internal Audit is an independent function that directly reports to the AC. It is responsible for auditing, analyzing, and evaluating internal controls, risk management, and financial reporting through innovative audit programs, it provides value adding recommendations on improvement in control systems, business process, and efficient use of resources. It also facilitates and support self-assessment to create a robust risk management environment and the audit work has performed in accordance with internal audit standards.

The Office of Internal Audit has set out medium-term vision, missions, strategies, and annual innovative risk-based audit plan which covers the operations of the Company and its subsidiaries. Based on the results of risk evaluation and management, the audit plan focuses on risk factors that will have impact on achievement

of the Company's objectives, the reliability of financial statements, and the assessment of fraud risk, under the approval of the Audit Committee. The assessment results and performance review are then reported to the AC on a quarterly basis as well as in the Audit Committee's ad hoc meetings.

In 2015, the Office of Internal Audit has reviewed key processes including revenue cycle of internet data center (IDC), purchasing and procurement, asset control, revenue cycle of content service of mobile phones of subsidiaries. The results together with recommendations have been discussed with the Auditee and already reported to the AC. The meeting has considered and gave some additional suggestions to further improve the productivity and operation efficiency.

CHIEF OF INTERNAL AUDIT

The AC performed its duties to supervise the internal audit, and appointed Ms. Nusara Vimanana as the Head of Internal Audit Office and secretary of the Audit Committee in accordance with the stated qualification requirements. The Chief of Internal Auditor is

responsible to perform internal audit work according to the visions and audit plan in an effective and efficient manner, and report the audit performance to the AC regularly. This year, it discovered that its performance was evaluated satisfactory.

CHIEF OF COMPLIANCE UNIT

The Company has established the Compliance unit to ensure that the Company operates in compliance with rules, regulations and guidelines of Capital Market Supervisory Board, the SEC, the SET and other relevant regulatory agencies. Mr. Anuwat

Saguansappayakorn, the Chief Financial Officer, served as the head of Compliance Unit, as he had adequate knowledge and experience to effectively perform compliance work as assigned.

Related Party Transactions

In 2014 and 2015, the Company and its subsidiaries entered into a number of transactions with related parties that may have conflicts of interest with the Company and its subsidiaries. These connected transactions arose in the ordinary course of doing business and according to normal trade conditions. Significant related transactions between the Company, its subsidiaries, and related companies are as follows:

I. RELATED PARTY TRANSACTIONS THAT MAY LEAD TO CONFLICTS OF INTEREST

Amount (Million Baht)

Transaction Description	Amount Dec 31, 2015			Amount Dec 31, 2014		
	INTOUCH Group	SINGTEL Group	Total	INTOUCH Group	SINGTEL Group	Total
Total sales and services income	334.28	2.46	336.74	426.32	2.46	428.78
Total other income	1.31	-	1.31	1.44	-	1.44
Total expenses	49.35	9.38	58.73	68.44	9.61	78.05
Total trade accounts receivable and others	60.65	1.15	61.80	73.28	1.21	74.49
Total satellite uplink equipment	6.26	-	6.26	19.29	-	19.29
Total trade accounts payable and others	9.36	1.01	10.37	23.66	1.08	24.74
Total finance lease liabilities	7.33	-	7.33	20.93	-	20.93

INTOUCH GROUP

The Company and its subsidiaries have entered into related transactions with connected persons

Amount (Million Baht)

Related Company	Relationship	Description	Amount as at		Reasons
			Dec 31, 2015	Dec 31, 2014	
MIMO Tech Company Limited (MMT) Development and providing information for mobile phone	AIS holds 99.99% shares in this company with shared directors	- Sales and services income - Other income - Trade accounts receivable and others	250.07 1.31 46.59	346.55 1.44 55.41	The subsidiaries provides content and value added service for mobile phone to customers such as game, ringtone, wallpaper , horoscope and etc , by the percentage of revenue. Service fee was charged under normal contracts and trade conditions on an arm's length basis. - Content and value added service for mobile phone to customers by SMS broadcast - Sale promotion
Thaicom Public Co.,Ltd. (THAICOM) Telecommunication satellite services operator	Hold 99.99% in DTV and shared directors	- Sales and services income - Expenses - Trade accounts receivable and others - Satellite uplink equipment - Trade accounts payable and others - Finance lease liabilities	24.45 11.89 3.58 6.26 3.36 7.33	37.46 26.55 10.87 19.29 14.55 20.93	The Company provides Uplink , service fee was charge under cost plus appropriated profits and internet service by connecting the network within and outside the country. Internet service fee was charged under normal contracts and trade conditions on an arm's length basis. - Uplink and monthly internet services charges - Equipments rental and technical services charges - Satellite uplink equipment - Satellite uplink equipment

Related Company	Relationship	Description	Amount as at		Reasons
			Dec 31, 2015	Dec 31, 2014	
<p>Advanced Wireless Network Co.,Ltd. (AWN)</p> <p>Provides telecommunication network services with Wifi internet, Public Broadband Multimedia Service, integrated digital network service, as well as fixed and wireless telecommunication network service.</p>	<p>AIS holds 99.99% shares in this company with shared director</p>	<p>- Sales and services income</p> <p>- Expenses</p> <p>- Trade accounts receivable and others</p> <p>- Trade accounts payable and others</p>	<p>15.73</p> <p>14.35</p> <p>2.31</p> <p>2.20</p>	<p>9.18</p> <p>7.07</p> <p>0.91</p> <p>1.11</p>	<p>The Company and its subsidiaries provide the following services;</p> <p>1) Internet service by connecting the network within and outside the country</p> <p>2) Furnishing information or content on mobile phone (Audiotex) such as astrology, lotto, sport and entertainment etc.</p> <p>3) Outsourcing call center service. It provides incoming and outgoing calls to businesses.</p> <p>Service fee was charged under normal contracts and trade conditions on an arm's length basis.</p> <p>The Company and its subsidiaries hire AWN to provide network operator, telecom service operator, computer system service provider and mobile services, handset sales and datanet equipment's rental. Service fee was charged under normal contracts and trade conditions on an arm's length basis.</p> <p>- Monthly internet services charges and a content on mobile phone (Audiotex) and outsourcing call center service</p> <p>- Domestic connectivity for provisioning of internet connection services , airtime of mobile service and handset sales and datanet equipment's rental</p>

Related Company	Relationship	Description	Amount as at		Reasons
			Dec 31, 2015	Dec 31, 2014	
Advanced Info Services Plc. (AIS) Mobile phone operator	INTOUCH holds 40.45% shares in this company with shared directors				The Company and its subsidiaries provide the following services; 1) Internet service by connecting the network within and outside the country 2) Furnishing information or content on mobile phone (Audiotex) such as astrology, lotto, sport and entertainment etc. 3) Online yellowpages and other web-based services 4) Outsourcing call center service. It provides incoming and outgoing calls to businesses. Service fee was charged under normal contracts and trade conditions on an arm's length basis. The Company and its subsidiaries hire AIS to provide network operator, telecom service operator, computer system service provider and mobile services, handset sales and datanet equipment's rental. Service fee was charged under normal contracts and trade conditions on an arm's length basis.
		- Sales and services income	4.44	9.62	- Monthly internet services charges and a content on mobile phone (Audiotex) and outsourcing call center service
		- Expenses	8.21	21.80	- Airtime of mobile service and SMS broadcast content on mobile phone (Audiotex)
		- Trade accounts receivable and others	0.29	1.19	
		- Trade accounts payable and others	0.10	3.21	

Related Company	Relationship	Description	Amount as at		Reasons
			Dec 31, 2015	Dec 31, 2014	
Super Broadband Network Co.,Ltd. (SBN) Telephone line rental for internet connection services provider	AIS holds 99.99% shares in this company with shared directors	- Sales and services income - Expenses - Trade accounts receivable and others - Trade accounts payable and others	0.63 9.94 0.02 3.48	1.34 13.54 0.09 3.56	<p>The Company provides internet service by connecting the network within and outside the country and server co-location. Service fee was charged under normal contracts and trade conditions on an arm's length basis.</p> <p>The Company rented telephone lines in domestic of internet connection services. Service fee was charged under normal contracts and trade conditions on an arm's length basis.</p> <p>- Monthly internet services charges and server co-location - Domestic connectivity for provisioning of internet connection services</p>
Advanced Contact Center Co.,Ltd. (ACC) Call center service	AIS holds 99.99% shares in this company with shared director	- Sales and services income - Trade accounts receivable and others	36.45 7.61	18.44 3.86	<p>The subsidiaries provided outsourcing call center service. It provides incoming and outgoing calls to businesses. Service fee was charged under normal contracts and trade conditions on an arm's length basis.</p> <p>- Customer service information provides for incoming call</p>

INTOUCH GROUP

Amount (Million Baht)

Related Company	Relationship	Description	Amount as at		Reasons
			Dec 31, 2015	Dec 31, 2014	
Other related companies	The affiliates in INTOUCH Group with shared directors	<ul style="list-style-type: none"> - Sales and services income - Expenses - Trade accounts receivable and others - Trade accounts payable and others 	2.51	3.73	<ul style="list-style-type: none"> - Monthly internet services charges - Expenses for services charges, advertising and others
			4.96	(0.52)	
			0.25	0.95	
			0.22	1.23	

SINGTEL GROUP

The Company and its subsidiaries have entered into related transactions with connected persons

Amount (Million Baht)

Related Company	Relationship	Description	Amount as at		Reasons
			Dec 31, 2015	Dec 31, 2014	
Singapore Telecommunications Limited (STC)	SINGTEL own 14.14% of the Company's share capital				<p>The Company provides internet service by connecting the network within and outside the country and server co-location. Service fee was charged under normal contracts and trade conditions on an arm's length basis.</p> <p>The Company rented international of internet connection services. It also operates the international connectivity.</p>
		- Sales and services income	2.46	2.46	- Monthly internet services charges and server co-location
		- Expenses	5.57	6.44	- Domestic and international connectivity
		- Trade accounts receivable and others	1.15	1.21	
		- Trade accounts payable and others	0.67	0.78	
Equinix Singapore Pte. Ltd. (EQX)	Same major shareholder				<p>The Company provides internet services and has a monthly based services charge. It also operates the international connectivity.</p>
		- Expenses	3.81	3.17	- Domestic and international connectivity
		- Trade accounts payable and others	0.34	0.30	

2.

THE NECESSITY AND REASONABLENESS OF TRANSACTIONS

Transaction Description	Price Policy
Revenues from monthly internet services fees	At market price
Revenues from transponder services, internet subscriber line fees, and broadband link services fees	Cost plus appropriated profits
Receivable and payable interest	At market price
Revenues and cost of agency and other commission fees	Cost plus appropriated profits
Technical services fees for IPSTAR and operating costs	At market price
Cost of server maintenance and operating costs	At market price
Telephone line rental fees for provision of internet connection	At market price
Advertising fees, telephone charges, computer program fees, accounting program fees and office rental fees	At market price
Space rental fees and server co-location, and domain name registration fees	At market price
Communication equipment maintenance fees and communication equipment rental fees	At market price

The above transactions have already been considered and approved by the Company's audit committee at the 2/2016 meeting held on February 9, 2016 with the opinion that such related transactions at present are part of normal business operations which support the group's business and are in its best interests. Consequently, the said transactions as per details above are necessary and reasonable and the return thereof is determined in consideration of appropriate market price or cost plus profit (Cost Plus).

Connected Transaction Approval Procedure

In the connected transaction approval procedure, for the transactions that are normal business operations, such as Internet services and telephone line rental and etc., the Company will set up conditions according to normal business practice using the market price normally charged to general customers or a determined price taking into account the actual cost incurred plus reasonable profit which is the rate charged to general customers. The Company will have its audit committee, or its auditor, or a specialist provide an opinion on the reasonableness of the transaction and price suitability.

