



ILINK

Annual Report 2016

รายงานประจำปี 2559





The Group of INTERLINK



Interlink Holding Limited

บริษัท อินเตอร์ลิงค์ โฮลดิ้ง จำกัด
บริษัทแม่ และผู้ถือหุ้นใหญ่ ของกลุ่มบริษัทอินเตอร์ลิงค์



Interlink Communication Public Company Limited

บริษัท อินเตอร์ลิงค์ คอมมูนิเคชัน จำกัด (มหาชน)
บริษัทนำเข้าและจัดจำหน่าย สายสัญญาณที่ใหญ่ที่สุดในอาเซียน



Interlink Telecom Public Company Limited

บริษัท อินเตอร์ลิงค์ เทเลคอม จำกัด (มหาชน)
ผู้ให้บริการ โครงข่าย Fiber Optic ครอบคลุม 77 จังหวัดทั่วไทย เชื่อมต่อทันใจ ปลอดภัยและวางใจได้ 100%
ศูนย์การค้าเซ็นเตอร์ที่ปลอดภัยและทันสมัยที่สุด



Interlink Hai Jai Foundation

มูลนิธิ อินเตอร์ลิงค์ไห่จี้
ใส่ใจในสังคม รับผิดชอบต่อสังคม พัฒนาการศึกษาไทย



Interlink Power and Energy Limited

บริษัท อินเตอร์ลิงค์ เพาเวอร์ แอนด์ เอ็นเนอร์ยี่ จำกัด
ผู้เชี่ยวชาญงานวิศวกรรม โครงการระบบไฟฟ้า และ Submarine Cable



Tel Group : 02-693 1222 (30 สาย)

Tel Telecom : 02-693 1122 (auto)



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1 COMPANY PROFILE

LISTED COMPANY	Interlink Communication Public Company Limited
REGISTERED NO.	0107547000222
COMPANY CODE	ILINK
BUSINESS TYPE	The Company is the largest importer and distributor of computer network cabling systems in ASEAN and has 3 subsidiaries as follows : 1) Interlink Telecom Public Company Limited : The network provider thru nationwide fiber optic covering 77 provinces of Thailand, Fast connection 100% safe and secure and the most modern and most secured data center. 2) Interlink Power and Energy Company Limited : The specialist in Electrical Systems and Communications projects 3) Interlink Data Center Company Limited: Data Center business.
SHARE CAPITAL	Baht 362,479,447 including 362,479,447 ordinary shares at Baht 1 each
PAID-UP SHARE CAPITAL	Baht 362,423,986 including 362,423,986 ordinary shares at Baht 1 each

LOCATION

HEAD OFFICE

48 Interlink Building, Soi Rungreung,
Rachadapisek Road, Samsennok, Huay Khwang,
Bangkok 10310, Thailand
Tel : 0-2693-1222 (auto 30 line)
Fax : 0-2693-1399 (auto 2 line)
www.interlink.co.th E-mail : info@interlink.co.th

INTERLINK Fiber Optic Network Management Center (NMC)

9/1 Soi 01 Kanchanaphisek 5/5 Kanchanaphisek Road,
Taraeng, Bangken, Bangkok 10220, Thailand
Tel : 0-2181-1188 (Hotline)
Fax : 0-2181-1155
E-mail : NMC@interlinktelecom.co.th

DISTRIBUTION CENTER

9/2 Soi01 Kanchanaphisek 5/5, Kanchanaphisek Road,
Taraeng, Bangken, Bangkok 10220, Thailand
Tel : 0-2181-1522 (auto)
Fax : 0-2181-1525
E-mail : logistic@interlink.co.th

INTERLINK DATA CENTER

9/1 Soi 01 Kanchanaphisek 5/5 Kanchanaphisek Road,
Taraeng, Bangken, Bangkok 10220, Thailand
Tel : 0-2181-1188 (Hotline)
Fax : 0-2181-1155
E-mail : noc@interlink.co.th

NORTHERN (Chiang Mai branch)

412/3 Chang Klan Road, Chang Kla, Mueang,
Chaing Mai 50100, Thailand

Tel : (052) 065-911 (auto)

Fax : (052) 065-914

E-mail : chiangmai@interlink.co.th

NORTH-EASTERN (Khonkaen branch)

108/141-142 Arnamai Road, Nai-Meung,
Mueang, Khonkaen 40000, Thailand

Tel : (043) 052-911 (auto)

Fax : (043) 052-914

E-mail : khonkaen@interlink.co.th

SOUTHERN (Hat Yai branch)

70, 72 Por Nattapon 3 Road, Hatyai, Hatyai,
Songkla 90110, Thailand

Tel : (074) 220-911 (auto)

Fax : (074) 220-984

E-mail : hatyai@interlink.co.th

EASTERN (Rayong branch)

267/249 Sukhumvit Road, Mabtapud,
Mueang-Rayong, Rayong 21150, Thailand

Tel : (038) 608-283-4

Fax : (038) 608-294

E-mail : rayong@interlink.co.th

Certified Public Accountant

Miss Amornrat Pearmpoonvatanasuk

Certified Public Accountant No. 4599

PricewaterhouseCoopers ABAS Ltd.

179/74-80, South Sathorn Road, Bangkok 10120

Tel : 0-2344-1000

Fax : 0-2824-5000

Securities Registrar

Thailand Securities Depository Co., Ltd.

The Stock Exchange of Thailand Building

93, Ratchadaphisek Road, Dindaeng,

Dindaeng, Bangkok 10400

Tel : 0-2009-9000

Fax : 0-2009-9991

2 FINANCIAL HIGHLIGHTS

(Unit : Million Baht)

Operating Results	Financial Statements		
	2559 / 2016	2558 / 2015	2557 / 2014 Restated
Revenue from distribution business business	1,987.81	1,974.02	1,634.84
Revenue from engineering business	169.73	665.21	811.87
Revenue from telecom business	784.40	418.92	230.54
Other income	30.00	20.84	11.97
Total revenues	2,971.94	3,078.99	2,689.22
Cost of distribution business	1,515.35	1,509.78	1,264.90
Cost of engineering business	136.04	533.63	651.19
Cost of telecom business	602.35	292.91	177.27
Gross profit	718.20	721.83	583.89
Selling and administrative expenses	387.95	370.81	319.73
Share of losses from investment in joint venture	0.14	-	-
Total expenses	2,641.83	2,707.13	2,413.09
Profit before finance cost and income tax expense	330.11	371.86	276.13
Finance cost	44.56	36.93	14.62
Profit before income tax expense	285.54	334.93	261.51
Income tax expenses	58.38	68.48	50.15
Profit for the years	227.16	266.45	211.36
Other comprehensive income	(0.87)	5.71	5.70
Total comprehensive income	226.29	272.16	217.06
Earnings per share (Baht)	0.63	0.80	0.65

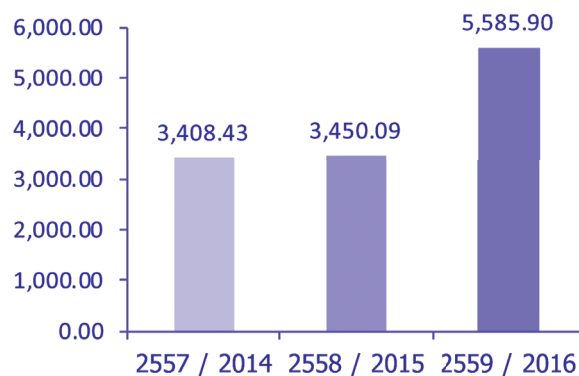
(Unit : Million Baht)

Financial Position	Financial Statements		
	2559 / 2016	2558 / 2015	2557 / 2014 Restated
Total assets	5,585.90	3,450.09	3,408.43
Total liabilities	2,397.82	1,635.39	1,925.31
Total shareholder's equity	3,188.08	1,814.70	1,483.12

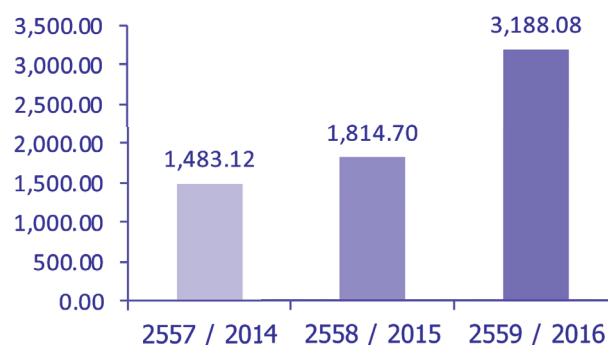
Financial Ratio	Financial Statements		
	2559 / 2016	2558 / 2015	2557 / 2014 Restated
Current ratio (Times)	2.22	1.40	1.05
Gross profit margin (%)	23.39	23.60	21.81
Net profit margin (%)	7.64	8.65	7.86
Return on assets (%)	5.03	7.77	7.54
Return on equity (%)	9.08	16.16	15.35
Debt to equity ratio (Times)	0.75	0.90	1.30
DSCR	1.99	4.54	1.21

FINANCIAL HIGHLIGHTS

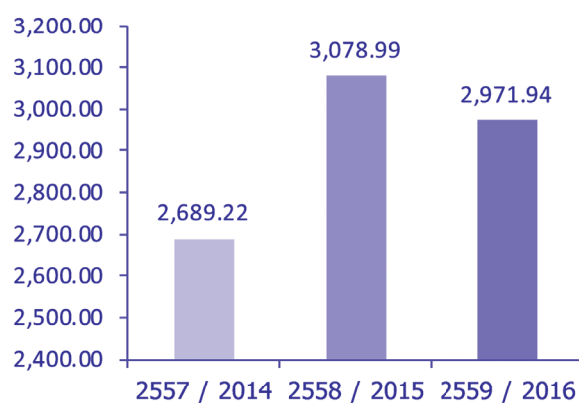
Total assets



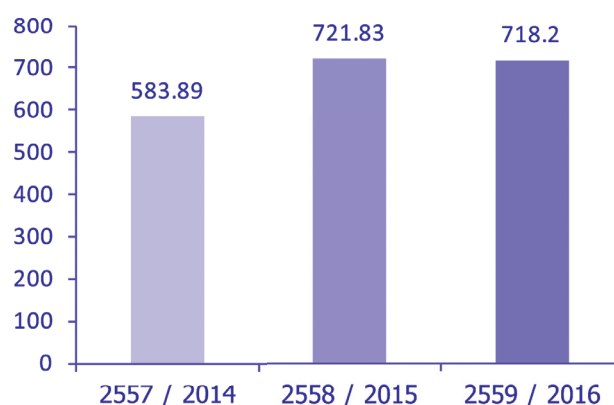
Total shareholder's equity



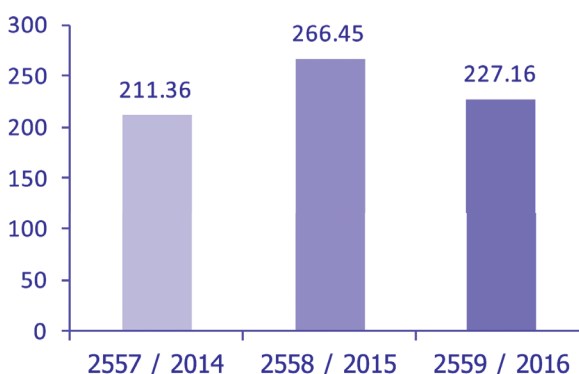
Total revenues



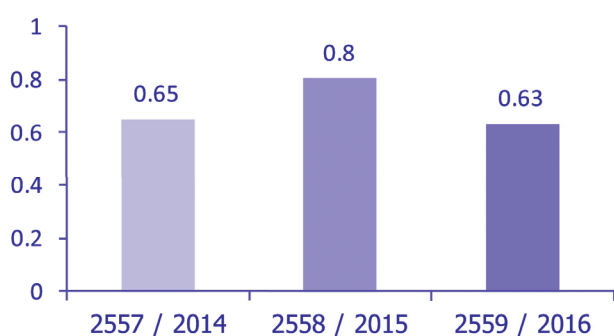
Gross profit



Profit for the years



Earnings per share (Baht)



3 INCOME STRUCTURE

Major revenues of the Company are from 3 businesses which are distribution business, engineering business and telecom business. The Company also receives other income such as interest income and gains on foreign exchange rate. The income structure of the Company is as shown below.

Product Line / Business Group	For the year ended 31 December					
	2014		2015		2016	
	Amount (Million Baht)	%	Amount (Million Baht)	%	Amount (Million Baht)	%
Distribution Business	1,634.84	60.79	1,974.02	64.11	1,987.81	66.89
Engineering Business	811.87	30.19	665.21	31.60	169.73	5.71
Telecom Business	230.54	8.57	418.92	13.61	784.40	26.39
Others	11.97	0.45	20.84	0.68	30.00	1.01
Total Revenue	2,689.22	100.00	3,078.99	100.00	2,971.94	100.00

4 MAJOR DEVELOPMENTS

1995

Established INTERLINK COMMUNICATION (THAILAND) CO., LTD.

- Established INTERLINK COMMUNICATION (THAILAND) CO., LTD. on 9 March 1995, with registered capital of 10 million baht.
- Transferred Network Cabling System Department from Interlink Holding CO., LTD to INTERLINK COMMUNICATION (THAILAND) CO., LTD.
- Initiated monthly Seminar Course of Cabling product for public.
- Selling AMP and INTERLINK brands.

1996

Focused on Cabling Business.

- Set position of the company to be "The No.1 Cabling Company".
- Taking employees to products world expo in order to build up motivation and morale for employee.
- Designed and Manufactured new product called "19" Germany Export Rack".

1997

Thai Financial Crisis (Asian Financial Crisis) on 2 July 1997

- Adjusted to support Financial Crisis under the policy of "Going together" Program.
- Maintained company positioning and looked for new market opportunities in the crisis.
- Added and replaced new products to existing products portfolio.

1998

Maintained Company Positioning and Planed New Strategy for Growth.

- Added new product to existing product portfolio by adding New Cabling product brand "LINK" apart from existing brand, AMP and INTERLINK.
- Encouraged internal training and support in order to educate employee to be ready for business.

1999

Declaration is the third major seizure of doing business.

- Applied new strategy for growth by focusing more on "Push Marketing".
- Announced 3 company promises, "Quality products", "Better price" and "Outstanding customer service"
- Added "Media Converter" brand LINK to new product portfolio.

2000

Applied International Standard to Organization and Continue to Grow

- Applied quality management system ISO 9002 standard to the business.
- Established Engineering Department to focus on installation, testing and commissioning services.
- Set up Sale Team to support specific customers

2001

Penetration continued to increase capital growth.

- Increased registered capital from 10 million baht to 30 million baht.
- Standard for proactive business continuity.
- Expanded Rented landed property and build warehouse near office

2004

Listed as Public Company in Market for Alternative Investment (MAI) under The Securities Exchange of Thailand and Held Position as The No.1 Cabling Company in Thailand.