As for other connected transactions, the Company will set up conditions according to normal business practice and the market price applicable to general customers will be used. If the market price is not available, the Company will cause an independent expert to obtain appropriate price and condition for the best benefits of the Company and its shareholders. Before taking such action, the Company has to obtain approval from the Board of Directors or shareholders as appropriate. The Company will have its audit committee, or its auditor, or a specialist provide an opinion on the reasonableness of the transaction and price suitability in approving the connected transaction to support the decision of the Company's Board of Directors or shareholders as the case may be.

The Company complies with the regulations of the SEC and SET on information disclosure of connected transactions, acquisition of major assets of the Company and its affiliates, and Financial Reporting Standard established by Federation of Accounting Profession.

3.

POLICIES AND FUTURE TREND OF CONNECTED TRANSACTIONS

It is projected that connected transactions in the future will still consist of normal business operations. Future connected transactions shall be in accordance with the above approval procedure.

Management's Discussion and Analysis

Business Overview for year 2015

CS Loxinfo ("CSL") reported consolidated revenue for Y2015 of Baht 2,964 million, a decrease of Baht 81 million or 3% and reported net income of Baht 315 million or Baht 0.53 per share, a decrease of Baht 85 million or 21% from Y2014. This was because growth of ICT Business did not offset declines of YellowPages, Voice Info Services and Mobile Content Businesses.

Otherwise, for Y2015, performance of the Separated financial statements (ICT Business segment), CSL had revenue from sales and services of Baht 2,274 million, an increase of Baht 52 million or 2% over Y2014 (Baht 2,222 million), and had a net profit for the year of 309 million Baht or 0.52 Baht per share which comprised:

- Net profit from operations of Baht 244 million, an increase of Baht 9 million or 4% over the profit before an extraordinary expense of Y2014. This resulted from continued growth of core products/services, especially in Internet Data Center Services.
- Dividends received from its subsidiary of Baht 65 million.

Therefore, the Board of Directors' meeting held on 10 February, 2016 passed a resolution to recommend to the Annual General Meeting of Shareholders, for the payment of dividends for the 2HF2015 performance of Baht 0.20 per share. The proposed dividend must be approved by the shareholders at their meeting, which will be held on 28 March, 2016.

BUSINESS SUMMARY

ICT Business

In Y2015, ICT Business grew from the previous year, especially in basic Internet Connection (Leased line), Internet Data Center (IDC) Services, ICT Solution Services and Cloud Computing.

As at the end of the end of Y2015, CSL had corporate client subscribers as follows:

Number of Subscribers	4Q2014	3Q2015	4Q2015
Leased Line (sub)	5,498	5,652	5,740
Internet Data Center: IDC (rack)	434	483	502

The number of subscribers for Leased line and Internet Data Center (IDC) Services continuously grew. This was a result of the growth of new customers and bandwidth usage for our corporate customers.

Media and Advertising on YellowPages Business

Operated by Teleinfo Media Plc. ("TMC"), a subsidiary, is the commercial search provider and largest directory publisher in Thailand. Its database consists of all types of products and services nationwide such as a business listing for business-to-business (B2B) and business-to-consumers (B2C).

Revenue from the publishing of the Thailand YellowPages has continued to decline. This was due to a change in advertisers' behavior that favored migration to online and other media channels that were cheaper, in parallel with a softer economy and lower purchasing power. Thus, the Company has been putting more effort into focusing on publishing various new virtual books such as "Factory", "Builder Guide", "Spare Parts" etc., as well as integrating print and online media to add more value to advertisers. Moreover, the Company is focusing on stringent cost and expense controls in order to compensate for a decline in the sale of advertising space in the Thailand YellowPages.

Otherwise, when considering the investment in TMC, had net loss of Y2015 of Baht 0.7 million. However, TMC still have positive net cash flow for Y2015. Moreover, when performing impairment of investment reviews found that there is no allowance for impairment of investments of the Company.

Voice Info Services and Mobile Content Business

This business comprises 1) Voice Info Services Segment, operated by Teleinfo Media Plc. ("TMC"), and 2) Mobile Content Segment, operated by AD Venture Plc. ("ADV"). The main revenue streams of these businesses come from information inquiries via the 1188 call center and content products such as general news, entertainment news, and horoscopes via Short Message Services (SMS) through all mobile phone networks and the Audiotex system (1900xxx).

The Voice Info Services and Mobile Content Business were directly impacted by the softening economy, lower purchasing power and customer behavior changes. Therefore, the Company is coping with new technology trends and customer behavior changes by focusing on selecting/developing new content to provide a variety of services, in parallel with developing various new applications for smart phones users and expanding to the corporate segment in order to attract customers. Moreover, the Company is focusing on stringent cost and SG&A management to minimize the impact on overall consolidated profit.

Operating Results

The consolidated financial statement for the year ending 31 December, 2015 compared to the consolidated financial statement for the year ending 31 December, 2014.

Unit : MB

	Period		Change
	2014	2015	(%)
Revenues from sales and services	3,014	2,934	(3)
Other incomes	31	30	(3)
Total revenue	3,045	2,964	(3)
Cost of sales and services	1,801	1,823	1
SG&A expenses	727	721	(1)
Financial cost	15	22	47
Operating profit	502	398	(21)
Income tax	102	83	(19)
Net profit before extraordinary items	400	315	(21)
Impairment loss	550	-	(100)
Net profit (Loss)	(150)	315	310
Earnings (Loss) per share	(0.25)	0.53	312

TOTAL REVENUE FROM SALES AND SERVICES

CS LoxInfo Plc. earned Baht 2,934 million in total revenue from sales and services in Y2015. The main revenue streams were, firstly, ICT Business; secondly, Media and Advertising on YellowPages; and thirdly, Voice Info Services & Mobile Content Services business. The details are as below:

1. Revenue from ICT Business

Revenue from ICT Business for 2015 was Baht 2,274 million, an increase of Baht 52 million or 2% over last year (Baht 2,222 million). The details are as below:

Revenue from ICT Business	2014 (MB)	2015 (MB)	Change (%)
Leased Line Services	1,364	1,398	2
Internet Data Center Services (IDC)	226	262	16
ICT Solution Services	536	525	(2)
Broadband Services	46	36	(22)
Other value added services	50	53	6
Total	2,222	2,274	2

- Revenue from core products and services, Leased line and Internet Data Center (IDC) has continuously grown. This resulted from new customer and bandwidth growth in the corporate segment.
- Revenue from ICT Solution Services slightly decreased from Y2014. This resulted from the percentage of completion of ICT project sales.
- Revenue from Broadband services still decreased from last year due to intense price competition. At present, the Company has started to launch a new marketing strategy to provide new broadband services in some selected areas (for condominium customers only). Currently, this service still contributes a low proportion of revenue and cannot compensate for the decrease in traditional broadband services. However, the Company believes these new broadband services can be competitive and has long term growth potential. Furthermore, during Y2015, the company launched the first phase trial services for some condominiums along skytrain and subway lines such as Sukhumvit, Ratchadaphisek, Lat Phrao and Phahon Yothin areas etc., which has had good user response.

2. Revenue from Media and Advertising on YellowPages

Revenue from Media and Advertising on YellowPages for Y2015 was Baht 237 million, a decrease of Baht 53 million or 18% against last year (Baht 290 million) due to the continual decline from the sale of advertising space in the Thailand YellowPages Books, while online media (YellowPages Online) had mild growth and lower prices when compared to print media, so it could not compensate for a decline in the sale of advertising space in the Thailand YellowPages.

3. Revenue from Voice Info Services & Mobile Content Services

Revenue from Voice Info Services & Mobile Content Services for Y2015 was Baht 423 million, a decrease of Baht 79 million or 16% against last year (Baht 502 million). This was due to the softening economy and lower purchasing power, in parallel with technology and customer behavior changes.

COST OF SALES AND SERVICES

Costs for sales and services for Y2015 was Baht 1,832 million, an increase of Baht 22 million or 2% over last year (Baht 1,801 million). The details are given below:

1. Cost of ICT Business

Cost associated with ICT Business for Y2015 was Baht 1,464 million, roughly equivalent to that in Y2014 (Baht 1,462 million). This was due to the efficiency in internet network cost (media leased line) management.

2. Cost of Media and Advertising on YellowPages

Cost of Media and Advertising on YellowPages for Y2015 was Baht 87 million, a decrease of Baht 18 million or 17% over last year (Baht 105 million). This was due to cost & expense controls in order to compensate for a decline in revenues.

3. Cost of Voice Info Services & Mobile Content Services

Cost of Voice Info Services & Mobile Content Services for Y2015 was Baht 272 million, an increase of Baht 38 million or 16% over last year (Baht 234 million). This resulted from the higher cost of content and R&D costs for the application on smartphone services in order to create a variety of products/services to serve to attract evolving customers' wants and usages in both consumer and corporate markets.

SELLING AND ADMINISTRATIVE EXPENSES

Selling and administrative expenses for 2015 was Baht 721 million, slightly decreased from last year (Baht 727 million). The details are given below:

1. Selling and administrative expenses of ICT Business

Selling and administrative expenses of ICT Business for 2015 was Baht 497 million, an increase of Baht 24 million or 5% over last year (Baht 473 million), mainly increased from staff expenses from the expansion in internet data center services and marketing activities for our corporate customers.

2. Selling and administrative expenses of Media and Advertising on YellowPages

Selling and administrative expenses of Media and Advertising on YellowPages for 2015 was Baht 183 million, a decrease of Baht

15 million or 8% against the previous year (Baht 198 million). This was due to SG&A controls in order to compensate for the decline in revenue.

3. Selling and administrative expenses of Voice Info Services & Mobile Content Services

Selling and administrative expenses of Voice Info Services & Mobile Content Services for 2015 was Baht 41 million, a decrease of Baht 15 million or 27% against last year (Baht 56 million). This was due to SG&A controls in order to compensate for the decline in revenue.

EXTRAORDINARY ITEM

In 3Q2014, the Company recognized an impairment loss for goodwill (in the Consolidated Financial Statement) and an impairment loss for investment (in the Separated Financial Statement) in Teleinfo Media Public Company Limited (YellowPages Business, a subsidiary) in amount of Baht 550 million and Baht 443 million, respectively. This was due to the advertising space sales in YellowPages books continuously decreasing. However, the loss from impairment is a non-cash item that has no impact on the operation and the liquidity of the Company.

GROSS PROFIT AND NET PROFIT FROM THE OPERATION

In Y2015, CSL had gross profit of Baht 1,111 million, a decrease of Baht 102 million or 8% against the previous year (Baht 1,213 million). Moreover, net profit from operations for Y2015 was Baht 315 million, a decrease of Baht 85 million or 21% against profit before a one time expense in the same period last year (Baht 400 million). This mainly resulted from a decline of Voice and Mobile Content Business performance, which was directly impacted by the softening economy and lower purchasing power, in parallel with technology and customer changes.

Financial Position

The major asset components comprise the following;

	31 December 2014		31 December 2015	
	MB	% of total assets	MB	% of total assets
Cash and cash equivalents	386	21	399	21
Trade accounts receivable, accrued income and other receivable	491	26	523	27
Other current assets	44	2	24	1
Total current assets	921	49	946	49
Property, plant and equipment - net	815	43	811	43
Other non-current assets	159	8	151	8
Total assets	1,895	100	1,908	100
Short-term loans	230	12	190	10
Trade and other accounts payable	436	24	452	24
Current portion of long-term loans	60	3	60	3
Unearned income and advances received	186	10	186	9
Other current liabilities	42	2	29	2
Total current liabilities	954	51	917	48
Long term loan	160	8	120	6
Other non-current liabilities	169	9	214	11
Total liabilities	1,283	68	1,251	65
Issued and paid-up share capital	149	8	149	8
Premium on ordinary shares	321	17	321	17
Legal reserve	5	0	15	1
Unappropriated	137	7	172	9
Total equity	612	32	657	35

ASSETS

As at 31 December, 2015, CSL had total assets of Baht 1,908 million, an increase of Baht 13 million or 1% from the end of Y2014. This was due to the following:

- Trade accounts receivable, accrued income and other receivables – net increased Baht 32 million or 7% from Y2014,

mainly from advances for equipment and software for ICT Business and cloud computing.

- Other current assets decreased Baht 20 million from the end of last year. This resulted from ICT project sales completed and delivered to our customers.

LIABILITIES AND EQUITY

Liabilities

As of 31 December, 2015, CSL had total liabilities of Baht 1,251 million, a decrease of Baht 32 million or 3% from the end of Y2014. This was due to the following:

- Short-term and long-term loans from the financial institution decreased Baht 80 million from the repayment during the period.
- Other non-current liabilities increased Baht 45 million from the end of last year. This resulted from the recognition of additional employee benefit obligations because principal actuarial assumptions have changed. Moreover, the Company operates a defined benefit pension plan based on the requirement of the Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. (Please see more details in the note to financial statements No. 17 “Employee benefit obligations”)

Total Equity

As of 31 December, 2015, CSL had total equity of Baht 657 million, an increase of Baht 45 million or 7% from the end of Y2014. This was due to the following:

- Profit from operations for Y2015 of Baht 315 million or Baht 0.53 per share
- Dividend payments totaling Baht 238 million, which consisted of:
 - 2HF2014 dividend payment of Baht 95 million (0.16 Baht per share), and
 - 1HF2015 dividend payment of Baht 143 million (0.24 Baht per share)
- Recognition of actuarial losses arising from re-measurement in present value of the estimation of the amount of future benefit that employees have earned in return for their service in the current and prior periods; comply with TAS 19 “Employee Benefits” of Baht 32 million.

Accounts Receivable Analysis

As of 31 December, 2015, the Company had trade accounts receivable and accrued income – net of Baht 409 million or 22% of total assets. The trade accounts receivable comprised of third parties and related parties, representing 86% and 14% of total trade accounts receivable, respectively. The average collection period was 50 days, roughly equivalent to that in Y2014 (normal collection period of the Company was 15 – 120 days). As at 31 December, 2015, the Company had an allowance for doubtful accounts of Baht 58 million or 12% of total trade accounts receivable. The allowance covered the trade accounts receivable over 12 months.

Normal credit terms of trade accounts receivable based on business segments are as follows:

ICT Business

Trade accounts receivable consists of two types of customers:

- Individual customers equal to 2% of total trade accounts receivable, provided with a credit term of 30 days

- Corporate customers and government agencies equal to 98% of total trade accounts receivable, provided with a credit term of 30 – 90 days

Media and Advertising on YellowPages Business

1. Full payment with a credit term of 30 days
2. For advertisers of YellowPages – BKK books shall pay as follows:

- Full amount with a credit term of 30 days for advertisers with an amount less than Baht 35,000
- Four installments within 120 days for advertisers with an amount equal or more than Baht 35,000

Voice Info Services & Mobile Content Business

Normal credit term is 30 days.

The liquidity of CSL remained in a healthy status. As at 31 December, 2015, the Company's current ratio was 1.03 times, a slight increase from 0.97 times in Y2014. This resulted from a loan repayment loan with the financial institution during the period.

The Company had cash flow from operations for Y2015 of Baht 516 million, a decrease of Baht 70 million or 12% from the same period last year, which stood at Baht 586 million. This was due to the decline of YellowPages Business, Voice Info Services and the Mobile Content Business.

Furthermore, the Company had cash flow from investments for Y2015 of Baht 159 million, which mostly for normal CAPEX for ICT Business and an expanding in new Internet Data Center Building ("THE CLOUD DATA CENTER").

As at 31 December, 2015, the Company had cash of 399 million Baht in consolidated financial statements and 209 million Baht in the Separated financial statements, respectively.

Board of Directors'

Responsibility for Financial Reporting

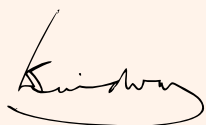
The Board of Directors is responsible for CS LoxInfo Public Company Limited's financial statements and CS LoxInfo Public Company Limited and its subsidiaries' consolidated financial statements, including the financial information presented in this annual report. The aforementioned financial statements are prepared in accordance with Thai Financial Reporting Standards, using careful judgment and the best estimations. Important information is adequately and transparently disclosed in the notes to financial statements to the Company's shareholders and investors.

The Board of Directors has provided and maintained a risk management system and appropriate and efficient internal controls to ensure that accounting records are accurate, reliable and adequate to protect its assets and uncover any weaknesses that may be presented in order to prevent fraud or materially irregular operations.

In this regard, the Board of Directors has appointed an Audit Committee to be responsible for reviewing the accounting policy and financial reports, internal controls, internal audit and risk management system. The Audit Committee has also reviewed a disclosure of related party transactions. All their comments on these issues have been included in the Audit Committee Report which is presented in this Annual Report.

The financial statements of the Company and the consolidated financial statements of Company and its subsidiaries have been examined by an external auditor, Mr. Supot Singhasaneh (CPA No. 2826) of KPMG Phoomchai Audit Limited. To conduct the audits and express an opinion in accordance with generally accepted auditing standards, the auditor was provided with all of the Company's records and related data as requested. The auditor's opinion is presented in the auditor's report as part of this Annual Report.

The Board of Directors believes that the Company's overall internal control system is sufficiently effective to ensure the integrity and reliability of CS LoxInfo Public Company Limited's financial statements and CS LoxInfo Public Company Limited and its subsidiaries' consolidated financial statements for the year ended December 31, 2015. The Board of Directors also believes that all these financial statements have been prepared in accordance with Thai Financial Reporting Standards and related regulations.



Prof. Wongkulpat Snidvongs na Ayudyha

Chairman of the Board of Directors



Mr. Paiboon Panuwattanawong

Chairman of the Executive Committee

Independent

Auditor's Report

To the Shareholders of CS Loxinfo Public Company Limited

I have audited the accompanying consolidated and separate financial statements of CS Loxinfo Public Company Limited and its subsidiaries (the "Group") and of CS Loxinfo Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2015, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated and Separate Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2015 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

D. Pimhananul.

(Supot Singhasaneh)

Certified Public Accountant

Registration No. 2826

KPMG Phoomchai Audit Ltd.

Bangkok

10 February 2016

Statement of Financial Position

CS Loxinfo Public Company Limited and its Subsidiaries

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2015	2014	2015	2014
		(in Baht)			
Current assets					
Cash and cash equivalents	5	399,460,490	386,197,914	208,919,102	241,585,238
Trade accounts receivable and accrued income	6	409,051,288	404,559,269	283,575,625	273,735,201
Other receivables	7	113,881,585	86,190,536	60,624,651	32,081,512
Inventories	8	21,732,021	42,824,272	20,133,693	36,099,240
Other current assets		2,339,288	1,287,985	539,157	719,223
Total current assets		946,464,672	921,059,976	573,792,228	584,220,414
Non-current assets					
Investments in subsidiaries	9	-	-	155,563,997	155,563,997
Property, plant and equipment	10	810,979,585	814,586,413	771,993,990	758,432,731
Other intangible assets	12	67,848,543	82,511,088	55,473,476	61,430,890
Deferred tax assets	13	59,329,758	52,981,878	33,648,162	27,278,154
Other non-current assets		23,609,675	23,623,771	15,325,548	15,329,644
Total non-current assets		961,767,561	973,703,150	1,032,005,173	1,018,035,416
Total assets		1,908,232,233	1,894,763,126	1,605,797,401	1,602,255,830

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

Statement of Financial Position

CS Loxinfo Public Company Limited and its Subsidiaries

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2015	2014	2015	2014
		(in Baht)			
Current liabilities					
Short-term loans from financial institutions	14	190,000,000	230,000,000	190,000,000	230,000,000
Trade accounts payable	15	285,551,548	265,345,856	255,661,440	238,708,312
Other payables	16	166,385,785	170,508,333	120,169,313	125,454,426
Current portion of long-term loans					
from financial institution	14	60,000,000	60,000,000	60,000,000	60,000,000
Current portion of finance lease liabilities	14	8,403,654	15,353,640	8,064,163	14,840,749
Unearned income and advance receipts		186,578,802	185,595,430	72,219,283	71,411,487
Income tax payable		5,446,275	12,045,972	1,852,012	2,677,359
Other current liabilities		15,055,439	15,070,371	13,543,026	12,508,344
Total current liabilities		917,421,503	953,919,602	721,509,237	755,600,677
Non-current liabilities					
Long-term loans from financial institution	14	120,000,000	160,000,000	120,000,000	160,000,000
Finance lease liabilities	14	5,228,762	11,595,227	4,674,445	10,701,418
Employee benefit obligations	17	189,132,041	133,679,505	122,810,167	79,035,707
Other non-current liabilities		19,634,044	23,698,038	16,164,827	20,295,824
Total non-current liabilities		333,994,847	328,972,770	263,649,439	270,032,949
Total liabilities		1,251,416,350	1,282,892,372	985,158,676	1,025,633,626

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

Statement of Financial Position

CS Loxinfo Public Company Limited and its Subsidiaries

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2015	2014	2015	2014
		(in Baht)			
Equity					
Share capital	18				
Authorised share capital		148,628,692	148,628,692	148,628,692	148,628,692
Issued and paid-up share capital		148,628,692	148,628,692	148,628,692	148,628,692
Additional paid-in capital					
Premium on ordinary shares	18	321,205,395	321,205,395	321,205,395	321,205,395
Retained earnings					
Appropriated					
Legal reserve	19	14,862,869	5,339,406	14,862,869	5,339,406
Unappropriated		172,118,927	136,697,261	135,941,769	101,448,711
Total equity		656,815,883	611,870,754	620,638,725	576,622,204
Total liabilities and equity		1,908,232,233	1,894,763,126	1,605,797,401	1,602,255,830

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

Statement of Comprehensive Income

CS Loxinfo Public Company Limited and its Subsidiaries

		Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
	Note	2015	2014	2015	2014
		(in Baht)			
Income					
Revenue from sale of goods and rendering of services		2,934,218,871	3,013,436,880	2,274,910,726	2,222,047,826
Investment income	22	2,811,927	2,921,517	66,150,772	210,997,226
Other income	23	26,813,205	28,547,740	11,657,712	21,177,303
Total income		2,963,844,003	3,044,906,137	2,352,719,210	2,454,222,355
Expenses					
Cost of sale of goods and rendering of services		1,823,186,065	1,800,668,379	1,464,946,111	1,461,931,373
Selling expenses		130,624,665	139,529,313	104,468,397	100,293,832
Administrative expenses		561,507,052	560,157,747	363,715,175	345,126,460
Impairment losses on goodwill and investment in subsidiary	9, 11	-	550,013,793	-	443,094,391
Management benefit expenses	4	29,223,328	27,215,336	29,223,328	27,215,336
Finance costs	26	21,413,762	15,184,782	19,270,711	12,993,743
Total expenses		2,565,954,872	3,092,769,350	1,981,623,722	2,390,655,135
Profit (loss) before income tax expense		397,889,131	(47,863,213)	371,095,488	63,567,220
Income tax expense	27	82,792,633	102,072,505	61,971,697	61,379,710
Profit (loss) for the year		315,096,498	(149,935,718)	309,123,791	2,187,510

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

Statement of Comprehensive Income

CS Loxinfo Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2015	2014	2015	2014
(in Baht)					
Other comprehensive income					
Items that will never be reclassified to profit or loss					
Defined benefit plan actuarial losses	17	(40,431,017)	-	(34,126,952)	-
Income tax on other comprehensive income	27	8,086,203	-	6,825,390	-
Other comprehensive income for the year, net of income tax		(32,344,814)	-	(27,301,562)	-
Total comprehensive income for the year		282,751,684	(149,935,718)	281,822,229	2,187,510
Earnings (loss) per share	29				
Basic earnings (loss) per share		0.53	(0.25)	0.52	0.004