- Converted to public company limited on 8 March 2004.
- Increased registered capital from 60 million baht to 80 million baht.
- Listed and sold in stock market to publics on 20 August 2004 under “ILINK”.
- Reformulated organization structure into 3 separated businesses function as follow:
 - Distribution Business
 - Engineering Business
 - Solution Provider Business
- Provided “Free Delivery and Quick Services Delivery Program” for customer in Thailand.
- Selected to design and install cabling and telecommunication system for Suvarnabhumi Airport.
- Built new warehouse and office building on company land, 333 sq.m.

2005

Opened Chiang Mai Branch and Free Delivery Project in Thailand

- Opened new Project “Free Delivery in Thailand” and “Instant throughout Thailand”
- Opened Northern branch and northern distribution center in Chiang Mai.
- Selected for SET Award 2005 for “MAI Growth STAR” from The Securities Exchange of Thailand.
- Added new products, 19” The Best Quality Rack to company product portfolio.
- Selected by TOT Public Co., Ltd. and Thai Airway International Public Co., to provide service on those companies projects.

2006

Focused on Think of Cabling, Think of INTERLINK Campaign.

- Opened southern branch and southern distributor center in Hatyai.
- Selected for SET Award 2006 for “MAI Growth STAR” from The Securities Exchange of Thailand (2nd years).
- Added new products, LINK Telephone product, “Telephone Management” to company product portfolio.
- Selected by The Metropolitan Electricity Authority, Provincial Electricity Authority and Airway International Public Co., Ltd. to provide service on those companies projects

2007

Sub Prime in USA

- Increased registered capital to 100 million baht.
- Adjusted organization to support economic slowdown by using "Sufficiency Economy" philosophy.
- Diversified and expanded business to cover all about cabling business.
- Registered "Interlink Telecom Company Limited" as a subsidiary company.
- Selected by Provincial Electricity Authority to work on submarine cable project and TOT Public Co., Ltd. to work on Fiber Optic project.

2008

Build new Office / Opened Khonkaen Branch

- Build new office and expand new warehouse more 3,880 square meters.
- Registered "Interlink Power"
- Added new product "Link Coaxial Cable"
- Open Northeastern branch and distributor center in Khonkaen.
- Selected by TOT Public Co., Ltd. to work on Fiber Optic System project.
- Received Bai Pho Business Award from Sasin Institution.

2009

Apply for your business The continuing growth

- Purchased the land for 2,264.2 squares meter for future business expansion.
- Applied ISO 9001 : 2008 instead of ISO 9001 : 2000".
- Applied new strategy "Seeking new business growth and opportunity – Focusing on business development – Maintaining leader positioning in the market".
- Selected by PEA to work on Submarine Cable Project, project value of 337.5 million baht, in Koh Mook, Koh Sukorn and Koh Libong, Trang Province and Fiber Optic Cable project in Southern part of Thailand.
- Selected for Set Award 2009, "IR Excellence Awards", rewarded by The Securities Exchange of Thailand.

2010

Euro Crisis

- Applied new strategy "Maintaining Leadership in the market, Focusing on Business Development and Concentrating on new business opportunities".
- Selected by PEA to work on Fiber Optic Cabling Project, 1,250 kilometer project with the contract value of 200 million baht.
- Selected to work on Submarine Cable Maintenance Project for Koh Lan, Koh Si Chang with the contract value of 113 million baht.
- Designed for Interlink Research and Development Center on 8,816.8 squares meter area.
- SET AWARDS 2010 nominee branch "IR Excellence Awards" and in "Good Governance".

2011

Major flooding in Thailand

- Applied “Reformation” strategy in order to support highly business growth.
- Generated total revenue over 1,300 million baht.
- Designed and Built Interlink Research and Development Center on Kanchanaphisek Road, Bangkok Thailand.
- Selected for Set Award 2011, “IR Excellence Awards”, rewarded by The Securities Exchange of Thailand.

2012

Reformation

- reform ideas of working for staff working in various roles.
- “Coaching” to use your words, Mr. Nuttanai executive of Inter Link Telecom.
- investment “Interlink Fiber Optic Network” throughout the country
- share price from 6-7 baht to 18-20 baht.
- Interlink Communication Foundation registered to mind.
- Change “Interlink Energy” to “Interlink Power & Energy”
- August 26 2012 Opened Rayong Branch

2013

Reforming and Coaching the operation for legibility (REOPERATION)

- Grand opened the Research and Distribution Center (R&D) since 1 January 2013 included the followings.
- LOGISTIC Office Building: The 3 floors building with usage areas of 720 sq.m.
- INTERLINK TELECOM and DATA CENTER Building: The 3 floors building with usage areas of 1,800 sq.m.
- Warehouse Building: The single story building with mezzanine floor, height equal to 3 floors building with usage areas of 4,824 sq.m.
- Restructured corporate management structure.
- Increased registered share capital to Baht 145 million and had paid-up share capital of Baht 129,994,541 from stock dividend payment of Baht 9,994,541 and stock public offering of Baht 20 million.
- Public offered and sold of Baht 20 million shares could funding money for Baht 395 million. The newly funds were used in increasing share capital of Interlink Telecom Co., Ltd. by Baht 270 million, the remaining were reserved for the operation of the Company and the subsidiaries.
- Issued and sold of warrant, ILINK-W1, for 14,997,238 units for free to the receiver of stock dividend and the subscriber of stock public offering.
- Won the bidding of 2 submarine cable projects with total project value of Baht 1,950 million (i.e. Baht 1,150 million for submarine cable to Ko Kood, Ko Mak, Trad Province and Baht 800 million for submarine cable to Ko Phangan, Surat Thani Province.

- Fiber Optic Network Construction on the rail line was completed around 100%.
- Established the advisory board of Interlink Communication PLC.
- Awarded for “IR Excellence Awards” in “SET AWARDS 2013” from the Stock Exchange of Thailand.
- Awarded for “CSR Recognition 2013” from the Stock Exchange of Thailand.

2014

Stable Growth and Sustainability by aiming at being the forefront leader in Technology of Thailand

- Increased registered share capital to Baht 289,983,558 and had paid-up share capital of Baht 261,048,952 from stock dividend payment of Baht 129,994,841 and from the exercises of Warrants representing the right to purchase common shares of Interlink Communication Public Company Limited No. 01 or (ILINK-W1).
- Restructuring of the corporate structure to become clear and appropriate for the business operations by transferring the INTERLINK DATA CENTER business unit to be under the operation of Interlink Telecom Public Company Limited.
- Increased Interlink Fiber Optic Network coverage to cover 64 provinces all over Thailand and ready for connectivity with neighboring countries to support future growth of data consumption both within Thailand and abroad.
- Provided Interlink Fiber Optic Network to major mobile provider to support 3G technology.
- Awarded for “CSR Recognition 2014” from the Stock Exchange of Thailand.

2015

Continuous and sustainable growth with the goal of bringing technology to developing countries.

- Increased registered share capital to Baht 362,479,447 and had paid-up share capital of Baht 335,621,351 from stock dividend payment of Baht 65,971,778 and from the exercises of Warrants representing the right to purchase common shares of Interlink Communication Public Company Limited No. 01 or (ILINK-W1).
- Inter link Communications Limited (Company) transferred from the Market for Alternative Investment (Mai) to The Stock Exchange of Thailand (SET) on August 19, 2015.
- Inter Link Telecom Ltd as a public company Inter Link Telecom Co., Ltd. (Thailand) on May 11, 2015.
- Expansion to the CLMV countries AEC.
- Submarine Cable project delivery Koh Kood, Koh Mak, Trat. Projects worth 1,150 million baht.
- Deliver Submarine Cable Project, Koh Pha Ngan. Surat worth 800 million baht.
- Tenders to sell FTTH lines TOT of 32 million meters, valued at 190 million baht.

2016

Stability, Endurance and permanence, the goal is to develop technology to Thailand

- Registered share capital to Baht 362,479,447 and had paid-up share capital of Baht 362,423,986 and the exercises of Warrants representing the right to purchase common shares of Interlink Communication Public Company Limited No. 01 (ILINK-W1) to exercise the rights under the Warrants No. 12 (the last time) on June 23rd, 2016 ago.
- Interlink Telecom Public Company Limited, a subsidiary to be traded MAI, Market for Alternative Investment on September 14, 2016
- Expanding to the CLMV countries, especially the AEC intends to grow continuously to cover the region in the future
- The company was annual awarded in 2016 a second conservative year from The Thaiptat Institute which emphasized good governance. As a company with social responsibility and the environment. (Environmental, Social and Governance: ESG) evaluation of the companies listed on The Stock Exchange of Thailand from all 621 companies.
- The company has got award for bidding Suvarnabhumi Airport Development Utilities Project of the Airports of Thailand (AOT) for (fiscal year: 2011-2017), which offer a total of million baht 866.03.
- The company has got award for bidding Construction of 115-22 KV Switching Station Project at Northern Industrial Estates 2 Project at Lamphun province, Construction of 115-22KV Switching Station Project at Northern Industrial Estates 3 at Lamphun province and Power Station 3 at Lampang province, which offer a total of million baht 526.26.
- The company has got award for bidding Construction of 115KV Transmission Line at HOD District, Chiang Mai Province Station - Maesariang District, Mae Hong Son Province Station Project, which offer a total of million baht 289.30 for electrical substation 9.1 Phase 3 from the PEA.

CSR 2016



CSR 2016



5 MESSAGE FROM THE PRESIDENT

Dear All Shareholders

The Group of Interlink Communication Public Company Limited was established in 1987, starting from the point the my wife (Ms. Chalida Anuntarumporn) and I (Mr. Sombat Anuntatumporn) brought our saving of 250,000 Baht to register the company named “International (1987) Company Limited” (the name was later changed to Interlink Holding Company Limited). The business first started from being a distributor of electrical products, computer products and office equipment and supplies, for example; diskettes, ink ribbon, office tables and chairs.

Later, there has been a development in computer technology by connecting computers to form LAN (Local Area Network). I (Mr. Sombat Anuntarumporn) who graduated in electrical engineering and had experience in installation of electrical and communication systems saw a potential growth of computer cable business so I studied technology by which computers are connected by signal cables and I am the first one who brought in technology of LAN cable into Thailand. Furthermore, with persistent policy and focus on signal cable business, together with implementation of innovative management in “sales secretary” style and better service for the company’s customers, “Interlink Communication Public Company Limited is currently the biggest signal cable importer and distributor in Thailand” and targeted to be the biggest one in Asian soon.

Later, with our ideology to bring in technologies to develop Thailand (Mission) and with our intention to grow along with our customers (Growth Together), it leads to creation of business vision (Vision) to “grow, carry on, and sustain” (Sustainable Growth). Throughout our business operation, the Group of Interlink Communication Public Company Limited has adhered to our commitment in the form of 3 business declarations; namely, 1. Quality products, 2. Cost leadership and 3. Quick response. Consequently, the Group has grown rapidly by focusing on 3 core businesses including 1. Distribution Business 2. Telecom Business 3. Engineering Business. In return, to contribute to the society, the Group of Interlink Communication Public Company Limited has established a foundation called Interlink Giving Hearts to implement corporate social responsibility (CSR) projects in which customers, vendors, employees, shareholders and individuals in the society in general will be prioritized.

The Group of Interlink Communication Public Company Limited has been established for 30 years. The Group consists of the parent company and its subsidiaries as follows:

1. Interlink Holding Company Limited (the parent company and the major shareholder);
2. Interlink Communication Public Company Limited (a subsidiary and the parent company of other two subsidiaries);
3. Interlink Telecom Public Company Limited;
4. Interlink Power and Energy Company Limited.

Moving forward, the Group of Interlink Communication Public Company Limited, the parent company and its subsidiaries have established an important foundation for a stable and consistent growth through three core business; namely, 1. Distribution Business 2. Telecom Business 3. Engineering Business.

I myself, managements and every single employee are confident that we all will definitely bring the Group of Interlink Communication Public Company Limited a continuous and sustainable growth.



With respect and regards,

A handwritten signature in blue ink, consisting of stylized letters 'S', 'I', and 'C' followed by a horizontal line.

(Mr. Sombat Anuntarumporn)

President and Managing Director

1 January 2017

6 AUDIT COMMITTEE REPORT

The Audit Committee of Interlink Communication Public Company Limited was appointed by the Company's Board of Directors and consists of three independent directors; Mr Chusak Direkwattanachai, Admiral Saksith Cherdboonmuang and Mrs Saowanee Kamolbutr, whom possesses all the qualifications under the Notification of the Securities and Exchange Commission of Thailand.

The Audit Committee has carried out their duties according to the scope and responsibilities authorized by the Board of Directors and according to the rules and regulations of the Audit Committee which complies with the regulation of the Stock Exchange of Thailand. In 2016, the Audit Committee held 4 meetings with presence of the management, auditor and internal audit department. Their performance can be summarized as follows:

1. Reviewed the Company's quarterly and annual financial statements of 2016 and participated in meetings to discuss and request for explanations from the auditor and the management team regarding the completeness and relevance in the disclosure of information as well as acknowledging the notes and recommendation of the auditor of 2016 which the Audit Committee has an understanding with the auditor that the financial statements are correct and complies with the accounting principles and financial reporting standards.
2. Reviewed the internal control system to evaluate the appropriateness and effectiveness of the Company's internal control practices to promote the business operations in its achievement of goals and targets by considering the Internal Audit Report of 2016 based on internal audit plan, this system covers the important work of the company. The Audit Committee has concluded that internal controls are adequate and appropriate and no material weaknesses or deficiencies.
3. Reviewed the Internal Auditing to evaluate the performance of the Internal Audit Department for the performance in its duties and responsibilities, its independence, sufficiency of manpower and budgets of the Internal Audit Department which the Audit Committee has found the Company's internal audit system as sufficient and effective.
4. Reviewed the Company's compliance with the securities and exchange laws of Thailand and other laws related to the business as well as the compliance with the Company's regulations and other obligations with external parties. The Audit Committee is of the view that according to the Law on Securities and Exchange Commission and the requirements of the Stock Exchange of Thailand.
5. Reviewed and advises regarding the inter-related item transactions and other transactions which may create conflict of interest including the disclosure of such transactions according to the regulation of the Stock Exchange of Thailand and the Securities and Exchange Commission of Thailand. The Audit Committee agrees with the auditor as finds the disclosure of important information as well as in the financial statements and notes as correct and sufficient.
6. To assess the adequacy of the internal control system in the Board of Directors Meeting 2/2017 held on February 27, 2017, with three independent directors to attend the meeting. The Board has reviewed the Company's internal control system by requesting information from the management and monitoring evaluation committee reviewed

the report of the Audit Committee concluded that the assessment of internal control of the company in terms of five elements, the Board of Directors of that system like it or without power as well as transactions with persons who may have conflicts of interest and related party to be sufficient. For internal control, among other topics. The Board agreed that the Company has sufficient internal control as well.