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

Statement of Changes in Equity

CS Loxinfo Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements				
				Retained earnings		
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Total equity
Year ended 31 December 2014		(in Baht)				
Balance at 1 January 2014		148,628,692	462,211,565	31,364,288	571,435,847	1,213,640,392
Transactions with owners, recorded directly in equity						
Dividends to owners of the Company	30	-	-	-	(451,833,920)	(451,833,920)
Total transactions with owners, recorded directly in equity		-	-	-	(451,833,920)	(451,833,920)
Comprehensive income for the year						
Profit or loss		-	-	-	(149,935,718)	(149,935,718)
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	(149,935,718)	(149,935,718)
Transfer legal reserve to compensate for the deficits	20	-	-	(31,364,288)	31,364,288	-
Transfer premium on ordinary shares to compensate for the deficits	20	-	(141,006,170)	-	141,006,170	-
Transfer to legal reserve	19	-	-	5,339,406	(5,339,406)	-
Balance at 31 December 2014		148,628,692	321,205,395	5,339,406	136,697,261	611,870,754

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

Statement of Changes in Equity

CS Loxinfo Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements				
				Retained earnings		
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Total equity
Year ended 31 December 2015		(in Baht)				
Balance at 1 January 2015		148,628,692	321,205,395	5,339,406	136,697,261	611,870,754
Transactions with owners, recorded directly in equity						
Dividends to owners of the Company	30	-	-	-	(237,806,555)	(237,806,555)
Total transactions with owners, recorded directly in equity		-	-	-	(237,806,555)	(237,806,555)
Comprehensive income for the year						
Profit or loss		-	-	-	315,096,498	315,096,498
Other comprehensive income		-	-	-	(32,344,814)	(32,344,814)
Total comprehensive income for the year		-	-	-	282,751,684	282,751,684
Transfer to legal reserve	19	-	-	9,523,463	(9,523,463)	-
Balance at 31 December 2015		148,628,692	321,205,395	14,862,869	172,118,927	656,815,883

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

Statement of Changes in Equity

CS Loxinfo Public Company Limited and its Subsidiaries

	Note	Separate financial statements				
				Retained earnings		
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Total equity
Year ended 31 December 2014		(In Baht)				
Balance at 1 January 2014		148,628,692	462,211,565	31,364,288	384,061,335	1,026,265,880
Transactions with owners, recorded directly in equity						
Dividends to owners of the Company	30	-	-	-	(451,831,186)	(451,831,186)
Total transactions with owners, recorded directly in equity		-	-	-	(451,831,186)	(451,831,186)
Comprehensive income for the year						
Profit or loss		-	-	-	2,187,510	2,187,510
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	2,187,510	2,187,510
Transfer legal reserve to compensate for the deficits	20	-	-	(31,364,288)	31,364,288	-
Transfer premium on ordinary shares to compensate for the deficits	20	-	(141,006,170)	-	141,006,170	-
Transfer to legal reserve	19	-	-	5,339,406	(5,339,406)	-
Balance at 31 December 2014		148,628,692	321,205,395	5,339,406	101,448,711	576,622,204

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

Statement of Changes in Equity

CS Loxinfo Public Company Limited and its Subsidiaries

	Note	Separate financial statements				
				Retained earnings		Total equity
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	
Year ended 31 December 2015		(In Baht)				
Balance at 1 January 2015		148,628,692	321,205,395	5,339,406	101,448,711	576,622,204
Transactions with owners, recorded directly in equity						
Dividends to owners of the Company	30	-	-	-	(237,805,708)	(237,805,708)
Total transactions with owners, recorded directly in equity		-	-	-	(237,805,708)	(237,805,708)
Comprehensive income for the year						
Profit or loss		-	-	-	309,123,791	309,123,791
Other comprehensive income		-	-	-	(27,301,562)	(27,301,562)
Total comprehensive income for the year		-	-	-	281,822,229	281,822,229
Transfer to legal reserve	19	-	-	9,523,463	(9,523,463)	-
Balance at 31 December 2015		148,628,692	321,205,395	14,862,869	135,941,769	620,638,725

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

Statement of Cash Flows

CS Loxinfo Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2015	2014	2015	2014
		(In Baht)			
Cash flows from operating activities					
Profit (loss) for the year		315,096,498	(149,935,718)	309,123,791	2,187,510
Adjustments for					
Depreciation	10	146,560,126	132,702,730	124,989,281	108,196,184
Amortisation of intangible assets	12	20,872,862	20,418,358	12,073,924	11,802,732
Impairment losses on goodwill and investment in subsidiary	9,11	-	550,013,793	-	443,094,391
Impairment losses on intangible assets	12	1,781,073	6,809,760	-	-
Investment income	22	(2,811,927)	(2,921,517)	(66,150,772)	(210,997,226)
Finance costs	26	21,413,762	15,184,782	19,270,711	12,993,743
Unrealised loss (gain) on exchange		29,050	(1,772)	29,050	(1,772)
Doubtful debts expense		20,143,156	18,708,648	2,215,354	5,889,492
Allowance for decline in value of inventories		463,040	282,431	372,331	282,431
Loss (gain) on disposal of property, plant and equipment		(2,245,387)	417,953	(2,518,027)	90,254
Loss on disposal of intangible assets		8,591	84,014	8,591	14
Employee benefit expenses		10,650,166	14,277,674	6,546,804	6,305,052
Write-off of withholding tax		29,497	-	-	-
Income tax expense	27	82,792,633	102,072,505	61,971,697	61,379,710
		614,783,140	708,113,641	467,932,735	441,222,515

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

Statement of Cash Flows

CS Loxinfo Public Company Limited and its Subsidiaries

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2015	2014	2015	2014
	(In Baht)			
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable and accrued income	(24,635,175)	(10,372,327)	(12,055,778)	(39,636,066)
Other receivables	(28,062,641)	21,989,477	(28,543,139)	8,941,681
Inventories	20,629,211	24,899,291	15,593,216	25,927,144
Other current assets	(1,051,303)	7,099,238	180,066	3,913,374
Other non-current assets	14,096	199,764	4,096	(188,395)
Trade accounts payable	20,205,692	(8,717,936)	16,953,128	4,408,086
Other payables	5,591,240	14,064,975	3,243,296	13,431,923
Unearned income and advance receipts	983,372	(74,031,051)	807,796	(31,974,977)
Other current liabilities	(14,932)	3,384,838	1,034,682	4,191,432
Other non-current liabilities	(4,063,994)	823,517	(4,130,997)	1,370,520
Cash generated from operating activities	604,378,706	687,453,427	461,019,101	431,607,237
Employee benefits paid	(809,641)	(8,306,036)	-	-
Refundable withholding tax	11,317,852	31,558,870	-	22,096,990
Income tax paid	(98,629,765)	(124,750,938)	(62,341,662)	(62,443,546)
Net cash from operating activities	516,257,152	585,955,323	398,677,439	391,260,681
<i>Cash flows from investing activities</i>				
Interest received	2,811,927	2,921,517	1,125,432	970,753
Dividends received	-	-	65,025,340	210,026,473
Purchase of property, plant and equipment	(151,051,835)	(319,569,097)	(145,203,249)	(310,168,599)
Sale of property, plant and equipment	2,968,631	3,144,970	2,934,052	610,363
Purchase of intangible assets	(8,282,402)	(14,275,243)	(6,360,751)	(9,378,428)
Net cash used in investing activities	(153,553,679)	(327,777,853)	(82,479,176)	(107,939,438)

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

Statement of Cash Flows

CS Loxinfo Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2015	2014	2015	2014
		(In Baht)			
<i>Cash flows from financing activities</i>					
Interest paid	30	(16,232,768)	(15,622,304)	(16,170,007)	(15,376,366)
Dividends paid to owners of the Company		(237,806,555)	(451,833,920)	(237,805,708)	(451,831,186)
Finance lease payments		(15,372,524)	(16,516,600)	(14,859,634)	(12,892,856)
Proceeds from borrowings		360,000,000	520,000,000	360,000,000	520,000,000
Repayments of borrowings		(440,000,000)	(190,000,000)	(440,000,000)	(190,000,000)
Net cash used in financing activities		(349,411,847)	(153,972,824)	(348,835,349)	(150,100,408)
Net increase (decrease) in cash and cash equivalents		13,291,626	104,204,646	(32,637,086)	133,220,835
Cash and cash equivalents at 1 January		386,197,914	281,991,496	241,585,238	108,362,631
Effect of exchange rate changes on balances held in foreign currencies		(29,050)	1,772	(29,050)	1,772
Cash and cash equivalents at 31 December	5	399,460,490	386,197,914	208,919,102	241,585,238
<i>Non-cash transactions</i>					
Acquisitions of equipment through credit		19,006,753	28,438,121	18,156,713	26,449,472
Acquisitions of intangible assets through credit		1,111,664	1,394,084	1,111,664	1,347,314

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

Notes to

the Financial Statements

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Notes to the Financial Statements

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 10 February 2016.

I.

General information

CS Loxinfo Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok 10400.

The Company was listed on the Stock Exchange of Thailand in April 2004.

The Company’s major shareholders during the financial year were DTV Service Co., Ltd., a subsidiary of Thaicom Public Company Limited, incorporated in Thailand (42.07% shareholding) and Singapore Telecommunications Limited, incorporated in Singapore (14.14% shareholding).

The principal activities of the Company are the provision of internet data centre services, internet and satellite uplink-downlink services for domestic and international communications. The principal activities of the Group are printing and publishing of telephone directories businesses and providing mobile contents. Details of the Company’s subsidiaries as at 31 December 2015 and 2014 are given in notes 4 and 9.

The Company entered into concession agreements with CAT Telecom Public Company Limited (“CAT”) for a period of 22 years from 9 August 1994 to 8 August 2016 to provide satellite uplink-downlink and satellite internet services.

The National Broadcasting and Telecommunications Commission (“NBTC”) has current responsibility for granting licenses to provide internet access services in Thailand. The Company operates the business to provide internet and telecommunication services under licenses granted by NBTC as follows:

Type of license	Issue date	Period	Total revenue used in calculation of fees payable to NBTC	
			2015	2014
			(in thousand Baht)	
Internet Operation License Type I	8 September 2014	5 years	723,100	712,367
Telecom Operation License Type I	11 October 2014	5 years	202	390
Internet Operation License Type II	26 April 2012	5 years	131,030	125,394
Telecom Operation License Type III	20 December 2007	15 years	17,980	13,802

The fees payable to NBTC consist of the annual license fees and the USO fees. The Notification of the NBTC dated 29 May 2012 "The Criteria and Procedures for the Payment of the Universal Service Obligation (USO)" prescribes that the authorised licensee shall pay for the USO fees at a rate of 3.75% per annum of the net income (total telecommunications business and internet service revenues after deduction of expenses as specified by the NBTC). The Notification becomes effective on the day following the date of its publication in the Government Gazette (Date of Publication: 30 May 2012).

According to the conditions specified by NBTC, provided that the authorised licensee is not in significant violation of the conditions specified in the license, NBTC will consider renewing the license as normal procedure.

2.

Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS"); guidelines promulgated by the Federation of Accounting Professions ("FAP"); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2015. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2016 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 35.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis, except where otherwise stated.

(c) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

(d) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in the following notes:

Note 3(r)	Current and deferred taxation
Note 6	Allowance for doubtful accounts
Note 8	Allowance for decline in value of inventories
Note 9 & 11	Key assumptions used in discounted cash flow projections
Note 10	Utilisation of plant and equipment
Note 12	Utilisation of intangible assets
Note 13	Utilisation of tax losses
Note 17	Measurement of defined benefit obligations
Note 31	Valuation of financial instruments
Note 33	Contingent liabilities

Measurement of fair values

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in note 31.

3.

Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”).

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the above result is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Acquisitions from entities under common control

Business combinations of entities or businesses under common control are accounted for using a method similar to the pooling of interest method and in accordance with the Guideline issued in 2009 by the FAP.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Foreign exchange differences arising on translation are recognized in profit and loss.