7. Reviewed of Risk Management , the result of the audit observations and assessment of internal controls. Including the exchange of views with senior executives. The Company is scheduled to have a meeting on a monthly basis as well as the meeting of the Board of Directors on a quarterly basis. The Board of Directors has discussed the operation. Risk factors that may have occurred. Impacts and recommend measures to prevent or reduce the level of risk, and reported on the progress of actions taken by those responsible continues. The Committee agreed that risk management measures prescribed are effective and sufficient to cover operational processes at high risk. Environmental compliance of the current operation.
8. Considered and nominated of the auditors of the company for the year 2017 and proposes the annual audit fee to be approved by the shareholders at the Annual General Meeting which the company has evaluated from the performance, independence and the appropriateness of the audit fees. The Audit Committee members agreed on proposing PricewaterhouseCoopers ABAS Ltd. as the Company's auditor and the appointment of Mrs Amornrat Pearmpoonvatanasuk, Registration No.4599 and/or Mr Pongthavee Ratanakoses , Registration No.7795 and/or Mr Vichien Khingmontri , Registration No.3977 as the auditor of the Company for the fiscal year 2017.

To summarize the year 2016 , the Audit Committee has performed its duties and responsibilities as authorized utilizing their knowledge with independence and has the opinion that the Company's reports of financial data and business operations as correct and has an appropriate and effective internal control and internal audit system. The Company's has complied with all related laws, regulations and obligations and the reporting of inter-related items correctly and a proper corporate governance for a transparent and reliable as well as the continual improvement to the business operations for a better quality and more appropriate with the business environment.



On behalf of the Audit Committee,

(Mr. Chusak Direkwattanachai)

Chairman of the Audit Committee

7

DIRECTORS AND THE MANAGEMENT TEAM



คุณสมบัต อุนันตรัมพร

ประธานกรรมการ
และกรรมการผู้จัดการใหญ่

Mr. Sombat Anuntarumporn

President and Managing
Director



คุณชลิดา อุนันตรัมพร

กรรมการและกรรมการผู้จัดการ

Mrs. Chalida Anuntarumporn

Director and Managing Director



คุณณัฐนัย อุนันตรัมพร

กรรมการและกรรมการผู้จัดการ บริษัท
อินเตอร์ลิงค์ เทเลคอม จำกัด (มหาชน)

Mr. Nuttanai Anuntarumporn

Director and Managing Director of
Interlink Telecom Public Co., Ltd.



คุณชูศักดิ์ ดิเรกวัฒนชัย

กรรมการอิสระและประธานกรรมการ
ตรวจสอบ

Mr. Chusak Direkwattanachai

Independent Director and
Chairman of Audit Committee



พลเรือเอก ศักดิ์สิทธิ์ เชิดบุญเมือง

กรรมการอิสระและกรรมการ
ตรวจสอบ

Admiral Saksith Cherdboonmuang

Independent Director and
Audit Committee



คุณเสาวนีย์ กมลบุตร

กรรมการอิสระและกรรมการ
ตรวจสอบ

Mrs. Saowanee Kamolbutr

Independent Director and
Audit Committee



นายประสิทธิ์ชัย วีระยุทธวิไล

รองกรรมการผู้จัดการใหญ่

Mr. Prasitchai Veerayuttwilai

Senior Executive Vice President



คุณเพ็ญศรี จันตะภาค

กรรมการและรองกรรมการผู้จัดการ
สายงานการเงิน

Mrs. Pensri Chantakhad

Director and Deputy Managing
Director of Finance



คุณวัญตา มีสมพร

กรรมการและรองกรรมการผู้จัดการ
สายงานธุรกิจจัดจำหน่าย

Miss. Kwanta Meesomporn

Director and Deputy Managing
Director of Distribution Business



คุณธัญญรัตน์ เทียมอุดมฤกษ์

กรรมการและรองกรรมการผู้จัดการสายงาน
สนับสนุนธุรกิจ และเลขานุการบริษัท

Mrs. Thanyarad Thiemudomlerk

Director and Deputy Managing
Director Business and Operations
Support



คุณอดิศักดิ์ เอมมหัสสกุล

รองกรรมการผู้จัดการ บริษัท อินเทอร์เน็ต
เพาเวอร์ แอนด์ เอ็นเนอร์ยี่ จำกัด

Mr. Adisak Angmahussagul

Deputy Managing Director of
Interlink Power and Energy
Limited



คุณประภาส ลิ้มกังวาลมงคล

ผู้อำนวยการฝ่ายขาย
และการตลาด

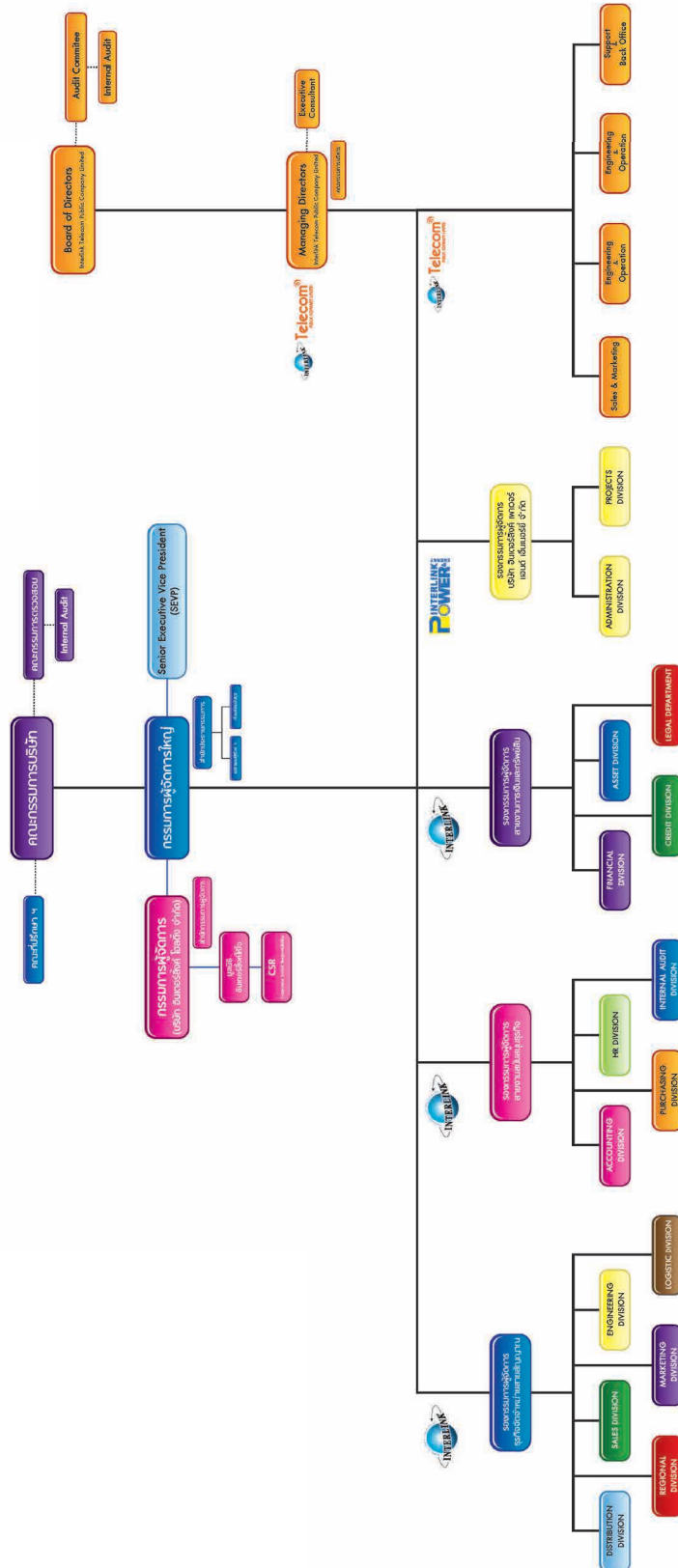
Mr. Prapart Limkangwalmongkol

Sales and Marketing Director

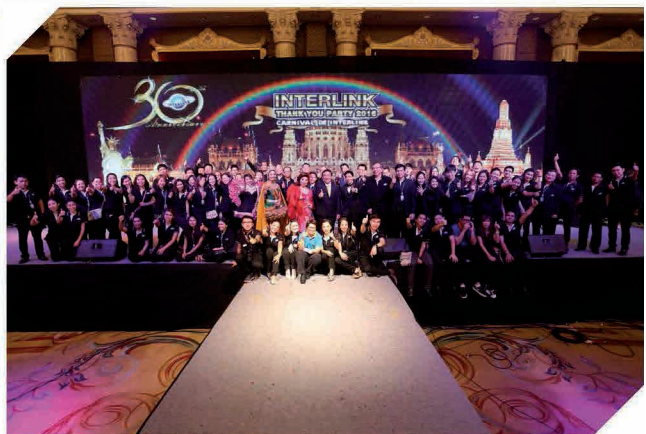
8 ORGANIZATION CHART

New Organization 2017

Ref no./03/60/nu.



Activity 2016



Activity 2016



9 POLICIES AND OVERALL BUSINESS OPERATIONS

Company Profile

Interlink Communication Public Company Limited (previously named Interlink Communication (Thailand) Co., Ltd) was established on March 9, 1995 and succeeded the cabling system business and employees as well as rights as an authorized distributor for AMP (USA) brand and inventories from its parent company, Interlink Holding Co., Ltd, so that the Company could instantly run its business. The Company's objective is to primarily focus on cabling and telecommunication business for the purpose of gain more market shares in which its growth are significantly increasing. Interlink Communication PLC is the first company that introduces LAN cable technology and become very popular and widely known in Thailand until nowadays.

The Company operates in Information and Communication Technology industry (ICT). Its main business is related to computer and telecommunications cabling. It is appointed by the cable and equipment manufacturers from overseas as Distributor in Thailand, including brand LINK and COMMScope (old name : AMP). In addition, the Company is also a pioneer in order to develop products related to telecommunications equipment. As a result of the development, there is 19" cabinet for containing computer and communication equipment, under the brand of "19" GERMANY EXPORT RACT, in which the Company has registered the trademark according to the Copyright Act, and hires E.S. International (1991) Co., Ltd., a related company by 10% shareholding.

Due to the fact that the Company's products are classified as engineering type that require the specialized skill and work with high cost tools and test equipment in which we already invested, therefore we are entrusted to be the tester of cabling system and issuance of certification to contractors for the project owner could ensure that the cabling system installation by the contractor could be properly functional. From that experiences, the Company foreseen business opportunity and promoted Engineering Department in 2004 as previously working as supporting team. The establishment of Engineering Department to give the Company a new source of revenue by adding the installation and construction service of cabling system including fiber optic cable, in order to serve the need of future development of Thailand's telecommunication infrastructure. Furthermore, the Company has also expanded its engineering scopes of work to cover all cable types, such as submarine cable, transmission line and underground cable. It is also included other engineering system that associated with various types of cable such as construction of substation and so on.

For distribution Business, currently, the Company has dealers including contractor of cabling installation, installation of electrical and communication systems contractor, ICT System Integrator, computing retail, electrical and communication retail and IT Modern Trade as distributor and installer of the Company's products to more than 12,000 business over Thailand. The Company also has more than 100 state organizations customers. In 2005, the Company opened regional branches to increase sales channels by opening Chiang Mai branch to cover the Northern area, and in 2006 opened the Hatyai branch to cover the Southern area, and in 2008 opened the Khonkaen branch to cover the Northeastern area, and in 2012 opened the Rayong branch to cover the Eastern area. In 2012, the Company has also constructed the new distribution center with 6,500 sq.m, utilizable area on 6 rai land to support the continued growth of sales in the future on the Company's own land in the Kanchanapisek Road area.

For engineering Business, the Company has received great confidence from many state organizations to serve large scale projects which the Company has proudly completed with success such as 1) Nationwide Fiber Optic for TOT, MEA and PEA 2) Submarine Cable project of Koh Lan and Koh Sichang of Chonburi 3) Submarine Cable of Koh Puyu Kph Yao of Satun 4) Sunmarine Cable project of Koh Mook, Koh Sukon and Koh Libong of Trang, for example 5) 115 K.V. Transmission Line project in Pai, Mahongsorn, and 6) Substation project in lampoon, 7) Submarine Cable project to Koh Kood, Koh Mak in Trat 8) Submarine Cable project to Koh Phangan in Surat thani etc.

For telecom business, according to the strategy of the Company as to continued growth and sustainability, Interlink Telecom Co., Ltd, the subsidiary, has obtained telecommunication license type 3, in which allowed to own the network, from Office of The National Broadcasting and Telecommunications Commission ("NBTC") on 8 May 2012 under the name of Interlink Telecom Co., Ltd., and aim to be the nationwide network provider that provide connectivity to the customer for instance, data communication service, broadcast service, managed service and data center. The core network under Interlink Fiber Optic Network Project is nationwide installing on rail pole of State Railway of Thailand and on electrical pole of Metropolitan Electricity Authority ("MEA") and Provincial Electricity Authority (PEA) as minor root and redundancy root. As of now, the Interlink Fiber Optic Network has completely constructed on railway path and could render the service and during constructed on electrical pole of MEA and PEA.

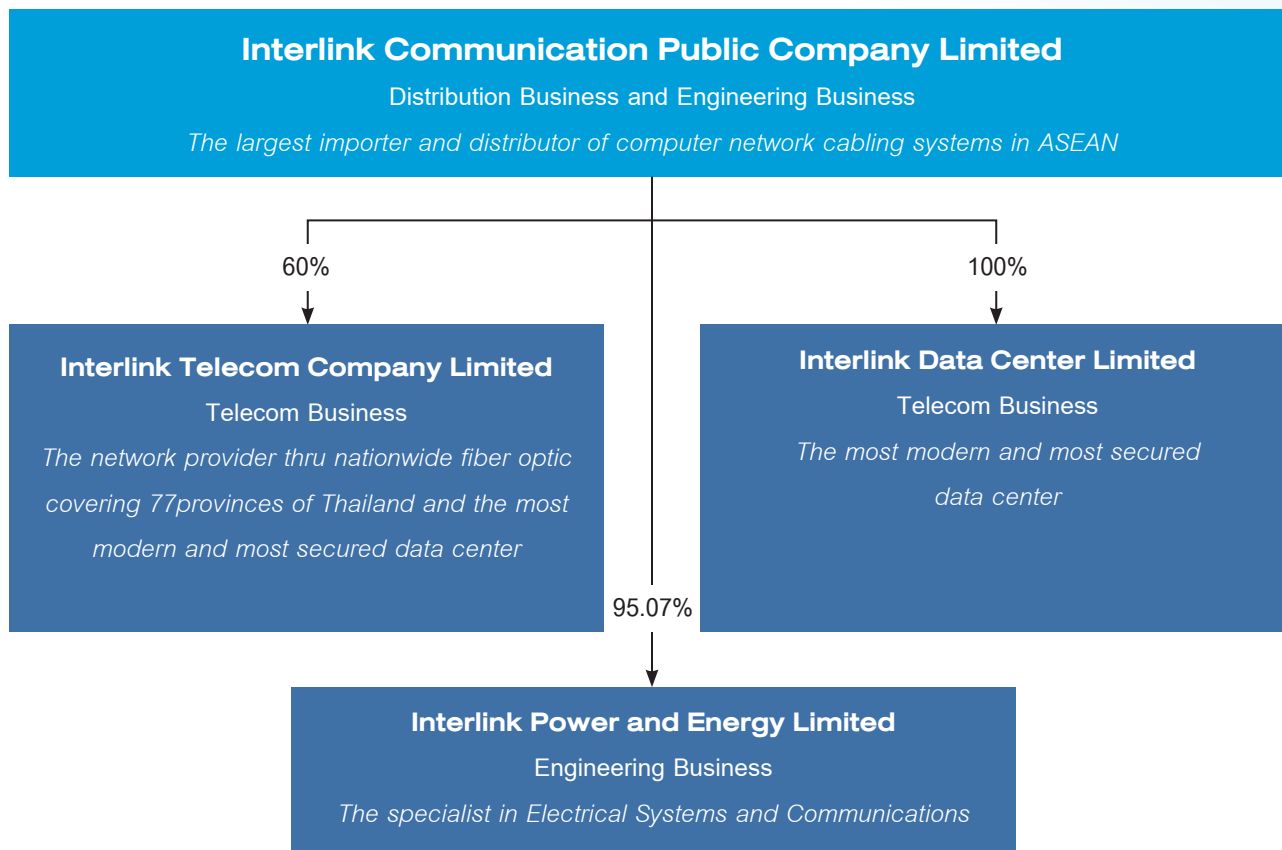
In addition, the Company also initiates researching and developing Interlink Data Center Project as to use as control center of Interlink Fiber Optic Network Project as well as use for new future business of server providing and server space rental. The Interlink Data Center Project is located at Interlink Telecom Building and during construction, located in the same area of the distribution center at Kanchanaphisek Road which was officially opened in 2014.