(c) Derivative financial instruments

The Group uses financial instruments to manage exposure to fluctuations in foreign exchange rate. These instruments, which mainly comprise forward foreign currency contracts, are recorded in the financial statements on the contract date. The purpose of these instruments is to manage risk.

Forward foreign exchange contracts protect the Group from fluctuations in exchange rates by establishing the rate at which a foreign currency asset or liability will be settled. Forward contracts are recorded as forward contracts receivable and payable on inception, and are translated at the year end exchange rate. Unrealised gains or losses on transactions are recognised in profit or loss. Premiums or discounts are amortised on a straight-line basis over the contract period.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments.

(e) Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of production overheads based on normal operations.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

An allowance is made for all deteriorated, damaged, obsolete and slow-moving inventories.

(g) Investments

Investments in subsidiaries

Investments in subsidiaries in the separate financial statements of the Company are accounted for using the cost method.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

(h) Property, plant and equipment

Recognition and measurement

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Building and leasehold improvements	5-30 years
Internet and printing equipment	3-5 years
Furniture, fixtures and office equipment	5-18 years
Vehicles	5 years

No depreciation is provided on freehold land or assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(i) Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in note 3(a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses.

Equipment under concession agreements

Equipment under concession agreements represents internet networks, servers, fiber optic networks and other operating equipment, which has been transferred to CAT Telecom Public Company Limited under concession agreements. Concession assets are stated at the historical cost less accumulated amortisation. They are amortised on a straight-line basis over the shorter of the estimated useful lives of these assets, ranging from five to ten years, or the remaining concession period. Concession assets are not revalued. The carrying amount of concession assets is reviewed annually and adjusted for impairment where it is considered necessary.

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Computer software is amortised over its useful life, which is estimated by management, of 3-10 years. Fiber optics license is amortised over the remaining concession period (end of the contract on 14 June 2021).

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(k) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

(l) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(m) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(n) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by

discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(o) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Sale of goods and services rendered

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Revenue from rendering of internet services and other services is recognised when services are provided to customers. Revenue from design and implementation contract for Internet, Computer, and Telecommunication services (ICT) is recognised by reference to the stage of completion at the end of the reporting period and in the accounting period in which the services are rendered.

Revenue from sale of advertising space in telephone directories is recognised on a monthly basis over the useful life of the telephone directory. Other service income is recognised as services are provided.

Advances from customers will be released to income when services are provided.

Investments

Revenue from investments comprises dividend and interest income from investments and bank deposits.

Dividend income

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

Interest income

Interest income is recognised in profit or loss as it accrues.

(p) Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, impairment losses recognised on financial assets (other than trade receivables), and losses on hedging instruments that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(q) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently, the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(r) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accrual for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(s) Earnings (loss) per share

The Group presents basic earnings (loss) per share (EPS) data for its ordinary shares. Basic earnings (loss) per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(t) Segment reporting

Segment results that are reported to the Group's executive committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group. Individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the enterprise, key management personnel of the Group and close members of the family of these individuals and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Relationships with subsidiaries are described in note 9. Relationship with other related parties were as follows:

Name of entities	Country of incorporation	Nature of relationships
DTV Service Co., Ltd. ("DTV")	Thailand	Major shareholder, 42.07% shareholding
Singapore Telecommunications Limited	Singapore	Major shareholder, 14.14% shareholding
Thaicom Public Company Limited ("THAICOM")	Thailand	Hold 99.99% in DTV and shared directors
Intouch Holdings Public Company Limited ("INTOUCH") and its related parties	Thailand	The Company is within the group companies of INTOUCH Group.

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Sales of goods and services	Market price
Purchases of goods and services	Market price
Interest expense	Average rate of return plus 10%
Management fee	Mutually agreed basis as a fixed monthly fee

Significant transactions for the year ended 31 December with related parties were as follows:

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Major shareholders				
Sales of goods and rendering of services	25,714	39,147	25,613	39,092
Purchases of goods and services	10,220	24,150	10,205	24,121
Interest expense	1,510	2,822	1,510	2,822
Other expenses	566	226	478	220

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sales of goods and rendering of services	-	-	5,572	5,022
Dividend income	-	-	65,025	210,026
Purchases of goods and services	-	-	11,528	14,457
Other expenses	-	-	313	300
Other related parties				
Sales of goods and rendering of services	311,024	389,627	9,593	10,018
Other income	1,311	1,443	-	-
Purchases of goods and services	27,798	19,897	27,669	18,939
Other expenses	18,635	30,947	3,046	3,705
Key management personnel				
Key management personnel compensation	29,223	27,215	29,223	27,215

Balances as at 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Trade accounts receivable				
Major shareholders	3,645	10,524	3,645	10,524
Subsidiaries	-	-	1,052	545
Other related parties	58,073	62,888	1,763	1,867
	61,718	73,412	6,460	12,936
Accrued income				
Major shareholders	-	1,071	-	1,071
Other related parties	83	-	83	-
	83	1,071	83	1,071
Total trade accounts receivable and accrued income	61,801	74,483	6,543	14,007
Property, plant and equipment				
Major shareholders	6,262	19,291	6,262	19,291
Total	6,262	19,291	6,262	19,291

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Trade accounts payable				
Major shareholders	3,395	14,556	3,388	14,547
Subsidiaries	-	-	3,487	4,106
Other related parties	6,353	9,856	5,171	6,014
Total	9,748	24,412	12,046	24,667
Other payables				
Other related parties	624	320	554	35
Total	624	320	554	35
Finance lease liabilities				
Major shareholders				
Current	7,333	13,594	7,333	13,594
Non-current	-	7,333	-	7,333
Total	7,333	20,927	7,333	20,927

Significant agreements with related parties

- The Group has entered into agreements with I.T. Applications and Services Company Limited, a related party, to receive computer system maintenance services. The agreement has a 1-year period and is renewable on an annual basis. The contract parties have a right to terminate the agreement by giving advance written notice of 3 months.
- The Company entered into a lease agreement with THAICOM to rent satellite uplink equipment for a period of approximately 32 - 42 months. The contract parties have a right to terminate the agreement by giving advance written notice of 30 days.
- A subsidiary has entered into a service agreement with MIMO Tech Co., Ltd. ("MMT"), a related party, to provide mobile content services for its network, by sharing the revenue as agreed in each service. The agreement is renewable annually unless there is a cancellation in writing with a 30 day notice period.
- A subsidiary has entered into a service agreement with Advanced Contact Center Co., Ltd. ("ACC"), a related party, to arrange the agents and provide call centre operation to execute each of incoming call service. The contract parties have a right to terminate the agreement by giving advance written notice of 60 days.

5.

Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Cash on hand	163	138	73	54
Cash at banks - current accounts and saving accounts	289,359	266,117	208,846	191,531
Highly liquid short-term investments	109,938	119,943	-	50,000
Total	399,460	386,198	208,919	241,585

Cash and cash equivalents of the Group and the Company as at 31 December 2015 and 2014 were denominated entirely in Thai Baht.

The interest rates of deposits held with banks and promissory notes were ranging from 0.31% - 1.46% per annum (2014: 0.125% - 1.985% per annum).

6.

Trade accounts receivable and accrued income

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Trade accounts receivable					
Related parties	4	61,718	73,412	6,460	12,936
Other parties		377,398	351,308	267,101	242,992
		439,116	424,720	273,561	255,928
Accrued income					
Related parties	4	83	1,071	83	1,071
Other parties		27,675	36,267	21,000	27,428
		27,758	37,338	21,083	28,499
Total trade accounts receivable and accrued income		466,874	462,058	294,644	284,427
Less allowance for doubtful accounts		(57,823)	(57,499)	(11,068)	(10,692)
Net		409,051	404,559	283,576	273,735
Bad and doubtful debts expense for the year		20,143	18,709	2,215	5,889

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<i>(in thousand Baht)</i>				
Related parties				
Within credit terms	52,931	53,563	3,984	5,128
Overdue:				
Less than 3 months	5,995	13,281	338	2,600
3-6 months	505	4,004	3	3,214
6-12 months	152	570	-	-
Over 12 months	2,135	1,994	2,135	1,994
	61,718	73,412	6,460	12,936
Other parties				
Within credit terms	193,422	205,537	162,900	173,283
Overdue:				
Less than 3 months	93,530	87,260	66,645	55,818
3-6 months	24,897	15,798	15,146	2,471
6-12 months	28,854	12,214	14,862	3,180
Over 12 months	36,695	30,499	7,548	8,240
	377,398	351,308	267,101	242,992
Less allowance for doubtful accounts	(57,823)	(57,499)	(11,068)	(10,692)
	319,575	293,809	256,033	232,300
Net	381,293	367,221	262,493	245,236

The normal credit term granted by the Group ranges from 15 days to 120 days.

The currency denomination of trade accounts receivable as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<i>(in thousand Baht)</i>				
Thai Baht (THB)	436,408	422,580	270,852	253,788
United States Dollars (USD)	2,708	2,140	2,709	2,140
Total	439,116	424,720	273,561	255,928

7.

Other receivables

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Prepaid expenses	55,790	26,505	46,733	19,981
Deferred costs	20,409	23,497	-	-
Tax refundable	31,609	31,981	9,001	9,001
Advance payments	5,129	3,223	4,891	3,100
Others	945	985	-	-
Total	113,882	86,191	60,625	32,082

8.

Inventories

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Finished goods	15,890	24,930	15,704	24,504
Projects in progress	3,765	11,076	3,765	11,076
Raw materials	1,476	6,603	-	-
Supplies	694	830	694	830
	21,825	43,439	20,163	36,410
Less allowance for decline in value	(93)	(615)	(29)	(311)
Net	21,732	42,824	20,134	36,099
Inventories recognised as an expense in 'cost of sales of goods'	271,782	293,447	271,149	291,384

9.

Investments in subsidiaries

	Separate financial statements	
	2015	2014
	<i>(in thousand Baht)</i>	
At 1 January	155,564	598,658
Allowance for impairment	-	(443,094)
At 31 December	155,564	155,564

During the year ended 31 December 2015 there were no acquisitions and disposals of investments in subsidiaries.

Teleinfo Media Public Company Limited ("TMC")

The significant declining trend of the print advertising industry has affected the operating results of TMC. As a consequence, the Company assessed and recorded the impairment of investment in TMC in amount of Baht 443 million in the separate financial statements for the year ended 31 December 2014.

AD Venture Public Company Limited ("ADV")

At the annual general meeting of the shareholders of ADV held on 3 April 2014, the shareholders approved the appropriation of dividend of Baht 83.75 per share, amounting to Baht 90 million. ADV paid the dividend to shareholders on 11 April 2014.

At the meeting of the Board of Directors of ADV held on 28 May 2014, the directors approved the appropriation of interim dividends of Baht 37.22 per share, amounting to Baht 40 million. ADV paid the dividend to shareholders on 13 June 2014.

At the meeting of the Board of Directors of ADV held on 20 August 2014, the directors approved the appropriation of interim dividends of Baht 37.22 per share, amounting to Baht 40 million. ADV paid the dividend to shareholders on 4 September 2014.

At the meeting of the Board of Directors of ADV held on 18 December 2014, the directors approved the appropriation of interim dividends of Baht 37.22 per share, amounting to Baht 40 million. ADV paid the dividend to shareholders on 26 December 2014.

At the annual general meeting of the shareholders of ADV held on 26 March 2015, the shareholders approved the appropriation of dividend of Baht 23.27 per share, amounting to Baht 25 million. ADV paid the dividend to shareholders on 10 April 2015.

At the meeting of the Board of Directors of ADV held on 23 June 2015, the directors approved the appropriation of interim dividends of Baht 18.61 per share, amounting to Baht 20 million. ADV paid the dividend to shareholders on 10 July 2015.

At the meeting of the Board of Directors of ADV held on 29 September 2015, the directors approved the appropriation of interim dividends of Baht 9.31 per share, amounting to Baht 10 million. ADV paid the dividend to shareholders on 15 October 2015.

At the meeting of the Board of Directors of ADV held on 2 December 2015, the directors approved the appropriation of interim dividends of Baht 9.31 per share, amounting to Baht 10 million. ADV paid the dividend to shareholders on 25 December 2015.

Investments in subsidiaries as at 31 December 2015 and 2014, and dividend income from those investments for the years then ended, were as follows:

Name of subsidiary	Type of business	Separate financial statements											
		Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
		2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
		(%)		(in thousand Baht)									
Teleinfo Media Public Company Limited	Publishing telephone directories and advertising	99.99	99.99	156,544	156,544	562,694	562,694	(443,094)	(443,094)	119,600	119,600	-	-
AD Venture Public Company Limited	Providing mobile contents	99.99	99.99	10,748	10,748	35,964	35,964	-	-	35,964	35,964	65,025	210,026
Total						598,658	598,658	(443,094)	(443,094)	155,564	155,564	65,025	210,026

All subsidiaries were incorporated in Thailand.

	Consolidated financial statements						
	Land	Building and leasehold improvements	Internet and printing equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
	(in thousand Baht)						
Cost							
At 1 January 2014	101,676	21,501	1,236,008	524,681	18,931	42,975	1,945,772
Additions	-	29,117	75,817	44,270	5,234	197,696	352,134
Transfers	-	95,008	32,591	78,854	-	(205,223)	1,230
Disposals	-	-	(42,676)	(14,440)	(5,231)	-	(62,347)
At 31 December 2014 and 1 January 2015	101,676	145,626	1,301,740	633,365	18,934	35,448	2,236,789
Additions	-	1,766	53,240	30,319	2,177	56,176	143,678
Transfers	-	8,101	28,531	17,231	-	(53,863)	-
Disposals	-	(480)	(75,716)	(21,194)	(2,056)	-	(99,446)
At 31 December 2015	101,676	155,013	1,307,795	659,721	19,055	37,761	2,281,021
Depreciation							
At 1 January 2014	-	9,014	1,068,370	261,870	9,030	-	1,348,284
Depreciation charge for the year	-	3,291	54,902	71,441	3,069	-	132,703
Disposals	-	-	(42,305)	(13,723)	(2,756)	-	(58,784)
At 31 December 2014 and 1 January 2015	-	12,305	1,080,967	319,588	9,343	-	1,422,203
Depreciation charge for the year	-	6,392	62,568	75,029	2,571	-	146,560
Disposals	-	(173)	(75,518)	(20,975)	(2,056)	-	(98,722)
At 31 December 2015	-	18,524	1,068,017	373,642	9,858	-	1,470,041
Net book value							
At 1 January 2014							
Owned assets	101,676	12,487	135,317	262,288	5,391	42,975	560,134
Assets under finance leases	-	-	32,321	523	4,510	-	37,354
	101,676	12,487	167,638	262,811	9,901	42,975	597,488
At 31 December 2014 and 1 January 2015							
Owned assets	101,676	133,321	201,482	313,777	5,605	35,448	791,309
Assets under finance leases	-	-	19,291	-	3,986	-	23,277
	101,676	133,321	220,773	313,777	9,591	35,448	814,586
At 31 December 2015							
Owned assets	101,676	136,489	239,778	286,079	4,387	37,761	806,170
Assets under finance leases	-	-	-	-	4,810	-	4,810
	101,676	136,489	239,778	286,079	9,197	37,761	810,980

	Separate financial statements						Total
	Land	Building improvements	Internet equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	
	(in thousand Baht)						
Cost							
At 1 January 2014	101,676	17,552	935,909	473,377	8,660	42,160	1,579,334
Additions	-	29,117	75,817	34,921	5,235	196,191	341,281
Transfers	-	95,008	32,591	76,173	-	(202,952)	820
Disposals	-	-	(42,676)	(12,324)	(841)	-	(55,841)
At 31 December 2014 and 1 January 2015	101,676	141,677	1,001,641	572,147	13,054	35,399	1,865,594
Additions	-	1,765	53,240	25,609	2,177	56,176	138,967
Transfers	-	8,102	29,815	17,145	-	(55,062)	-
Disposals	-	-	(75,716)	(9,406)	(2,056)	-	(87,178)
At 31 December 2015	101,676	151,544	1,008,980	605,495	13,175	36,513	1,917,383
Depreciation							
At 1 January 2014	-	7,390	806,329	235,821	4,565	-	1,054,105
Depreciation charge for the year	-	2,852	54,902	48,510	1,932	-	108,196
Disposals	-	-	(42,305)	(11,994)	(841)	-	(55,140)
At 31 December 2014 and 1 January 2015	-	10,242	818,926	272,337	5,656	-	1,107,161
Depreciation charge for the year	-	6,020	62,569	54,247	2,153	-	124,989
Disposals	-	-	(75,518)	(9,187)	(2,056)	-	(86,761)
At 31 December 2015	-	16,262	805,977	317,397	5,753	-	1,145,389
Net book value							
At 1 January 2014							
Owned assets	101,676	10,162	97,259	237,556	3,307	42,160	492,120
Assets under finance leases	-	-	32,321	-	788	-	33,109
	101,676	10,162	129,580	237,556	4,095	42,160	525,229
At 31 December 2014 and 1 January 2015							
Owned assets	101,676	131,435	163,424	299,810	3,412	35,399	735,156
Assets under finance leases	-	-	19,291	-	3,986	-	23,277
	101,676	131,435	182,715	299,810	7,398	35,399	758,433
At 31 December 2015							
Owned assets	101,676	135,282	203,003	288,098	2,612	36,513	767,184
Assets under finance leases	-	-	-	-	4,810	-	4,810
	101,676	135,282	203,003	288,098	7,422	36,513	771,994

The gross amount of the Group's and the Company's fully depreciated plant and equipment that was still in use as at 31 December 2015 amounted to Baht 1,329 million and Baht 1,036 million, respectively (2014: Baht 1,355 million and Baht 1,065 million, respectively).

Assets under construction and installation

Assets under construction and installation of the Company as at 31 December 2015 amounted to Baht 37 million (2014: Baht 35 million) mainly represented costs of equipment including related installation costs.

The Company had no capitalised borrowing costs relating to the acquisition of the land and the construction of the building for the year ended 31 December 2015 (2014: Baht 5 million with a capitalisation rate ranging 4.5% - 4.625% per annum).

II.	Goodwill	
	Consolidated financial statements	
	2015	2014
	(in thousand Baht)	
<i>Cost</i>		
At 1 January		
At 31 December	-	550,014
<i>Impairment losses</i>		
At 1 January		
Impairment loss		
At 31 December	-	(550,014)
<i>Net book value</i>		
At 1 January		
At 31 December	-	550,014
	-	-

As disclosed in note 9, the significant declining trend of the print advertising industry has affected the operating results of Teleinfo Media Public Company Limited. As a consequence, the Company assessed and recorded the impairment of goodwill in amount of Baht 550 million in the consolidated financial statements for the year ended 31 December 2014.

	Consolidated financial statements			
	Fiber optics licences	Software licences	Equipment under concession agreement	Total
	(in thousand Baht)			
Cost				
At 1 January 2014	74,045	147,727	212,062	433,834
Additions	6,107	9,562	-	15,669
Transfers	-	(1,230)	-	(1,230)
Disposals	-	(131)	-	(131)
At 31 December 2014 and 1 January 2015	80,152	155,928	212,062	448,142
Additions	2,797	5,203	-	8,000
Disposals	-	(1,000)	-	(1,000)
At 31 December 2015	82,949	160,131	212,062	455,142
Amortisation and impairment losses				
At 1 January 2014	20,607	105,781	212,062	338,450
Amortisation for the year	7,348	13,070	-	20,418
Impairment loss	-	6,810	-	6,810
Disposals	-	(47)	-	(47)
At 31 December 2014 and 1 January 2015	27,955	125,614	212,062	365,631
Amortisation for the year	7,906	12,966	-	20,872
Impairment loss	-	1,781	-	1,781
Disposals	-	(991)	-	(991)
At 31 December 2015	35,861	139,370	212,062	387,293
Net book value				
At 1 January 2014	53,438	41,946	-	95,384
At 31 December 2014 and 1 January 2015	52,197	30,314	-	82,511
At 31 December 2015	47,088	20,761	-	67,849

	Separate financial statements			
	Fiber optics licences	Software licences	Equipment under concession agreement	Total
	<i>(in thousand Baht)</i>			
Cost				
At 1 January 2014	74,045	48,922	212,062	335,029
Additions	6,107	4,618	-	10,725
Transfers	-	(820)	-	(820)
Disposals	-	(47)	-	(47)
At 31 December 2014 and 1 January 2015	80,152	52,673	212,062	344,887
Additions	2,797	3,328	-	6,125
Disposals	-	(1,000)	-	(1,000)
At 31 December 2015	82,949	55,001	212,062	350,012
Amortisation				
At 1 January 2014	20,607	39,032	212,062	271,701
Amortisation for the year	7,348	4,454	-	11,802
Disposals	-	(47)	-	(47)
At 31 December 2014 and 1 January 2015	27,955	43,439	212,062	283,456
Amortisation for the year	7,906	4,168	-	12,074
Disposals	-	(991)	-	(991)
At 31 December 2015	35,861	46,616	212,062	294,539
Net book value				
At 1 January 2014	53,438	9,890	-	63,328
At 31 December 2014 and 1 January 2015	52,197	9,234	-	61,431
At 31 December 2015	47,088	8,385	-	55,473

Movements in deferred tax assets during the year were as follows:

	Consolidated financial statements			
	At 1 January 2015	Recognised in:		At 31 December 2015
		Profit or loss	Other comprehensive income	
	(in thousand Baht)			
<i>Deferred tax assets</i>				
Trade accounts receivable	9,938	(173)	-	9,765
Inventories	123	(117)	-	6
Property, plant and equipment	1,548	201	-	1,749
Intangible assets	2,378	(50)	-	2,328
Other payables	979	(45)	-	934
Unearned income and advance receipts	6,613	(2,159)	-	4,454
Employee benefit obligations	26,830	3,005	8,086	37,921
Tax loss carry-forwards	4,573	(2,400)	-	2,173
Total	52,982	(1,738)	8,086	59,330

	Consolidated financial statements			
	At 1 January 2014	Recognised in:		At 31 December 2014
		Profit or loss	Other comprehensive income	
	(in thousand Baht)			
<i>Deferred tax assets</i>				
Trade accounts receivable	9,541	397	-	9,938
Inventories	132	(9)	-	123
Property, plant and equipment	1,305	243	-	1,548
Intangible assets	1,482	896	-	2,378
Other payables	702	277	-	979
Unearned income and advance receipts	7,592	(979)	-	6,613
Employee benefit obligations	24,696	2,134	-	26,830
Tax loss carry-forwards	8,315	(3,742)	-	4,573
Total	53,765	(783)	-	52,982

	Separate financial statements			
	At 1 January 2015	Recognised in:		At 31 December 2015
		Profit or loss	Other comprehensive income	
	(in thousand Baht)			
<i>Deferred tax assets</i>				
Trade accounts receivable	2,139	75	-	2,214
Inventories	62	(56)	-	6
Property, plant and equipment	1,135	161	-	1,296
Intangible assets	1,016	(406)	-	610
Other payables	382	-	-	382
Unearned income and advance receipts	6,613	(2,159)	-	4,454
Employee benefit obligations	15,931	1,930	6,825	24,686
Total	27,278	(455)	6,825	33,648

	Separate financial statements			
	At 1 January 2014	Recognised in:		At 31 December 2014
		Profit or loss	Other comprehensive income	
	(in thousand Baht)			
<i>Deferred tax assets</i>				
Trade accounts receivable	1,238	901	-	2,139
Inventories	6	56	-	62
Property, plant and equipment	980	155	-	1,135
Intangible assets	1,482	(466)	-	1,016
Other payables	382	-	-	382
Unearned income and advance receipts	7,592	(979)	-	6,613
Employee benefit obligations	14,120	1,811	-	15,931
Total	25,800	1,478	-	27,278

As at 31 December 2015 the Group recognised deferred tax assets of Baht 2 million (2014: Baht 5 million) for unused tax losses of a subsidiary as management considered it is probable that future taxable profits will be available against which they can be utilised. The tax losses expire in 2017.