Policies

STRATEGY	Continuous Growth and Sustainability
TYPES OF BUSINESS	<ol style="list-style-type: none"> 1. Distribution Business 2. Telecom Business 3. Engineering Business
MISSION	<ol style="list-style-type: none"> 1. Interlink Communication Public Company Limited "The largest importer and distributor of computer network cabling systems in ASEAN" Interlink Telecom Public Company Limited " The network provider thru nationwide fiber optic Covering 77 provinces of Thailand, Connect instantly with 100% safe and secure and the most modern and most secured data center" 2. Interlink Power and Energy Limited "The specialist in Electrical Systems and Communications" 3. Interlink Data Center Limited The most modern and most secured data center
OBJECTIVE	Growth Together
COMMITMENT	<ol style="list-style-type: none"> 1. Differentiate 2. Cost Leadership 3. Quick Response

The shareholding structure of Interlink Group

The overview of business operation as described above can be summarized as shareholding structure of Interlink Group as follows.



Overview of Business

The Company operates in three core businesses under the management of the Company and its subsidiaries of 4 entities as described below.

1. Distribution Business

The distribution business is company's main business. We are the largest importer and distributor of computer and telecommunication cables in Thailand. We primary focus on the world's top brands such as LINK, COMMSCOPE (old name : AMP) and 19" GERMANY EXPORT RACK. Products in our portfolio also include all related cabling and telecommunication products such as LAN cable, fiber optic cable, telephone wire, co-axial cable for CCTV system, terminating and testing tool sets, media converters, 19" GERMANY EMPORT RACK and all kinds of connector and accessories. We are now the leader in cabling business by having the most market shares in Thailand.

2. Engineering Business

Business Design/Construction and Contractors, Underwater Cable Project (Submarine Cable) as Power Lines or High-Voltage Power Lines between High-Voltage with Fiber Optic Cable (Composite cable) or fiber optic networks, including the Transmission Line Project. (Transmission Line) Underground Electrical Cables (Under Ground Cable) Electricity Substation (Substation) or Projects related to Electric Power Systems such as Smart Grid, AML Meter.

That the Company focuses exclusively on mega projects that require special expertise and high technology. The aim is not to get the overlap of our distribution business, the company has been entrusted to the Network Cable Fiber Optic (Fiber Optic Cable) and cables computer. for mega projects, both public and private sector organizations such as Suvarnabhumi Airport, EGAT, MEA, PEA, TOT, Thai Airway International, Krung Thai Bank, Kasikorn Bank, TMB Bank and Chulalongkorn University etc., The Company has been entrusted to the construction and installation of the project lay cables under the sea (Submarine Cable) and placing cables underground (Underground Cable), effective construction high-voltage cables under the sea (Submarine Cable) of high-voltage and mixed-media communications. To supply power to and communicate with the construction of high-voltage cables under the sea (Submarine Cable) of high-voltage and mixed-media communications. To supply power and communications to Koh Si Chang, Chonburi province, Koh Pu Yu, Koh Yao in Satun province, Koh Muk, Koh Sukorn, Koh Libong in Trang province, Koh Phangan in Surat Thani province, Koh Kood, Koh Mak in Trat province. In the year 2015 and in 2016, the company has undertaken the construction project contracting, construction and installation of transmission lines, high voltage 115 KV at HOD-Maesariang, Mae Hong Son Province, value of 289.30 million baht project contracting, construction Substation at Northern Industrial Estates three stations, value of 526.28 million baht and turnkey construction of Suvarnabhumi Airport phase 2 infrastructure, value of 2,000 million baht, which showed that business engineering project ever developed and continued success in the future.

Currently, the company has a strategy to transition the engineering business as mentioned above to Interlink Power and Energy Company Limited for the purpose of clearly separating business units, therefore, since 2013 Interlink Power and Energy Company Limited has already operated under its own name and subcontracting projects from the Company to increase profiles for future bids until its own name.

3. Telecom Business

Interlink Telecom Public Co., Ltd. (Thailand) (the "Company") was established on January 3, 2007, established by the policy of restructuring the business ("Reorganization") of Interlink Communication Public Company Limited ("ILINK") to continue of the cabling distribution business ILINK and information technology expertise, combined with engineering business from operating contractor equipment signal to the mobile provider. The objective is to provide a data connection between the office of the user and supports the development and growth of the telecommunications system of the Thailand, the demand for network data connection is stable and able to support - send large data.

On May 8, 2012, the Company received a license to operate a telecommunications network is a third category of its own from Office of The National Broadcasting and Telecommunications Commission (NBTC) To operate as a provider of integrated broadband communications. The period of 15 years and on October 19, 2012, the Company received approval from the State Railway of Thailand has the right to install fiber optic networks of the rail pole of railway for a period of 30 years, which is the route difference from fiber optic networks of existing providers other, after receiving the license, the Company has started the construction of a fiber optic network (Interlink Fiber Optic Network) aims to be a private network that is safe and high efficiency and operates a fiber optic network services under the network name is Interlink Fiber Optic in June, 2012.

Interlink Fiber Optic Network of the company, which combines core network along the route of the State Railway of Thailand also the main route, alternate routes and sub-routes along the road through to connect the electric post for connect to the customers. Making connections with the network of the company to continuous and stable and able to service cover from the Interlink MPLS IP-VPN, Interlink Wavelength and Interlink Dark Fiber, which is suitable for use in the business for all format of communications and telecommunications. The communication data signal (Data) image (Video) Audio (Voice) and Internet connectivity (Internet) by a team of engineers take care 24 hours and 365 days, ensuring that the company's which can be able to service to respond to the data transmission and communication effectively, high

security and have ability check the status of the network through the computer system for to prevent or solve problems quickly. It Interlink Fiber Optic network availability and service quality standards (Service Level Agreement) at a level not less than 99.9% of the company's network also covering Bangkok and boundary and other province all of Thailand (as of April 30, 2016, the Company's network can make the service covers 75 provinces of Thailand), furthermore, the Company also approved from Office of The National Broadcasting and Telecommunications Commission (NBTC). To provide interconnection to international telecommunications. Further, on April 26, 2557 resulted in the company. Can connect to the network partners in ASEAN, such as Singapore, Malaysia, Vietnam, Myanmar, Cambodia and Laos.

The company also has built on the business and service data center hosting data centers (Data Center) to take advantage of a fiber optic network across the country to the point of sale, which covers rental server space. Virtual server hosting and an emergency backup data (Disaster Recovery) to various organizations to respond needs of different customers. The company's data center Created specifically for the data center by the design and construction requirements of the Data Center of TIER 3, services are available 24 hours a day, no holiday.

Success during the 30 years and business plans

1. Establishing Interlink Group ("the Group Company") by consists of Interlink Communications Public Company Limited, Interlink Telecom Company Limited, Interlink Data Center Limited and Interlink Power and Energy Limited.
2. Creating stability in the growth of the Interlink Group which in the past 5 years, the average growth rate is normally higher than 15%.
3. Sourcing engineering project that are profitable for raising the Interlink Group's revenue to take a leap growth. Currently, the engineering business is partially transferred to Interlink Power and Energy Limited in which in 2013, we have acquired 2 submarine cable projects, 1) construction of 22 KV submarine cable to Koh Kood, Koh Mak in Trat Province with the project value of Baht 1,150 million and 2) construction of 115 KV submarine cable to Koh Phangan in Phangan with the project value of Baht 800 million which will be realized as revenue throughout 2013, 2014 and 2015 including with the year 2016 was the construction of public utilities is Suvarnabhumi Airport Development Project (fiscal year: 2011-2017) from the Airports of Thailand PLC. (AOT), employment Construction of 115-22 KV Switching Station at Northern Industrial Estates 2 at Lamphun province, Construction of 115-22 KV Switching Station at Northern Industrial Estates 3 at Lamphun province and Power Station 3 at Lampang province, Construction of 115 KV Transmission Line HOD District, Chiang Mai Province Station - Maesariang District, Mae Hong Son Province Station Project, according to project transmission line and electrical substation 9.1 Phase 3 of the PEA which will be recognized in revenue in 2016, 2017 and 2018 as well.
4. Foundation for the continuous and sustainable growth of the Interlink Group by obtaining Telecommunication license level 3 from NBTC and investing in construction of Interlink Fiber Optic Network on railway path that is the most security and lower cost as to lead to the competitiveness in the market. These services are expected to be the business that continuously generates revenues in the future.
5. Preparing for the continuous growth by investing in construction of Research and Distribution Center (R&D) on 6 acres of land with integrated facilities as to enhance services of distribution business.
6. Preparing to expand to regional and internationally by promoting branch manager to region manager and expand the sale offices as to support the AEC market trend and to invade to the Indochina market.
7. Construction of Interlink Data Center and assigns to be operated under Interlink Telecom Limited as well as establishing Interlink Data Center Limited in the early of 2014 for future growth.

In addition, the company also aims to develop the potential of the business to create growth and wealth continuously and sustainability to the shareholders by expanding the business to area that has opportunity to make maximum profits and aims to become a number 1 in every business.

10 NATURES OF THE BUSINESS

1. Distribution Business

1.1 Overall of Distribution Business

The Company is the largest importer and distributor of computer and telecommunication cables in Thailand. The cabling products are computer communication connectors and information technology equipment including CCTV by focus on all related cabling and telecommunication products such as LAN cable, fiber optic cable, co-axial cable for CCTV system, Connector, media converters, Rack Cabinet. 19" GERMANY EXPORT RACK, all kinds of connector and accessories. The company is the first company which brought LAN or UTP (Unshielded Twisted Pair) technology to Thailand and initiated to produce 19" GERMANY EXPORT RACK, also brought technology of MEDIA CONVERTER for connecting the computer system by fiber optic for more far and faster.

The Company is now the no.1 in cabling business by having the most market shares more than 60% and more various kinds of products as follows :

1. Products that the Company distributes by focus on wholesales are listed below :

- Computer cabling and connector of LAN system, fiber optic system, telephone system, Coaxial (CCTV) system of LINK brand from USA.
- Computer cabling and Connector of LAN system and fiber optic system of COMMScope (old name: AMP) brand from USA.
- Rack cabinet, network equipment and hardware device of 19" GERMANY EXPORT RACK



Branding company as an importers and distributors

2. Services that the Company has expertise are as follows.

- Terminate, Testing, Splice, Commissioning services, both of UTP and fiber optic with qualified and guarantee.
- All types of cable Assembly.

As the present, we have the existing dealers more than 20,000 further in Bangkok metropolitan and upcountry area, to more and faster in distributes and give services, also wide expand the regional market. We have opened a branch in, Chiangmai province, Northern, Hatyai district, Songkla province, Southern, Khonkaen province, Northeastern, Rayong province, Eastern. All this we have a policy of "Free of charge delivery in nationwide" to be equal in price rate between Bangkok and upcountry's dealers. Moreover, we have distributed products to neighbor via dealers and have 2 authorized distributors in Laos and 2 authorized distributors in Myanmar. We also have planned to establish branches in neighbor in Indochina area for doing sales promotion and expand market to AEC.

We have brought the innovation management of “One Stop Service” by secretarial sales team which have service mind by all passed the training both technical and services, in order to quick serve services such as price inquiry, issuing a quotation, give a technical information, receiving a purchase order, co-ordinate in delivery products and to be the center of in-out information and follow up working progress as a sale to facilitate to customer representative. Due to technology in design and installation of computer cabling system, it deems as the new technology in Thailand. So, we have initiated training project and education of “Design method and cabling system installation” to customers who are interested in, by the company has started training since 1995 on wards and also opened monthly training course to customers in Bangkok, as well as seminar about products and new technology to customers under “Interlink Road Show” in every monthly in Bangkok and many provinces throughout Thailand.

With promptly of sales team which consist of the expert personnel, trained support engineering team that have the expertise of experience in providing related services, including market team for their support, the Company has gained the trust from customers, both public and private sectors nationwide in selection our products as well as deployed our engineering team to be service provider (i.e. terminate and test services) for issuing warrantee certification

Therefore, we can be the no. 1 of computer communication system and information technology business in Thailand all along 30 years.

1.2 Products and Services

The Company is the distributor and importer of cabling system equipment related to computer, information technology and telecommunication. Our products are from directly importing from oversea (i.e. LINK), purchasing from a domestic distributor such as COMMScope (old name: AMP) and hiring domestic production by contract manufacturer (Original Equipment Manufacturer: OEM) under 19" GERMANY EXPORT RATE brand. The details of each brand are as follows.

Product	Counter Party	Type of Agreement	Term of Agreement	Conditions
LINK	LINK ASIA Limited and LINK (FAR-EAST) Corporation	Exclusive Distributor	5 years	The company is the exclusive distributor in Thailand including the countries in ASEAN area.
		(starting January 1, 2016, expired December 31, 2020)		The Company has registered the trademark in Thailand, No. Kor.147350.
COMMScope	Commscope Connectivity (Thailand) Limited	Authorized Distributor	5 years	COMMScope Thailand could appoint other dealers without notify the Company.
		(starting January 1, 2016, expired December 30, 2021)		

Product	Counter Party	Type of Agreement	Term of Agreement	Conditions
19" GERMANY EXPORT RACK	E.S. International (1991) Co., Ltd.	10% shareholdings	-	<p>The Company owns the trademark by registering the trademark in Thailand, No. Kor. 372189 and Kor. 372815</p> <p>Commissioning the plant to produce the products under brand licensing of the Company.</p>

1.3 Competition and Competitive Strategy

The growth in the information technology industry is resulting to the more need for computer systems and networks within the organization (Local Area Network: LAN). A pre-requisite for the computer to communicate well is a cabling network system, thus there are many cabling brands with many market strategies in the market. According to the positive growth trend of technology and communication market in Thailand, the Company, as an innovator and a leader in the market, intend to expand its business by add value to the product by providing the installation, which caused a new business, that is engineering business, in which the Company is the major contractor for installation of fiber optic network. The contributions of the Company are well recognized and the Company has also expanded business continuity, by establishment of Interlink Telecom Co., Ltd. to provide the maximized utilization of its computer cabling network system market.