Deferred tax assets have not been recognised in respect of the following items:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Impairment loss on investment in subsidiary	-	-	88,619	88,619

Deferred tax assets have not been recognised in respect of this item because it is not probable that the temporary difference will reverse in the foreseeable future.

14.

Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Current				
Short-term loans from financial institutions				
Unsecured	190,000	230,000	190,000	230,000
Current portion of long-term loans				
from financial institution				
Unsecured	60,000	60,000	60,000	60,000
Current portion of finance lease liabilities	8,404	15,354	8,064	14,841
	258,404	305,354	258,064	304,841
Non-current				
Long-term loans from financial institution				
Unsecured	120,000	160,000	120,000	160,000
Finance lease liabilities	5,229	11,595	4,675	10,701
	125,229	171,595	124,675	170,701
Total	383,633	476,949	382,739	475,542

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Within one year	250,000	290,000	250,000	290,000
After one year but within five years	120,000	160,000	120,000	160,000
Total	370,000	450,000	370,000	450,000

Long-term loan agreement with financial institution

On 2 April 2013 the Company entered into a loan agreement with a financial institution amounting to Baht 300 million. The loan bears interest for the first to the second year at the rate of MLR minus 2.25% per annum and subsequently at the rate of MLR minus 2.00% per annum. The loan is repayable in 66 months after the first drawdown (April 2013). The first installment is due 12 months after the first drawdown and every 6 months for the remaining installments. The loan has no collateral but the Company is required to maintain the debt to equity ratio at not exceeding 2:1 through the period of the agreement.

Credit facilities

As at 31 December 2015 the Group and the Company had unutilised credit facilities totalling Baht 1,359 million and Baht 1,209 million, respectively (2014: Baht 660 million and Baht 500 million, respectively).

Finance lease liabilities

Finance lease liabilities as at 31 December were payable as follows:

	Consolidated financial statements					
	2015			2014		
	Future minimum lease payments	Interest	Present value of minimum lease payments	Future minimum lease payments	Interest	Present value of minimum lease payments
	<i>(in thousand Baht)</i>					
Within one year	8,889	485	8,404	17,125	1,771	15,354
After one year but within five years	5,732	503	5,229	12,249	654	11,595
Total	14,621	988	13,633	29,374	2,425	26,949

	Separate financial statements					
	2015			2014		
	Future minimum lease payments	Interest	Present value of minimum lease payments	Future minimum lease payments	Interest	Present value of minimum lease payments
	<i>(in thousand Baht)</i>					
Within one year	8,522	458	8,064	16,549	1,708	14,841
After one year but within five years	5,175	500	4,675	11,325	624	10,701
Total	13,697	958	12,739	27,874	2,332	25,542

Interest-bearing liabilities of the Group and the Company as at 31 December 2015 and 2014 were denominated entirely in Thai Baht.

15.

Trade accounts payable

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Related parties	4	9,748	24,412	12,046	24,667
Other parties		275,804	240,934	243,615	214,041
Total		285,552	265,346	255,661	238,708

The currency denomination of trade accounts payable as at 31 December was as follows:

		Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Thai Baht (THB)		284,542	257,505	254,662	230,928
United States Dollars (USD)		1,010	7,841	999	7,780
Total		285,552	265,346	255,661	238,708

16.

Other payables

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Related parties	4	624	320	554	35
Others					
Accrued bonus		75,975	67,696	57,895	54,070
Accrued commission		10,450	9,534	10,350	9,305
Accrued license and USO fees		16,923	14,195	16,923	14,195
Other accrued expenses		37,782	44,190	13,272	18,145
Other accounts payable		20,118	29,832	19,268	27,797
Others		4,514	4,741	1,907	1,907
		165,762	170,188	119,615	125,419
Total		166,386	170,508	120,169	125,454

Other payables of the Group and the Company as at 31 December 2015 and 2014 were denominated entirely in Thai Baht.

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Statement of financial position				
obligations for:				
Post-employment benefits	184,319	129,631	120,446	76,463
Other long-term employee benefits	4,813	4,049	2,364	2,573
Total	189,132	133,680	122,810	79,036
 Year ended 31 December				
Statement of comprehensive income:				
Recognised in profit or loss:				
Post-employment benefits	15,309	18,605	9,329	8,750
Other long-term employee benefits	522	369	319	306
Total	15,831	18,974	9,648	9,056
Recognised in other comprehensive income:				
Actuarial losses recognised in the year	40,431	-	34,126	-
Cumulative actuarial losses recognised	92,558	52,127	62,199	28,073

The Group and the Company operate a defined benefit pension plan based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

The statement of financial position obligation was determined as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Present value of unfunded obligations	189,132	133,680	122,810	79,036
Statement of financial position obligation	189,132	133,680	122,810	79,036

Movement in the present value of the defined benefit obligations

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<i>(in thousand Baht)</i>				
Defined benefit obligations at 1 January	133,680	123,012	79,036	69,980
Include in profit or loss				
Current service cost	10,650	10,418	6,547	6,305
Interest on obligation	5,181	4,696	3,101	2,751
Curtailment loss	-	3,860	-	-
	15,831	18,974	9,648	9,056
Include in other comprehensive income				
Actuarial loss	40,431	-	34,126	-
	40,431	-	34,126	-
Other				
Benefit paid	(810)	(8,306)	-	-
	(810)	(8,306)	-	-
Defined benefit obligations at 31 December	189,132	133,680	122,810	79,036

Actuarial losses recognised in other comprehensive income arising from:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<i>(in thousand Baht)</i>				
Demographic assumptions	15,265	-	13,684	-
Financial assumptions	9,610	-	7,110	-
Experience adjustment	15,556	-	13,332	-
Total	40,431	-	34,126	-

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(%)			
Discount rate	3.5	3.9	3.5	3.9
Future salary growth	7.0	7.0	7.0	7.0

Assumptions regarding future mortality have been based on published statistics and mortality tables.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Defined benefit obligation at 31 December 2015	Consolidated financial statements		Separate financial statements	
	(in thousand Baht)			
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(22,997)	27,583	(16,966)	20,504
Future salary growth (1% movement)	26,109	(22,296)	19,416	(16,461)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

18.

Share capital

	Par value per share	2015		2014	
		Number	Baht	Number	Baht
	(in Baht)	(thousand shares / thousand Baht)			
Authorised					
At 1 January					
- ordinary shares	0.25	594,515	148,629	594,515	148,629
At 31 December					
- ordinary shares	0.25	594,515	148,629	594,515	148,629

	Par value per share	2015		2014	
		Number	Baht	Number	Baht
	(in Baht)	(thousand shares / thousand Baht)			
<i>Issued and paid-up</i>					
At 1 January					
- ordinary shares	0.25	594,515	148,629	594,515	148,629
At 31 December					
- ordinary shares	0.25	594,515	148,629	594,515	148,629

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

19.

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

20. Transfer of legal reserve and premium on ordinary shares to compensate for the deficits

At the extraordinary general meeting of shareholders of the Company held on 16 December 2014, the shareholders approved the transfer of legal reserve of Baht 31 million and premium on ordinary shares of Baht 141 million, totalling Baht 172 million, to compensate for the deficits. The transfer is allowed under section 119 of the Public Companies Act B.E. 2535 which states that where approval of the shareholder meeting has been obtained, the company may transfer the reserve fund referred to premium on ordinary shares, the reserve fund referred to legal reserve or other reserves to compensate for the deficits of the company.

21.

Segment information

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the Group's executive committee reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Sales and services relating to the internet business
- Segment 2 Media and advertising
- Segment 3 Voice info service and mobile contents

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's executive committee. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Geographical segments

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

Major customer

Revenues from one customer of the Group's segment 3 represents approximately Baht 238 million (2014: Baht 333 million) of the Group's total revenues.

Information about reportable segments

	Segment 1		Segment 2		Segment 3		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	<i>(in thousand Baht)</i>							
External revenue	2,269,339	2,217,026	236,591	293,968	428,289	502,443	2,934,219	3,013,437
Inter-segment revenue	5,572	5,022	300	174	144,585	148,393	150,457	153,589
Total segment revenue	2,274,911	2,222,048	236,891	294,142	572,874	650,836	3,084,676	3,167,026
Interest income	1,125	971	1,529	1,436	158	514	2,812	2,921
Interest expense	19,271	12,994	1,754	1,858	389	333	21,414	15,185
Depreciation and amortisation	137,063	119,998	8,983	13,140	21,387	19,983	167,433	153,121
Segment profit (loss) before income tax	371,095	63,567	(9,539)	4,783	101,358	202,302	462,914	270,652
Other material items:								
Impairment loss on investment in subsidiary	-	443,094	-	-	-	-	-	443,094
Capital expenditure	145,092	352,006	1,717	2,930	4,868	13,305	151,677	368,241
	Segment 1		Segment 2		Segment 3		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	<i>(in thousand Baht)</i>							
Reportable segment assets								
as at 31 December	1,605,797	1,602,256	103,293	95,936	179,625	212,600	1,888,715	1,910,792
Reportable segment liabilities								
as at 31 December	985,159	1,025,634	125,295	127,517	59,597	73,366	1,170,051	1,226,517

Reconciliations of reportable segment revenues, profit or loss and assets and liabilities

	2015	2014
	<i>(in thousand Baht)</i>	
Revenues		
Total revenue for reportable segments	3,084,676	3,167,026
Investment income	2,812	2,921
Other income	26,813	28,548
	3,114,301	3,198,495
Elimination of inter-segment revenue	(150,457)	(153,589)
Elimination of interest income	-	-
Consolidated revenue	2,963,844	3,044,906
Profit or loss		
Total profit for reportable segments	462,914	270,652
Impairment loss on goodwill	-	(550,014)
	462,914	(279,362)
Elimination of dividends	(65,025)	(210,026)
Elimination of impairment loss on investment in subsidiary	-	443,094
Unallocated amounts	-	(1,569)
Consolidated profit (loss) before income tax	397,889	(47,863)
Assets		
Total assets for reportable segments	1,888,715	1,910,792
Elimination of investments in subsidiaries	(155,564)	(155,564)
Elimination of inter-segment assets	(23,747)	(33,365)
	1,709,404	1,721,863
Unallocated amounts	198,828	172,900
Consolidated total assets	1,908,232	1,894,763
Liabilities		
Total liabilities for reportable segments	1,170,051	1,226,517
Elimination of inter-segment liabilities	(23,557)	(33,176)
	1,146,494	1,193,341
Unallocated amounts	104,922	89,551
Consolidated total liabilities	1,251,416	1,282,892

22.

Investment income

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		(in thousand Baht)			
Dividend income					
Subsidiaries	4	-	-	65,025	210,026
Interest income					
Other parties		2,812	2,921	1,126	971
Total		2,812	2,921	66,151	210,997

23.

Other income

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Bad debt refunded	11,762	6,371	-	-
Return of capital from liquidation of subsidiary	-	15,455	-	15,455
Gain on disposal of equipment	2,245	-	2,518	-
Others	12,806	6,722	9,140	5,722
Total	26,813	28,548	11,658	21,177

24.

Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		(in thousand Baht)			
Wages, salaries and bonus	17	631,835	584,342	372,099	332,771
Defined benefit plans		10,650	14,278	6,547	6,305
Defined contribution plans		21,309	19,887	14,898	13,400
Others		70,297	75,040	40,613	44,560
Total		734,091	693,547	434,157	397,036

Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 7% of their basic salaries and by the Group at rates ranging from 3% to 7% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

25.

Expenses by nature

The statements of comprehensive income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		(in thousand Baht)			
Employee benefit expenses	24	734,091	693,547	434,157	397,036
Depreciation of plant and equipment	10	146,560	132,703	124,989	108,196
Amortisation of intangible assets	12	20,872	20,418	12,074	11,802
Operating lease expense		161,589	163,622	128,040	128,179

26.

Finance costs

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		(in thousand Baht)			
Interest expense:					
Loans from financial institutions		14,454	12,558	14,454	12,401
Finance lease liabilities		1,779	3,064	1,716	2,975
Interest on obligation	17	5,181	4,696	3,101	2,751
Total		21,414	20,318	19,271	18,127
Less amounts included in the cost of qualifying assets:					
- Assets under construction	10	-	(5,133)	-	(5,133)
		-	(5,133)	-	(5,133)
Net		21,414	15,185	19,271	12,994

Income tax recognised in profit or loss

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		(in thousand Baht)			
Current tax expense	13				
Current year		81,055	100,087	61,517	61,655
Adjustment for prior years		-	1,203	-	1,203
		81,055	101,290	61,517	62,858
Deferred tax expense					
Movements in temporary differences		1,738	783	455	(1,478)
		1,738	783	455	(1,478)
Total		82,793	102,073	61,972	61,380

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	2015			2014		
	Before tax	Tax benefit	Net of tax	Before tax	Tax benefit	Net of tax
<i>(in thousand Baht)</i>						
Defined benefit plan actuarial losses	(40,431)	8,086	(32,345)	-	-	-
Total	(40,431)	8,086	(32,345)	-	-	-

	Separate financial statements					
	2015			2014		
	Before tax	Tax benefit	Net of tax	Before tax	Tax benefit	Net of tax
<i>(in thousand Baht)</i>						
Defined benefit plan actuarial losses	(34,126)	6,825	(27,301)	-	-	-
Total	(34,126)	6,825	(27,301)	-	-	-

Reconciliation of effective tax rate

	Consolidated financial statements			
	2015		2014	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit (loss) before income tax expense		397,889		(47,863)
Income tax using the Thai corporation tax rate	20	79,578	20	(9,573)
Expenses not deductible for tax purposes		3,215		440
Impairment loss on goodwill		-		110,003
Under provided in prior years		-		1,203
Total	21	82,793	213	102,073

	Separate financial statements			
	2015		2014	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		371,095		63,567
Income tax using the Thai corporation tax rate	20	74,219	20	12,713
Income not subject to tax		(13,005)		(42,005)
Expenses not deductible for tax purposes		758		850
Impairment loss on investment in subsidiary for which no deferred tax asset was recognised		-		88,619
Under provided in prior years		-		1,203
Total	17	61,972	97	61,380

Income tax reduction

Royal Decree No. 577 B.E. 2557 dated 10 November 2014 grants a reduction to 20% of net taxable profit for the accounting period 2015 which begins on or after 1 January 2015.

On 22 January 2016, the National Legislative Assembly has approved a reduction of the corporate income tax rate from 30% to 20% of net taxable profit for the accounting period which begins on or after 1 January 2016.

The Group has applied the tax rate of 20% in measuring deferred tax assets as at 31 December 2015 and 2014 in accordance with the clarification issued by the FAP in 2012.

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, the Company has been granted privileges by the Board of Investment relating to the provision of Data Center service. The privileges granted include exemption from payment of income tax for certain operations for a period of 8 years from the date on which the income is first derived from such operations (commencing January 2015).

As promoted companies, the Company must comply with certain terms and conditions prescribed in the promotional certificates.

The Company has revenue from promoted business amounting to Baht 16.6 million for the year ended 31 December 2015.

The calculations of basic earnings (loss) per share for the years ended 31 December 2015 and 2014 were based on the profit (loss) for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht / thousand shares)</i>			
Profit (loss) attributable to ordinary shareholders of the Company (basic)	315,096	(149,936)	309,124	2,188
Number of ordinary shares outstanding	594,515	594,515	594,515	594,515
Earnings (loss) per share (basic) (in Baht)	0.53	(0.25)	0.52	0.004

At the annual general meeting of the shareholders of the Company held on 27 March 2014, the shareholders approved the appropriation of dividend of Baht 0.35 per share, amounting to Baht 208 million. The dividend was paid to shareholders on 22 April 2014.

At the meeting of the Board of Directors of the Company held on 7 August 2014, the directors approved the appropriation of interim dividend of Baht 0.41 per share, amounting to Baht 244 million. The dividend was paid to shareholders on 4 September 2014.

At the annual general meeting of the shareholders of the Company held on 25 March 2015, the shareholders approved the appropriation of dividend of Baht 0.16 per share, amounting to Baht 95 million. The dividend was paid to shareholders on 22 April 2015.

At the meeting of the Board of Directors of the Company held on 7 August 2015, the directors approved the appropriation of interim dividend of Baht 0.24 per share, amounting to Baht 143 million. The dividend was paid to shareholders on 4 September 2015.

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The primary objective of the Company's capital management is to provide good returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure in order to support an asset management plan and new investment opportunities which will create value and strengthen the financial position for the whole group.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (note 14).

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature or re-price were as follows:

	Consolidated financial statements			
	Effective interest rate	Within 1 year	After 1 year but within 5 years	Total
	(% per annum)	(in thousand Baht)		
2015				
Current				
Loans payable - financial institutions	2.33 - 4.78	250,000	-	250,000
Non - current				
Loans payable - financial institutions	4.78	-	120,000	120,000
Total		250,000	120,000	370,000
2014				
Current				
Loans payable - financial institutions	3 - 5.01	290,000	-	290,000
Non - current				
Loans payable - financial institutions	5.01	-	160,000	160,000
Total		290,000	160,000	450,000

	Separate financial statements			
	Effective interest Rate	Within 1 year	After 1 year but within 5 years	Total
	(% per annum)	(in thousand Baht)		
2015				
Current				
Loans payable - financial institutions	2.33 - 4.78	250,000	-	250,000
Non - current				
Loans payable - financial institutions	4.78	-	120,000	120,000
Total		250,000	120,000	370,000
2014				
Current				
Loans payable - financial institutions	3 - 5.01	290,000	-	290,000
Non - current				
Loans payable - financial institutions	5.01	-	160,000	160,000
Total		290,000	160,000	450,000

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

The Group has no significant concentrations of credit risks. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high quality financial institutions.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Fair values of financial assets and liabilities

Fair values of financial assets and liabilities, together with the carrying values shown in the consolidated and separate statement of financial position at 31 December were as follows:

		Consolidated financial statements			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2015					
Current					
Loans from financial institutions	190,000	-	188,533	-	188,533
Non-current					
Loans from financial institutions	180,000	-	167,303	-	167,303

		Separate financial statements			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2015					
Current					
Loans from financial institutions	190,000	-	188,533	-	188,533
Non-current					
Loans from financial institutions	180,000	-	167,303	-	167,303

		Consolidated financial statements		Separate financial statements	
		Carrying value	Fair value	Carrying value	Fair value
		(in thousand Baht)			
As at 31 December 2014					
Current					
Loans from financial institutions		230,000	225,588	230,000	225,588
Non-current					
Loans from financial institutions		220,000	200,513	220,000	200,513
Total		450,000	426,101	450,000	426,101

Financial instruments carried at fair value

Fair value hierarchy

The table above analyses recurring fair value measurements for financial assets. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Group determines Level 2 fair values for debt securities using a discounted cash flow technique, which uses contractual cash flows and a market-related discount rate.

Financial instruments not measured at fair value

Type	Valuation technique	Significant unobservable inputs
Other financial liabilities	Discounted cash flows	Not applicable

Other financial liabilities include finance lease liabilities.

32.

Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Capital commitments				
<i>Contracted but not provided for:</i>				
Equipment	1,778	2,464	1,778	2,464
Total	1,778	2,464	1,778	2,464
Non-cancellable operating lease commitments				
Within one year	56,555	38,305	38,378	16,220
After one year but within five years	71,162	8,366	57,568	-
Total	127,717	46,671	95,946	16,220
Other commitments				
Bank guarantees	33,577	25,200	30,577	22,200
Total	33,577	25,200	30,577	22,200

A customer filed a lawsuit against the Company in respect of an alleged service default on an agreement seeking damages amounting to Baht 8 million (2014: Baht 8 million). The claim is currently being considered by the relevant court. Based on appropriate legal advice, it is management's opinion that the resolution of this claim will not give rise to any significant loss.

At the meeting of the Board of Directors of the Company held on 10 February 2016, the directors approved the appropriation of dividend of Baht 0.20 per share, amounting to Baht 119 million. The proposed dividend must be approved by the shareholders at their meeting.

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January 2016, are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events after the Reporting Period
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures
TAS 27 (revised 2015)	Separate Financial Statements
TAS 33 (revised 2015)	Earnings per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets

TFRS	Topic
TAS 38 (revised 2015)	Intangible Assets
TFRS 8 (revised 2015)	Operating Segments
TFRS 10 (revised 2015)	Consolidated Financial Statements
TFRS 13 (revised 2015)	Fair Value Measurement
TSIC 25 (revised 2015)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 31 (revised 2015)	Revenue – Barter Transactions Involving Advertising Services
TSIC 32 (revised 2015)	Intangible Assets-Web Site Costs
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2015)	Determining whether an Arrangement contains a Lease
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

Dividend Policy

& Annual Audit Fee

Dividend Policy

- **THE COMPANY'S DIVIDEND POLICY**

The Company's dividend policy is to pay dividend no less than 40 percent of net profit after deduction of all taxes, legal reserves and other reserves specified by law and the Company regulations of the stand alone profit and loss statement, if the fund is not required elsewhere and subject to the economic and future project of the Company and the subsidiaries and the payment would have no significant effect on the running of the Company.

- **THE SUBSIDIARIES OF THE COMPANY'S DIVIDEND POLICY**

Teleinfo Media Public Company Limited and AD Venture Company Limited its subsidiaries of the Company have the dividend policy is to pay dividend no less than 40 percent of net profit after deduction of all taxes, legal reserves and other reserves specified by law and the subsidiaries regulations of the stand alone profit and loss statement, if the fund is not required elsewhere and subject to the economic and future project of the subsidiaries and the payment would have no significant effect on the running of the subsidiaries.

Annual Audit Fee

1. **AUDIT FEE**

In 2015, the Company and its subsidiaries paid auditor fee as follows:

- The Company paid audit fee to the auditor's firm in the amount of Baht 1,52,3000 (excluded out of pocket expenses).
- The Subsidiaries paid audit fees to the auditor's firm in the amount of Baht 880,000 (excluded out of pocket expenses).

2. **NON-AUDIT SERVICE FEE**

In 2015, the Company and its subsidiaries had paid the professional service for stock destruction observation in the amount of 15,000 Baht. The Company and its subsidiaries had neither additional fee nor additional fee from uncompleted services from previous year.

General Information

on Reference Persons

Security Registrar

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Auditor

MR. SUPOT SINGHASANEH

Certified Public Accountant Registration Number 2826

KPMG Phoomchai Audit Limited

Empire Tower, 50th - 51st Floors

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Tel: (66) 2677 2000
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KPMG Phoomchai Audit Limited (KPMG) and the auditor are independent and have no conflict of interest with the Company, subsidiaries, the management, the major shareholders or any related person.

Investor Information

Investors should contact the Investor Relations Department to request information about CS LOXINFO or its subsidiaries and associate companies:

Investor Relations Department

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CS LOXINFO is listed on the Stock Exchange of Thailand (SET)

SET ticker	CSL
Reuters	CSL.BK
Bloomberg	CSL TB

Foreign limit: 49%
Fiscal year ends: December 31
External Auditor: KPMG Phoomchai Audit Ltd.



CS LoxInfo Public Company Limited

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