The Company has continuously developed business and maintained its market leadership in communication cabling system market for more than 27 years. The Company has analyzed below a competitive strategy based on competitive strengths and opportunities for each business unit as follows

Strength	Weakness
<ul style="list-style-type: none"> The No.1 Cabling Company. Highly reliable and be trusted by many customers in public and private sectors. Be the first company in which introduced UTP and LAN to Thai market. Various product types are offering. Strong product support engineering team which can provide technical support to customers. This team also provides monthly training and seminar courses to educate customers. Proprietary distributor for "LINK" products in Thailand. The largest distributor for COMMScope (old name: AMP / TYCO) products in Thailand. Proactive and supportive response to customer questions by sales secretary team. 	<ul style="list-style-type: none"> Large organization, therefore, high operating expense and not easy to change. A lot of competition by small and medium size companies. Products are similarly to consumer product which in need of engineering service to add more value for customers.

Competition

Due to the fact that the Company is the first mover in cabling business, we are not run the business by focusing only on the benefits but also focuses on the relationship with customers and social responsibility for instance, cabling educational program. By all these combinations lead us to be the leading company in cabling industry for more than 16 years. Moreover, the Company is selected by the most popular brand in Thailand, LINK and COMMSCOPE, to be their distributor and able to concur the most market shares in Thailand, which are more than 60% of the market.

However, the Company never stops to develop new technology including design new products to meet the demand and expand to new market, for example, in 2008, the Company designed and launched new telephone system and COAXIAL cable and accessories for CCTB to the market. The Company also expanded to other provinces in order to reach more customers and represented as a distribution center in each region. As of now, the Company has branches in Chaingmai, Hat Yai, Khonkaen and Rayong.

1.4 Distribution Channel

The Company focused on wholesale to dealer, cabling contractor including engineering system contractor. The Company has sales team to approach target customers as well as sale secretary team that promptly to response to the order coming from customer that directly contact to the Company. In addition, many customers know the Company from verbal, newspapers, magazines, radio, computer media and television media. The Company provides catalogue that is listed all products with pricing in which will be updated semi-annually as well as provides that information in website. In addition, the Company also prepares quotation for customer's consideration as well. In case of getting order, the product will be shipped to customer within 3 days because the Company has various types of products and sufficient inventory on hand. In addition, the Company also records every orders and quotation for being the database in order to analysis for marketing plan.

As the present, we have the existing dealers more than 12,000 dealers in Bangkok metropolitan and upcountry area, to more and faster in distributes and give services, also wide expand the regional market. We have opened a branch in Chiangmai province, Northern, Hatyai district, Songkla province, Southern, Khonkaen province, Northeastern, Rayong province, Eastern. All this we have a policy of "Free of charge delivery in nationwide" to be equal in price rate between Bangkok and upcountry's dealers.

1.5 Target Customers

Target customers of distribution business can be categorized below :

1. Dealers & Contractors: are customers that resell the products or bring them to install to end user. Currently, there are over 20,000 customers throughout Thailand, including the larger computer suppliers such as IBM, AIT, IRCP, CHUNBOX, SAMART, SITEM and SVOA Computer traders and small and medium traders in general, software solution companies, contractors (i.e. electrical and communication contractors) and large communication companies in which their ratio of sales are representing for over 95% of total sales.
2. Enterprise customers: are including private sector, government and state enterprise that have demanded in using of cabling system on its own in which sales team will directly contact them. The proposal is categorized into 2 types which are 1) normal ordering and 2) bidding in which types are to use depended on type of product, quantity and amount of each lot. The sales of this category are representing for 5% of total sales.

2. Engineering Business

2.1 Overview of Engineering Business

Other than distribution business, the Company has invested in special equipment including high quality testing tools and has engineering team that has knowledge, expertise and experience for providing consultation, suggestion and supporting services related cabling system to customers throughout Thailand and thus, the Company has expanded to engineering business that is focused on only large-scale project that does not compete with the Company's customers of distribution business. The company has been entrusted to the installation of the cable of the Suvarnabhumi Airport project with the project value over Baht 500 million and the installation of fiber optic in Bangkok and in the provinces more than 4,500 kilometers with the project value over Baht 1,000 million. These are contributed the Company moving into other projects as to expanding the engineering business. At present, the Company's engineering business has scope of services as listed below.

1. Design/Construction and Contractors, Submarine Cable Project (Submarine Cable) as power lines or high-voltage power lines between media mix with fiber optic cable (Composite cable).
2. Design/Construction and Contractors, Transmission Line Project (Transmission Line) underground cable (Under Ground Cable) Substation (Substation) or projects related to electric power systems.

In order to provide the above services, the Company has to study structure of area and related system as to design important system and equipment to connect each system to be integrated. After the design is approved by customers, the Company has to sourcing experience contractor with sufficient tooling and resourcing to be part of the project. Such contractor is to be supervised by the Company's engineering team for the purpose of ensuring the quality of contractor's work by testing. Designing such systems need to be done in parallel with the structure of the building and it must be designed to accommodate future expansion as well. So to make the investment is worth, the contractors of each project have to be specialist and guarantee their work for ensuring the quality of services and creating customer satisfaction.

Based on our experience and expertise in the service, including personnel and available tools, the Company has won the trust as the leading business organization from customers, both of the private and public sectors, to be the installation of the cabling system for many large scale projects that are demanded for accountability, specialization and the professional service provider. The well-known customers are such as TOT, PEA, MEA and etc.

For the design and construction of submarine cable system, the Company has made cooperation with submarine cable manufacturer which has the experience and has world class reputation, to bid on the project in form of the Consortium in order to cause the transferring of technology and to create the confidence for employer to ensure the Company can successfully operate and can guarantee for the quality of work.

The Company has a portfolio in construction submarine cable and high voltage cable such as the construction of 22KV and 33KV submarine cable for supply electricity and communication system to Koh Samed, Koh Si-Chang at Chonburi, Koh Pu Yu Koh Yao at Satul province and Koh Mook Koh Sukorn at Trang province and currently, the Company are during construction of 22KV Submarine Cable Extension to Ko Kood and Ko Mak at Trat province and 115KV Submarine Cable Extension to Ko Phangan at Surat Thani province.

In addition, the Company also has a portfolio of 115KV high-voltage transmission line construction on steel towers in A.Pai at Mae Hong Son Province which is a mountain road that hardly to work and has many constant, but the Company has proved its engineering capabilities. Further, the Company has a completed 115Kv Substation Lampoon 2 Station

and the two project has proved our experience to the public. In the year 2016, The company has got award for bidding Suvarnabhumi Airport Development Utilities Project of the Airports of Thailand (AOT) for (fiscal year: 2011-2017), Construction of 115-22 KV Switching Station Project at Northern Industrial Estates 2 Project at Lamphun province, Construction of 115-22 KV Switching Station Project at Northern Industrial Estates 3 at Lamphun province and Power Station 3 at Lampang province, Construction of 115 KV Transmission Line at HOD District, Chiang Mai province Station - Maesariang district, Mae Hong Son province Station Project according to project transmission line and electrical substation 9.1 Phase 3 of the PEA.

Currently, the company has a strategy to transition transfer engineering business and personnel as mentioned above, to Interlink Power and Energy Company Limited to provide clarify business framework and could focus on target market effectively.

2.2 Products and Services

The Company has procedures in providing the services as follows.

2.2.1 Support the bidding

1. Studying the qualification of the bidder and the public criticism of the draft scope tender (TOR) submitted before the auction of government agencies and private organizations. The owner must open its contractor review and public comment before the actual auction. So have the scope and specifications of the bid specifications. The case will be bidding projects, such as studying the properties of the bidder that can use the existing bid or not or if the bidding does not own have teamed up for a joint venture partner with whom and how public criticism is that there is a lock specification and competitive disadvantage, for example.
2. Prepare the documents of bidding
 - 1) Conference to share the responsibility to provide such clear responsibility for preparing accounting documents. Technical documents, and other.
 - 2) Coordinate with external entities such as financial institutions, in order to guarantee the issuance of a certificate envelope. Customer or device manufacturer for prices and other documents Taken together with the submission of bids
 - 3) Gather all the documents and check the authenticity of documents submitted by the date and time of the next scheduled event.
3. Site Survey for prepare the cost

Before bidding the job, there must be a way to explore the area before the construction of the project, which will be made aware of the nature area. Construction projects, what are the obstacles and problems, which affects the cost of construction as well as exploration of difficulty - easy exploration of materials and raw materials for use in construction. Explore the area to establish a temporary office and storage space, materials and so the case regardless of what these operators will result in the project management costs are high. Make a bid higher than their competitors and a chance to win the auction.

2.2.2 Construction project management efficiency, there are practical steps as follows :

1. **Site Survey** : before the start of construction of the project; the team needs to explore and document the nature area before the construction project. To design Filed and presented to the owner of the construction work performed prior to the actual construction. The survey area before the actual operation. Do you know the nature of space and make the plan work accurately, a few mistakes in the cost of the project, such as exploring the difficulty of the construction project, exploring the surrounding area construction projects that affect the environment and the community or not, explore the power supply and temporary water, exploring a level, the soil of the construction project and other.
2. **Engineering Design** : after the survey is completed the survey was designed to bring construction projects. To approve the project before proceeding with the construction project. Designed to be effective must be controlled at all stages of design detail. To avoid mistakes in the design and prohibit the construction process prior approval or owner has not signed prior feared.
3. **Procurements** : The construction project if you choose to purchase equipment or incorrect specification, as a result, equipment cannot be used, and the loss of control over the cost of purchasing the equipment should be thoroughly and carefully, the process is as follows :
 - 1) Select customers with reliability, products must be in accordance with the standards and requirements of the customer, standard quoted as accreditation standards, the Ministry of Industry (ISO.) IEC, IEEE, ASTM, ANSI, DIN, JIS, and others before purchase to delivery specification or catalog, for approval and should be approved by the previous owner and implementation of the procurement process further.
 - 2) Control negotiations with customers. Get the most out such a bargain price, payment terms, credit during the delivery, warranty, after-sales service and other.
 - 3) Following the production process and test equipment from customers or manufacturers closely before delivery to site, if errors are found during processing. Immediately take corrective action before shipping, and keep the project on time.
 - 4) Following delivery process closely, Packing, the selection of vehicles in transit, the use of a forklift for lifting equipment – up, appropriate equipment and materials to be delivered to the site.
4. **Construction Control Project** Control construction project to ensure the effectiveness and success achieved. There are steps and procedures described below :
 - 1) Recruitment and staff that are competent in the management of construction projects each project consists of personnel placement Project director, project managers, project engineers, supervisors, technicians, project administration, staff, storage and inspection of goods, etc. The number and position depending on the nature and scale construction projects.
 - 2) Selection subcontractor or team with good skill and tools to effectively work as a contractor with experience directly recruited staff with a skilled base of financial support as well. Machine Ready and the price quoted in the cost to get a job
 - 3) Selection the establishment of a temporary office and storage space for equipment, such as choosing a nearby water supply and temporary. And the area near the construction project. And other operators
 - 4) Arrange a meeting to prepare for work. Requires the work plan, workforce planning, plan materials, planning Tools Planned duration of the work in accordance with the Master plan for security

- 5) Provide a uniform to work, concise and orderly, in practice every day must wear a long sleeved shirt, long pants tucked brogue and wearing a helmet (Safety) and security devices, depending on the nature of the construction project.
 - 6) Following and Performance (Progress Work) closely followed by the contractor or individual team reports daily or weekly reports. Continuous this ensures that the result of the successful operation. Or should it work? And to organize a team meeting to monitor the progress of the work every week (Weekly Meeting) or monthly (Monthly Meeting)
 - 7) Recantation to the employer or owner as a condition of employment, such as a monthly installment (Monthly Progress Work), a period of work as a percentage (% Progress Work) or other.
 - 8) Following the payment of the employer or owner, following inquiries by regularly and consistently, or may be used to establish a good relationship (Connection) with the owner of the project.
5. **Controlling costs for construction projects** To control costs, the construction project. The maximum profit this can be done as follows :
- 1) Planning and construction work to be completed before the contracts of employment contract, such as 18 months to complete the 16-month work program is helping to reduce the cost of management (Project Management) for up to two months
 - 2) Selection of potential subcontractors, skilled in working with machine tools available, a good financial position to get a job, which will have the opportunity to leave a job, making the work is ongoing and the work can be completed before the contract was.
 - 3) Comparison and materials from the customer or contractor to have the lowest price and best terms.
 - 4) Control the job by step on process and avoid errors or errors are minimal.
 - 5) The delivery period for the employer or owner. It should have included a period in time as possible. To reduce the cost of receptions (Entertain) with the employer or owner.
 - 6) During a lunch break, or leave work early. Embedded alarm to help employees reduce the cost of utilities by closing the lighting, off the air, off the computer screen.
6. **The risks to the construction project is completed and troubleshooting in a good defense.**

Risk construction projects not completed by the specified period, concluded the risks, impacts and solutions as below:

No.	Description	Effect	Prevention and correction
1.	The handover of the employer or project delays	1. Lost the cost to Standby Team	1. Intensive monitoring of the delivery area closely.
2.	Working in the weather, heavy rain and flooded	1. Jobs delayed	1. Plan in accordance with the weather conditions and monitor the weather from day to day, week regularly.

No.	Description	Effect	Prevention and correction
3.	Approval of the work area beyond the control of the employer or the owner of the project, such as the Royal Forest Department, Department of Highways, District Administrative Office, municipalities and other delays	<ol style="list-style-type: none"> 1. Jobs delayed 2. Cost over 	<ol style="list-style-type: none"> 1. Intensive monitoring of the closely related.
4.	Action sought temporary utilities such as electricity, water, internet delayed	<ol style="list-style-type: none"> 1. Delayed plans to determine if there is no water, electricity is used to operate. 2. Make the cost of supplying water, backup generators or vehicles. The more expensive the process of obtaining the relevant section. 	<ol style="list-style-type: none"> 1. Intensive monitoring of the closely related.
5.	Subcontractor abandoned due to the lack of liquidity of the financial investment.	<ol style="list-style-type: none"> 1. Job delayed for plan, it make the gap in performance. 	<ol style="list-style-type: none"> 1. Sourcing outsourcing ability and a good financial base to work. 2. Analyze and assess the performance of contractors working late and should find a solution urgently. 3. Accelerate the provision of new contractor took place. The gap in performance is minimal.
6.	Coordinator and supervisor of the employer or owner. Lack of experience, expertise and skills in the workplace	<ol style="list-style-type: none"> 1. As a result, work has been delayed. 2. There is a bias toward the coordinator and supervisor of the employer or owner. 3. The lack of continuity in the work. 	<ol style="list-style-type: none"> 1. Planning and the process is clear. And presented before work 2. understanding with the coordinator and supervisor. If that does not understand the job. 3. Create a friendly good employer or owner.
7.	Material damage due to transportation	<ol style="list-style-type: none"> 1. Work has been delayed, If serious damage The need to replace equipment. 	<ol style="list-style-type: none"> 1. Checking the device Packing and entirely secure before transport to the site. 2. Materials supply vehicles equipped with the operating conditions and good insurance cover to transport equipment.

No.	Description	Effect	Prevention and correction
8.	Material damage due to installation and testing Ineffective	1. Work has been delayed 2. Lack of confidence from the employer or owner.	1. Providing the supplier contractor or team with the ability to work. 2. Training team prior to the actual operation.
9.	The employer or the owner cannot supply power to the AC Withstand Voltage Test to test the system	1. Unable to close the project. 2. Extension of the cause of the postponement. 3. To receive the certificate (PAC) from your employer or the owner of the project is delayed.	1. Following the provision of power supply in the AC Withstand Voltage Test employer or project closely. 2. Sending a hurry to complete all work under the contract before the end of the contract.

The Company has been certified for quality management system according to industry stands ISO 9001 : 2008, QMS 03093/697t from Management System Certifications Institute (Thailand) (MASCI).

Description	Site Location (Province)	Employer	Project Value (Million baht)	Delivery Due	Progression as at 31 December 2016
1. Engineering projects Turn Key contract for a Fiber Optic cable installation with PTTEP	Kampeanpetch	PTT ICT Solution Co., Ltd.	23.862	September 2016	99.33%
2. Suvarnabhumi Airport Development Utilities Project of the Airports of Thailand (AOT) for (fiscal year: 2011-2017)	Samutprakarn	Airports of Thailand (AOT)	866.03	May 2019	4.18%
3. Construction of 115-22 KV Switching Station Project at Northern Industrial Estates 2 Project at Lamphun province, Construction of 115-22 KV Switching Station Project at Northern Industrial Estates 3 at Lamphun province and Power Station 3 at Lampang province	Lamphun, Lampang	Provincial Electricity Authority (PEA)	526.28	June 2018	15.26%
4. Construction of 115 KV Transmission Line at HOD District, Chiang Mai Province Station – Mae sariang District, Mae Hong Son Province Station Project	Chiang Mai, Mae Hong Son	Provincial Electricity Authority (PEA)	289.30	May 2018	0.18%

Description	Site Location (Province)	Employer	Project Value (Million baht)	Delivery Due	Progression as at 31 December 2016
5. Construction of 115 KV Transmission Line with improves distribution underline to connection between the Klongluang Utilities Co., Ltd.	Pathum Thani	Provincial Electricity Authority (PEA)	3.13	December 2016	86.60%

2.3 Competition and Competitive Strategy

Strength	Strength
<ul style="list-style-type: none"> The Company has lots of experience and successful stories in the business for instance, Suvarnabhumi Airport Project The Company has experiences in fiber optic deployment in Bangkok area more than 2,500 kilometers, The Company has experiences in engineering projects for more than 1,000 projects in Thailand The Company has experience in substation and underground cable design and construction along with business partners Good reputation of Interlink's works as an institution to test and certified for customers Set up Thailand's cabling standard The Company has experienced engineering and support team The Company has high technology and up to date testing instruments The Company is complied with ISO9001:2008 The Company never stops develop the business in order to follow the growth of information and communication technology market (ICT) 	<ul style="list-style-type: none"> The large scale cabling related projects are limited Lack of sales representation to coordinate and follow up with the customers

Competition

Since the Company has been listed in the Security Exchange of Thailand, mai, the Company has got a very good reputation from customers as we were selected to design and install the fiber optic system at Suvarnabhumi Airport which is the largest fiber optic system deployment ever doing in Thailand. After the project was delivered, the Company has shown to the public for the perfect work, especially to the companies in the same field such as TOT and AOT. This is leaded to trust from tem in our work and assign us for another project, mostly related to cabling and fiber optic cable such as fiber optic deployment in Bangkok area for more than 5,000 kilometers.

From the experience in the past and business partners who trust in our services, this is led the Company to become the first class fiber optic system deployment both for indoor and outdoor. The Company could compete with large organizations that do not have their own service teams and also able to compete with medium organizations that work on the project basis. The Company's competitive advantage is the product that we normally sell. As we see the importance of fiber optic deployment and the future of country developments especially in telecommunication field, the Company aims to be the Number 1 and the largest fiber optic system deployment in Thailand.

However, the Company also develops its own resources, engineering team, to be able to work on project that need more expertise and help other institutions to research and develop technology for Thailand such as developed the new composite submarine cable and selected to deploy the submarine cable for Koh Si-Chang at Chonburi, Koh Pu Yu Koh Yao at Satul province and Koh Mook Koh Sukorn and Koh Libong at Trang province for total amount of project value more than Baht 1,000 million which were all delivered.

2.4 Distribution channels

As a result of the first distributor of cabling products in Thailand, the Company has also offered to provide engineering service when a customer orders the product and from our experience, skill, personnel and tooling that we have, the Company has been entrusted to be the service provider in many projects of public and private sectors, especially for large projects that are required high responsibility, specialization and professional of the service provider.

And with all experiences and specialization that have been continuously developed, it is resulting to the Company able to emerge in engineering field by being the construction service provider of submarine cable, transmission line, substation and etc. as well as fiber optic installation including with construction of the fiber optic to the project with the government.

2.5 Target Customer

Target customers of engineering business are being both public and private sections that demand for installation of information network turnkey project and demand to clearly separate of the installation of cabling system from others. Another group of customers are corporation, computer resellers and the contractor who install the cabling itself and demand the Company to terminate and testing before delivery.

In addition, as to enter into the market with potential growth, the Company has also expanded its business to customers who has special project. Presently, the Company has been active in projects of the state enterprises that ongoing launch many large scale projects.

3. Telecom Business

The Company operates a telecommunications network services via fiber-optic networks (Fiber Optic Network) to provide installation of telecommunication networks. Hosting and data center, currently, the company's services. Can be divided as follows :

3.1 Service providing high-speed data integrated (Data Service)

The company provides integrated circuits, high-speed data (Data Service) using Interlink Fiber Optic Network, the construction by adopting technology Internet Protocol (IP) and advanced as the basis for receiving-transfer information based on key technologies such as Dense Wavelength Division Multiplexing (DWDM) and Multi-Protocol Label Switching (MPLS), the technology will increase the capacity of for receiving-transfer information on all formats. This technology is integrated Interlink Fiber Optic can make service to customers up to level 3 (Layer 3: Network Layer) which have qualified is up from level 2 (Layer 2: Data Link Layer) that has the ability to receiving-transfer information such as (1) the ability of receiving - transfer data between networks (managed Network) (2) ability to manage route of receiving - transfer data (routing) (3) the ability to prioritize important in the transmission of data by type of use (Class of Service), and (4) The ability to guarantee quality of service (quality of Service) to prioritize the importance of each type of service. This has a dramatic effect on the management of the data transmission. It also prevents bottlenecks in the network and is capable of transmitting up to 100 Gbps and 400 Gbps in the future.

Layer	working features
Layer 3 : Network Layer	Routing of receiving - transfer data via the network.
Layer 2 : Data Link Layer	Control the receiving - transfer data in hardware level. And check the accuracy of receiving - transfer data
Layer 1 : Physical Layer	To determine how to control the receiving - transfer data between computers in a bit level by connecting to a wireless data transmission.

The network provides high-speed circuit service of the Company is divided into four categories, as follows :

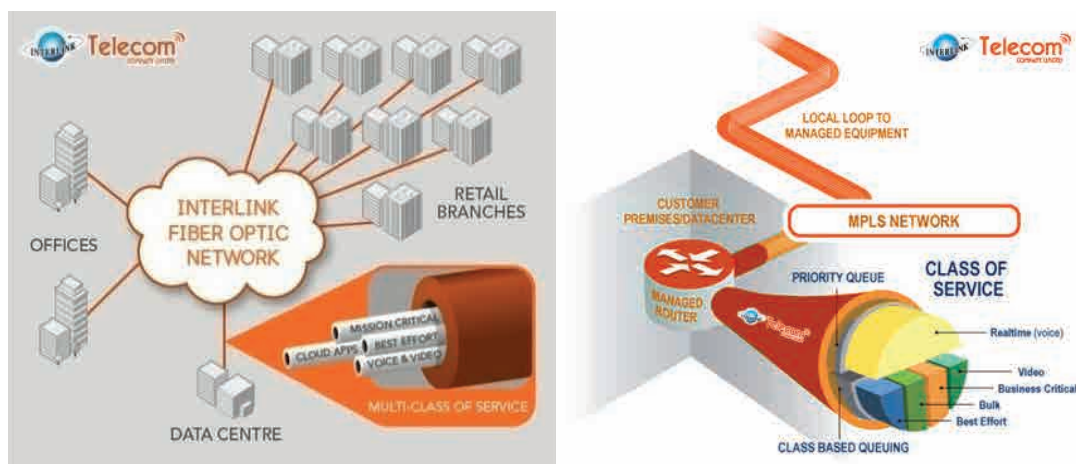
1) Interlink MPLS IP-VPN

Interlink MPLS IP-VPN Service is a Virtual Private Networks Virtual (Virtual Private Network: VPN) with a data transmission technology is MPLS (Multi-Protocol Label Switching) makes a virtual circuit and can connect between any point to the any point (Multi point to Multi point) within organizations converge. Without the need to send data back to a central processor and also set the priority of the data by type of use (Class of Service) and have the ability to support quality of service (Quality of Services) by the priority of providing each type of service. MPLS IP-VPN service will help to user to reduce the cost of leased circuits to interconnect their offices. And will enhance the ease of connecting network of existing customers in any area that do not need to reserve a circuit private all the time, customers can use to worth and efficiently.

Moreover, the company can manage for the transmission system network management (Network Management System - NMS) to monitor and control the devices as concern other equipment internal under the all network and can help manage a user's device in the service too and if the emergency case, it can change routing of data to the backup path automatically within a very short time (less than 50 milliseconds) can be assured that the service will be in the normal 24 hours.

Interlink MPLS IP-VPN Service convenient for users who demand connectivity between Multi Point to Multi Point (Multi Point to Multi Point), including the connections between corporate offices with branch offices more than two places.

such as banks, Securities Companies, Department stores and supermarkets along with the users for receiving-transfer information more than one category, whether it is a type of Voice, Video, Data and Internet, the company can also provide people who has a license to operate telecommunications Category 1 and Category 2 with the connectivity requirements of the exchange Internet to the end customer via the service company, furthermore, can also connect to additional equipment to extend the service and other services such as telephone service via the network (Voice over MPLS), virtual conferencing system via the network (Video conference over MPLS) and data compression and transmission of television signals (High Definition TV broadcast), for example.

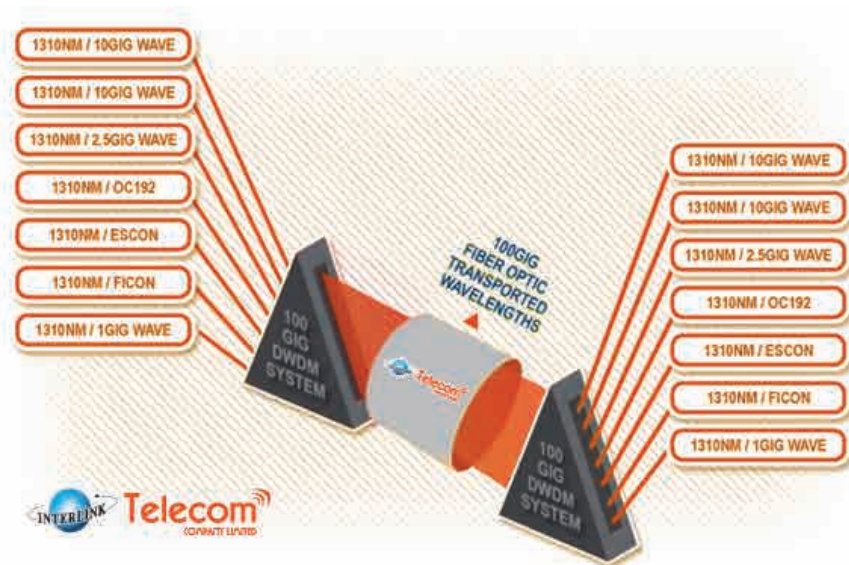


Strength of Interlink MPLS IP-VPN service

- Installation of fiber optic cable systems, which can increase or decrease the speed without changing the type of cable.
- Stable, secure and high efficiency, as well as Leased Line, Frame Relay and Asynchronous Transfer Mode (ATM).
- Can prioritize individual applications and application usage ranging such as video and audio, data and Internet connectivity according to the needs of each individual customer and guarantee the service quality level of service (QoS) to be determined.
- Connected core network which is connected as a Ring Topology for stable of network and high efficiency all of useful life because network failure at any single point of network services will continue as usual normally.
- The system provides automatic route in the route, some malfunction (Cycle Back Up).
- Core network capacity to connect up to a huge 10 Gbps.
- Have the flexibility to increase or decrease the speed of the service requires the individual level or increase or decrease the size of the channel fast. NMS systems also in the case of extenuating circumstances, the company can connect to their device use In order to quickly resolve the issue and help solve the problem of center immediately. It might not need to go to the scene of the troubles.
- Choose connectivity technologies (Access) various such as Fast Ethernet / Gigabit Access, Leased Line, etc., without having to split the Network, customers convenient to care and maintenance.
- Teams monitor and resolve problem 24 hours a day every day and no holiday.

2) Interlink Wavelength

Interlink Wavelength Service is a service to connect receiving-transfer large information for users who demand the width of the channel (Bandwidth) over 1 Gbps up by sending data over the network Interlink Fiber Optic main technology DWDM this is a technique of transmitting data on optical fiber cables by means of data transmission on multiple wavelengths, which can be able increase the capacity to transmit of data simultaneously on the fiber optic network and reduces the cost of receiving-transfer information, which is compatible with users who demand connectivity between point to point and to channel larger than 1 Gbps to target customers of Interlink Wavelength such as users who want to connect data between the data centers of the two areas , group user for mobile phone service providers and Internet service providers in various provinces across the country, for example.

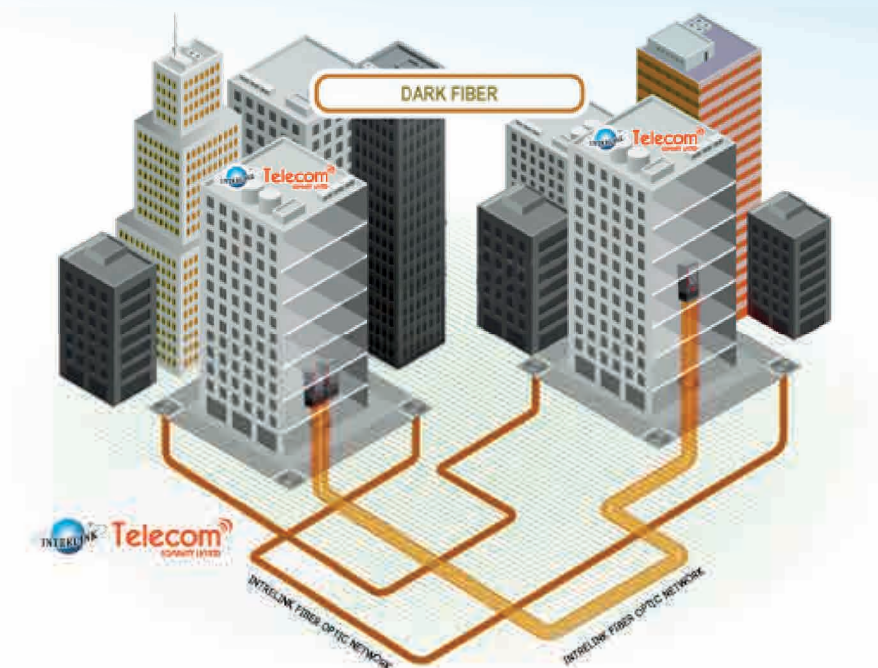


Strength of Interlink Wavelength

- Installation of fiber optic cable systems, which can increase or decrease the speed without changing the type of cable.
- Supports transmission of large data can choose from 1 Gbps / 2.5 Gbps / 10 Gbps / 40 Gbps and 100 Gbps
- The cost of receiving-transfer information as per Mbps is lower prices normal connections.
- Choose connectivity technologies (Access) various such as DWDM, SDH and Ethernet.
- The customer does not need to invest in expensive equipment connections.
- Teams monitor and resolve problem 24 hours a day every day and no holiday.

3) Interlink Dark Fiber

Interlink Dark Fiber service provider to connect to the user's data services through Interlink Fiber Optic network which users can select the technology for receiving-transfer, they need to send information freely and also is responsible for managing the network by yourself, which is properly for users who demand connectivity between point to point and needs a big channel as well as personnel to manage their own networks. The main target customers are large organizations such as Commercial bank group, Service providers and mobile operators who obtain a license under the Telecommunications Category 1, 2 and 3, for example.



Strength of Interlink Dark Fiber

- Installation of fiber optic cable systems, which can increase or decrease the speed without changing the type of cable.
- Support technology up to user can also choose the speed to receiving-transfer information freely, whether as High Definition TV Broadcast 3G or 4G, etc.
- Fiber optic network of users has been well maintained by the staff of the company. Customers can exchange data with the network control center (Network Operation Center) of the Company to enable the Company to monitor and track the status of the system.
- Teams monitor and resolve problem 24 hours a day every day and no holiday.

4) Interlink IPLC

Providing a high-speed communications service to connect in a point to point (Point to Point) via Interlink Fiber Optic Network in the regions around the world through a network of cooperation partners. , a leading provider of data connections abroad (Global Network Operator) is properly for users who demand connectivity between point to point to a destination abroad or connection to a foreign country or the connection from overseas to Thailand such as the branches in foreign embassies or international organizations, The hotel and tourism business, transport business, import and export business, Internet Service Provider and a group of Licensed Telecommunications Category 1, 2 and 3, for example.



Strength of Interlink IPLC

- Installation of fiber optic cable systems, which can increase or decrease the speed without changing the type of cable.
- A high speed circuit with a constant speed over time make use of the width of the channel (Bandwidth) efficiently.
- An integrated broadband communications that support all forms of communication such as audio, data, video and other multimedia.
- supports connectivity such as DWDM SDH and Ethernet.
- Supports transmission of large data can choose from 1 Gbps / 2.5 Gbps / 10 Gbps / 40 Gbps and 100 Gbps
- The customer does not need to invest in expensive equipment connections.
- Teams monitor and resolve problem 24 hours a day every day and no holiday.

Distribution Channels and prospects for high-speed data communications network circuit service

The company has own sales team to make contact and negotiate directly with customers, the company separate sales team into five groups according to the type of target customers because each customer has different needs, sales department will take care and provide services to customers and provide services properly to the business objectives of each customers to respond customer needs effectively, the company's customers Covering both the private segment and government agencies which can be classified into various groups as follows :

1. The operator is General Business (BIZ) is a group of businesses that want to connect to the corporate office, the offices of two area or more connections between offices with backup center. Currently, customers in this segment of the Company such as Major Cineplex Group Public Company Limited, Land & Houses Public Company Limited and Hewlett - Packard (Thailand) Company Limited, for example.
2. The operator is broadcast television (MBC) is a group of television stations. The operator of cable TV. Digital TV operators And producer (Content Provider) to send broadcast messages. Multimedia (Multimedia) to various recipients. This is the preferred channel for receiving large - Real time multimedia data transmission by current customers of the company, such as broadcasters, Army BEC - Multimedia Voice TV Co., Ltd, for example.
3. The operator is Communication and Telecommunication services (ISP) is the operator that provides the data communications network, mobile services , Internet services, this is the group need to channel for the transfer of large data and the importance of stability to receiving-transfer information and the operator of system Integrator (System Integrator) to serve customers in the telecom operator. Currently, customers in this segment of the company such as CS Loxinfo Public Company Limited, Internet (Thailand) Public Company Limited, True Universal Convergence Public Company Limited, CAT Telecom Public Company Limited. (Thailand) Public Company limited and Kurt Company Limited, for example.
4. The operator is Bank business Securities companies and insurance companies (BFI) are a group of banks. Securities companies and insurance companies, the group has a lot of branches and the importance of security and stability for receiving-transfer information. Currently, the company's customers in this segment such as UOB Kay Hian Securities (Thailand) Public Company Limited, Kiatnakin Bank Public Company Limited, Nam Seng Insurance Public Company Limited, for example.
5. The operator is customers are government organizations (GOV) is the government agencies and state enterprises which is used mainly to procurement in a manner similar to the government regulations, such as the compare price of the bidding electronically (E-Auction) Currently, the company's customers in this segment, such as Department of the Air Force Electronic Communications and Rajamangala University of Technology Krungthep, for example.

Competitive strategy

1. Installing fiber-optic network with a different route

The Company recognizes the importance of stability in the connection data of the highest, users must be able to use the network for constant and stable (Service Availability) the company chose to use telegraph poles along the train route in the network Interlink Fiber Optic because the telegraph poles along the railroad have the security higher power poles on public roads, which is likely to be eliminate from road accidents more than telegraph poles along the railway, the Company entered into an agreement with the State Railway of Thailand for permission to cross the fiber optic cables along the telegraph poles. The fiber optic network along the railway, it makes the company can reduce the cost of laying down cables because the frequency of telegraph poles along the railway have less than power poles along the road. Furthermore, the network Interlink Fiber Optic along major routes, alternate routes and sub-routes into the customer access network, which will be based on public utility poles. The Company shall be considering installed in a route that does not overlap with the other operation, if possible, to increase the choice of service offered to customers. And make a difference from other providers.

2. Services through fiber optic all directions (End to End Fiber Optic) and covering 77 provinces of Thailand

The Company recognizes the importance of connecting with large data (Big Data), which is increasing constantly, the company has created a network requiring a fiber optic cable routes, includes sub-networks connected to the end customer (Access), because the fiber optic that can get receiving-transfer data to the maximum and stable to use than other types of networks, such as the public telephone network or copper cable network, for example, the network of the company is a fiber optic network all directions is not causing bottlenecks by changing the type of network to receiving-transfer information, as a result, users benefit from the use efficiency, such as increasing or decreasing the size of the channel at certain times. The network, some networks may not be implemented because the limitations of the network is fiber-optic network all.

On December 31st, 2016, the Company network covering a total of 75 provinces across the country, the network of fiber optic cable of company was coverage and is connected to a network of fiber optic cables of the neighboring countries, including Singapore, Malaysia, Cambodia, Laos and Myanmar, the Company make to customers across all formats. Both import connections and connections to overseas countries and include the ability to control the cost of services to suit the needs of our customers.

3. The use of modern technology and stable

The company uses MPLS (Muti Protocol Label Switching) and DWDM (Dense Wavelength Division Multiplexing) the technology that will increase the capacity of the network and can receiving-transfer information on all formats, which can provide customers with the level 3 (Layer 3: Network Layer), which has increased from level 2 (Layer 2: Data Link Layer) that is widely used currently, MPLS technology, which will enhance the capabilities receiving-transfer data between networks and managing the data transmission path (Routing), which has a dramatic effect on the management of the receiving-transfer data transmission bottlenecks and accommodate signaling and data types. Increasing and the DWDM technology, it enhances the ability to send and receive data within the network by means of data transmission to the many, wavelengths into one fiber optic line, which allows the transmission of up to 100 Gbps and with such technology allows the fiber optic network of the company, It can receiving-transfer data quickly, secure and stable This is important in the telecommunications industry and as the technology provider of the world's major telecom different use, such as Singtel AT & T Verizon and British Telecom, for example.

4. To serve as a requirement of service users (Customization)

The Company's policy is to serve the needs of service users (Customization), while another branch may not be necessary, the Company will conduct a service designed to fit each customer in each area, according to customer requirements. The core technology used etc., The Company, there are also seminars, technology, together with technology leaders such as CISCO Huawei Ericsson and other for to engineers or the management team of the users understands the technology more, to make the new company can provide and to create a relationship with the users to have confidence in the services and no change to another provider.

5. Business by emphasizing its neutrality

The Company holds a license under the Telecommunications Category 3, but only one type, to reassure customers of the Company, the Group is engaged in providing communication services and telecommunications, most of the Internet service provider. It ensures that the company will not compete with the company's customers, on the Internet unlike a high-speed network communication, some of which have licenses for several types of network providers and Internet service providers. This may cause overlapping business with own clients.

6. Quality Service Level Agreement (SLA) at 99.9%

Service level agreements (Service Level Agreement: SLA) is an agreement to guarantee quality of service between providers and clients to increase confidence, according to the service levels agreed. The business of providing telecommunications services with guaranteed standard Service Level Agreement at different levels, such as SLA 99% or SLA 99.9%, a level of service to the crash or not available (Downtime) just 438 minutes or 43 minutes for 24 hours a day, 30 days per month, respectively, and the Company can provide customers with standard and service quality Service level Agreement (SLA) at a level not less than 99.9%, because a fiber optic, which is the main route of the Company, mounted on poles along the railroad telegraph operator with an alternate route, which is mounted on utility poles along the road, this can prevent problems that may result from the failure of one of the routes, on the issue of the route, system will switch to the network in another path than the company also has surveillance 24 hours a day, 365 days by the team in the operations center, integrated Network Management Center (NMC) to monitor not, the scene was Monitoring and correction in case the waste, happening in the company, which can be detected from the cycle of customer service with the Company and is alert and informed at all times with the progress of the operation so that customers know the movement in operation, the failure to resolve different. It can be operated 24 hours a day, since the installation of network equipment company, it is installed in the company which can access any time, even at night or on weekends. It operates through a team of the company, the routine operations and maintenance network geographically (Operation and Maintenance Center) in 38 centers across the country. The Company To take the technology to monitor GPS Tracking team to check the order and efficiency to resolve the cause of the team to ensure that. Customers will get the best service and guarantee minimal damage to the company's customers, if the scene was error under the policy control services. The period to reach and repair the cause of service nationwide (Mean Time to Recover: MTTR) to four hours throughout the country, currently, the company is able to maintain the quality of services at the network level is 99.963%, which higher standard.

7. After-sales of engineering team by 100%

The Company has a policy of providing after-sales of engineering team by 100% to meet the needs of service users in a timely manner. The Company's services as a service-related technology enables sophisticated operation and solving all the problems, the Company has recognized the importance of establishing an engineering team as the recipient of the matter and the issue makes it possible to shorten the time to fix down significantly. Important and can make customers satisfied and assured in case there is a place or need help as well.

3.2 The installation of telecommunication service

The installation of telecommunication service of the company. It offers a full function providing consulting, design, installation and operation of network-related high-speed communication systems. The introduction of knowledge The expertise of staff To make the most of the personnel in the country to emerge as income.

The company will need to study the structure of the area and the structure of the system to be connected together, to design the systems and equipment that are vital to the link and upon receipt of the approval of the customer, the company will be hiring a contractor with experience and expertise in the field and with the tools and personnel. Is the operator of the installation work. The engineers of the company It is responsible for the construction or installation of fried one. The test results of the company's quality work and according to customer demand, the Company also provides after sales services with guaranteed quality of contributions to reassure customers. The major customers of the company. A group of entrepreneurs, business services, telecommunications, both public and private companies such as CAT Telecom Public Company Limited, CS Loxinfo Public Company Limited , True Move Public Company Limited and True Universal Convergence Company Limited., for example and includes the MEA, which is licensed by the TelecommunicationsCategory 3

Distribution Channels and target customers for the installation of telecommunication networks.

The company's sales team to offer services directly to customers, by focusing on telecommunication operators who have the need to expand the network, during the service, the company plans to work with clients in the preparation of the plan in order to comply with an overview of the customers of the company. The company provider of telecommunications network install a fiber optic network of its own, which as of December 31, 2016, the Company's network its covers an area of 75 provinces across the country, the company has received recognition and trust from customers, both public and private.

Competitive strategy

1. Experience and expertise in the installation of telecommunication networks.

The Company Experience in the installation of telecommunication networks, especially for the installation of the telecommunications network, the company has a better understanding of the requirement of the customer and telecommunications network design that can be implemented for the benefit of the consumer. Moreover, with the expertise and experience to ensure the Company. Installation can be performed quickly in a limited time with service quality standards, the company has gained the trust of government agencies and large private companies, such as, the Metropolitan Electricity Authority of (MEA), CAT Telecom Public Company Limited CS Loxinfo Public Company Limited , True Move Public Company Limited to install a telecommunications network.

2. 2.Project cost management effectively

The Company has a fiber optic network, which is managed its own, potential both in personnel and equipment to serve customers, the company no need to invest more in that mention. Whether it's training as well as investment in additional equipment. It also allows the Company to allocate resources to the company. Is the most Project cost management and efficiency.

Moreover, the company a network of its own, the company purchased a fiber optic cable and related equipment for the installation of telecommunications network a lot on a regular basis, the company can negotiate prices with equipment vendors such, this allows the Company can purchase a fiber optic cable and related equipment for the installation of telecommunication networks at prices lower than those of other operators (Economy of Scale) and the Company have an advantage in the competition.

3. Services and consulting solution

The company provides services to install telecommunications network solutions for customers from consultancy and network design to respond the needs of individual customers with different needs, as well as project management related to the installation of telecommunication networks for respond customer needs are defined. The Company also featured in the provision of after-sales services to customers, such as training the technical knowledge to engineers on the customer to use it effectively and to guarantee the quality of the work to build the confidence of clients.

3.3 Data Center Service

Interlink Data Center as a space for providing server space, Server space center and an emergency backup (Disaster Recovery) to various organizations. To serve various purposes and respond the needs of different customers, such as moving servers to data center customers of the company. To reduce the cost of investment and maintenance or to a backup center (Back Up Site) or to prevent the effects of natural disasters or serious incidents such. That may occur unexpectedly. The data centers (Data Center), the company's Data Center was created to provide a Data Center specific construction requirements of the Data Center of TIER 3 and 24 hours a day every day, by providing a stable level of not less than 99.982%, and has been certified by ISO9001: 2008 and ISO27001, the company's data center measures 1,800 square meters and a total of 348 Racks is located at 9/2 Soi. 01 Kanchanapiset 5/5 Road, Tharang, Bangkean, Bangkok 10220.



Summary of features Data Center each TIER

Type	TIER 1	TIER 2	TIER 3	TIER 4
Power and Cooling Systems	1 Active	1 Active	N + 1 1 Active / 1 Passive	2 Active
The number of backup devices (Minimum for each System)	N	N + 1	N + 1	2(N + 1)
Data Canter (White Space) Area ratio to support the per devices Data Canter (White Space)	20%	30%	80-90%	100%
Minimum power per area	20 - 30 watt/square foot	40 - 50 watt/square foot	40 - 60 watt/square foot	50 - 80 watt/square foot

Type	TIER 1	TIER 2	TIER 3	TIER 4
The height of the raised floor (Raised Floor)	12 inch	18 inch	30 - 36 inch	30 - 36 inch
Abilities of support the weight of the ground	85 pounder/square foot	100 pounder/square foot	100 – 150 pounder/square foot	150 pounder/square foot
Voltage applications	208, 480V	208, 480V	12 - 15 kV	12 - 15 kV
Downtime per year	28.8 hour	22.0 hour	1.6 hour	0.4 hour
Site Availability	99.67%	99.75%	99.98%	100.00%

Reference : Standard of the Uptime Institute, a certified Data center in the United States of America.

The design of the company's data center

The company with an experienced data center design, including consulting with foreign experts. The datacenter is appropriate for most users. In the design process the creation of a separate three storey building and a separate building from the main generator. In front of the first floor to create a space and customer care, create a space behind arranged electrical equipment, which has formed a special weight, which can accommodate up to 2,000 kg per hectare. In the 2nd and 3rd floors, creating a space available for backup. The special design provides separate unrelated customers out of the area concerned. It also has the capacity to receive up to 1,300 kilograms per square meter (266.26 pounds per square foot), which can be tailored to almost any format. The details are as follows :

1. Building Construction	TIER 3 data center is built according to the requirements of the company. Designing a system backup utility (Redundant Infrastructure) to reduce the chance of a system crash. Including a backup power supply and has been designed to use energy efficiently including support for adverse events such as natural disasters, fire, for example.
2. Cooling System	A cooling system which will effectively measure and control the temperature at a level most appropriate hardware for photonics is about $21-26^{\circ}\text{C} \pm 2^{\circ}\text{C}$ and a relative humidity of about 50 percent + 5 percent. the Company Designed to install a cooling system back up. For use in case of emergency, the installation of a cooling system that will effectively make electronic devices work effectively and useful life longer.
3. Security System	The installation of security systems secure is a security system from a fingerprint scanner access control to buildings and server rooms. CCTV both inside and outside the server room including the installation of water leak detection system, smoke detection system and fire suppression systems for advanced security equipment to the Company and customer data as well as ensuring that the customer has been certified ISO 27001.

4. Communication system

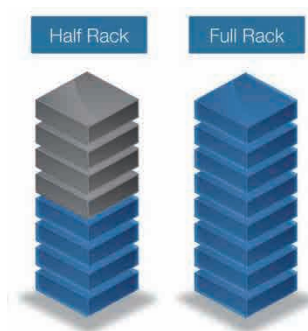
A center of integrated Interlink Fiber Optic Network from all regions of the country, can use to connect to the network provider Interlink and more easy and fast This, along with the team that serves to maintain the connection. It can also be connected to a network of fiber optic cable company, connecting to the Internet within the country (National Internet Exchange - NIX) with 80 Gbps and abroad. (International Internet Gateway - IIG) size 40 Gbps.

The hosting company's data center is divided three types as follows:

1) Co-Location

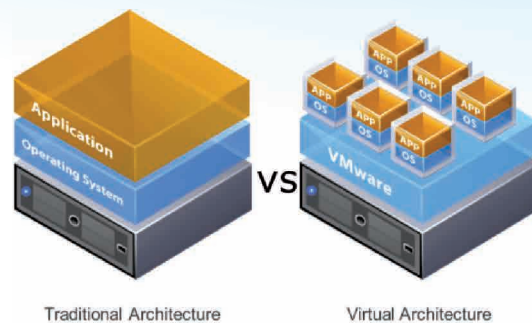
Customer service is a most of the company's data center use current service by placing a deposit customer server in a private company prepared specifically for each customer. The company's team of engineer monitor, troubleshoot and provide technical support 24 hours a day every day and SMS alerts when there is a malfunction. It lets users save costs for equipment and administrative costs. Customers who use this type of service is often a user has their own servers, but if looking for a place with different systems, as appropriate and comprehensive security. Backup power systems or the connection system, such as medium to large companies that require high security groups or organizations who want to spread the risk of the system is the same, for example.

The Depositary for the lay client server, customers can choose to serve it both forms are available on the size of the customer or the number of customers that the server cabinet.



2) Virtual Server

It offers high-quality virtual servers running on each server, it uses an independent, users can choose in terms of capabilities such as CPU RAM Hard Disk Operating System. The applications and application functionality freely on demand It is flexible in use and supports upgrades quickly and easily but also the company's engineers monitor, troubleshoot and provide technical support 24 hours a day every day and SMS notification when a malfunction such services may have a role in the current system more. It can reduce purchase a separate server for each agency and program, reduce the unnecessary parts and scalable to suit individual needs more work. It lets users save costs for equipment such as servers, large, high quality services to support application functionality, ideal for users who want to have their own server, such as medium to large conglomerates, site owners with high resource usage, people want stability and higher general, which recognizes the rapid change of technology and are ready to run the business without having to invest in equipment. In order to use only as needed and as appropriate.



3) Disaster Recovery Service

This service provides a space for the placement of servers and a work area in case of disruption or emergency customers can modify requirements data center needs and we will have to monitor, troubleshoot and technical services 24 hours a day every day. This allows users to save money on the cost and administration, ideal for users who focus on the backup medium to large conglomerates and the banking and securities, for example.

The company focuses on customer's medium and large businesses and the banking and securities, which the Company has chosen the type of service and service offerings to fit each client's objectives as at December 31, 2016, the company's data center, users then have about 95 percent of the total area.

Competitive strategy

1. Creating Depository data center backup and different

The company foresees providing depository and data center backups are all currently in service centers are established in buildings that already exist. The restrictions on the design and features such as the weight of the area were not specifically designed. The building, which normally can support the weight of about 300 kilograms per square meter but according to TIER 3 Depository data center and a backup should the weight of 1000 kg per square meter or the height of each layer is not sufficient to raise a reasonable area. The building, which is usually about 40-60 cm, but raised the standard TIER 3 Depository data center and backup data should lift height of about 75 cm as a minimum. In addition, the building has no control over the power system itself if there is a problem in the power utility may affect Depository data center and backup data so the company chose to build the depository and information center back up starting from the choice of location without the other tenants given the quality and standards that comply with international standards and increase confidence if they are checked.

2. To serve the needs of service users (Customization)

The Company has a policy to serve the needs of service users and improve the allocation for clients, the company offers a wide range and can meet the needs of customers, the company such areas can be designed according to customer needs. This is a difference from other providers.

3. To have a network of own

Because of the voice and data center backups that need to connect to the system hosted at the headquarters or branch offices. The need to work with a provider network to make a connection to complete the Data Center of the company is the embodiment of network Interlink Fiber Optic from all regions of the country so that it can use to connect to the office network. customers can easily and conveniently. This along with a team that acts in the direction of connection can also be connected to the Internet within the country (National Internet Exchange - NIX) with 80 Gbps and abroad. (International Internet Gateway - IIG) size 40 Gbps.

4. Service Level Agreement (SLA) 99.982%

The Company is building a data center and a backup depository standard TIER 3, which is designed to support service quality levels are not lower than 99.982%, with a focus on electrical and cooling systems, which is the backbone for data center by design, the system can be run at any time and have sufficient back-up system in case of power failure, power outage and cooling system that can support the optimum temperature at 23 degrees Celsius at all times and measuring the electrical efficiency (PUE) of less than 2 The Company also, a team of engineers The monitor, troubleshoot and provide technical services 24 hours a day every day and SMS alerts when there is a malfunction. Inform and update every time there is progress in implementation so that customers know the movement in operation.

Moreover, the company has operated under a policy administration system to prevent errors that may result from the individual (Human Error), which may affect users. The measurement and certification from an external agency ISO 9001: 2008 and ISO 27001, which is a testament to international quality standards.

Industry Overview and Trends

The Company and the Group Company operate in the Information and Communications Technology (ICT) in which its overview of industry are detailed as follows.

Information and communications technology (ICT) is changing rapidly. The development and application of information and communications technology in all. And more The emergence of the Internet makes people can communicate quickly, both visual and audio information. It also reduces the time and cost of communication in the perception of information. Both public and private sector of the need to adapt to keep pace with technological developments. Moreover, the reduction in operating costs over the long term. And helped organize the organization to streamline and enhance standardization and operational efficiency even further. The application of information and communications technology in various fields. Thus becoming even more important.

Overview of Information and Communication Technology (ICT) Industry and Future Trends

According to the Office of Science and Technology Agency (NSTDA). ICT market of the country is composed of five sub-groups: (1) computer hardware market (2) marketing software and software services (3) Marketing Communication (4) Marketing Services. and (5) TV tuner market by market that affect the business of the telecommunications company's mobile communications market, a market that accounts for most of the ICT.

Marketing Communications of Thailand

Marketing communication (Communication Market) is a market that is important as a driving force, market information and communications technology (Information and Communication Market) as well as the market was active and important role in the development and growth of the economy national society The communication market can be divided into two main components as follows:

1. Marketing Communications (Communication Equipment)
2. Marketing Communications Services (Communication Service)

Type	year 2014 Million Baht	year 2015 Million Baht	year 2016 Million Baht	Growth rate	
				2014-2015	2015-2016
1. Marketing Communications	199,415	226,539	255,734	13.60%	12.89%
2. Marketing Communications Services	300,326	309,450	341,850	3.04%	10.47%
Total market value	499,741	535,989	597,584	7.25%	11.49%

Reference : Office of the National Science and Technology Development Agency (NSTDA.)

The information about the market value of the communication of the year 2015 and forecast year 2016 by the Policy Research Office of Science and Technology ("NSTDA.") Found that the overall market value of communications in 2015, up from the year 2014. at a rate of 7.25 percent was increased to 535,989 million baht in 2015 from 499,741 million baht in 2014, while the forecast for 2016 is expected to value the communications market increased 11.49 percent compared to the year 2015, representing a total value. communications market totaled 597,584 million baht by the market value of the services market remains largely a communications major. Worth a total of 341,850 million baht forecast for the year 2016, representing 57.21 per cent of all communications. While 42.79 percent of the market for mobile devices. Which totaled 225,734 million baht, the rate of growth of the communications market in 2016.

Marketing Communications

Marketing Communications	year 2014 Million Baht	year 2015 Million Baht	year 2016 Million Baht	Growth rate	
				2014-2015	2015-2016
1. Mobile	93,358	105,020	108,114	12.49%	2.95%
2. Network equipment	63,742	69,680	78,780	9.32%	13.06%
3. Wired communications equipment	14,978	16,030	17,980	7.02%	12.16%
4. Wireless communication devices	27,337	35,809	50,860	30.99%	42.03%
Total market value	199,415	226,539	255,734	13.60%	12.89%

Reference : Office of the National Science and Technology Development Agency (NSTDA.)

Marketing communications is a market that grew steadily throughout the 2015 marketing communication equipment worth 226,539 million baht, an increase of 199,415 million baht in 2014, representing a growth rate of 13.6 percent and estimated that by the year 2016. the growth rate increased by 12.89 percent, or 255,734 million baht worth the marketing communications 1. market handset (telephone handset) 2. market core network (Telco Network equipment) 3. Marketing Communications cable (Wireline Equipment) 4. Marketing and wireless communication devices (Wireless Equipment).

Mobile Market and markets wireless communications equipment market is expected to make the communications equipment market grew in 2559 due. The rise of the mobile phone market, especially smartphones. And investments to support popular wireless communication devices, portable applications that are expanding more and more and replace the routine use of various forms.

Marketing Communications Services

Marketing Communications	year 2014	year 2015	year 2016	Growth rate	
	Million Baht	Million Baht	Million Baht	2014-2015	2015-2016
1. Fixed Telephone Services	16,000	14,809	13,016	(7.44%)	(12.11%)
2. Mobile Services	209,660	216,404	246,559	3.22%	13.93%
3. Internet Services	48,663	53,578	59,396	10.10%	10.86%
4. International Telephone Services	12,412	10,357	7,808	(16.56%)	(24.61%)
5. Data communication Services	13,591	14,302	15,071	5.23%	5.38%
Total market value	300,326	309,450	341,850	3.04%	10.47%

Reference : Office of the National Science and Technology Development Agency (NSTDA.)

Marketing communications services markets that are the lifeblood of the communications market by a percentage of 60.10 percent and 57.73 of the communications market in 2014 and 2015 respectively, marketing communication services grew from 300,326 million baht in 2014 to 309,450 million baht. year 2015, representing a growth rate of 3.04 percent and estimates that in 2016 the rate of growth of 10.47 per cent, representing a value of 341,850 million baht by the communication services market can be classified into: 1. telephone services market. the (Fixed Line Service) 2. market mobile (mobile Service) 3. Internet marketing services (Internet Service) 4. market international calls. (International Calling Service) 5. Data Communications Services Market (Data Communication Service).

Although using a regular telephone. And international calls reduced. Because consumer behavior change communication from regular telephone service and international telephone service in a mobile phone and other portable devices The Communications application are, however, markets mobile operator. Which is the largest market of marketing communications services. Continued growth in particular, providing information (Non Voice) mobile. This is a result of the coverage of its 3G services on the 2100 MHz frequency band for the mobile phone and portable smart phones and tablets dropping. And active social media users, both new and older youth is increasing.

Policies for the digital economy and society (Digital Economy)

Data from the Ministry of Information and Communication. (<http://eng.mict.go.th/view/1/Digital%20Economy>) in 2557, the government has announced a policy to a digital economy and society (Digital Economy), which is an important policy on information technology applications. to economic and social activity. This is a policy that will benefit the industry information and communications technology (ICT) in the future as well. The policies focus on developing digital infrastructure. The goal is to provide data connections in all areas. Measures adequate to the task. Stable Consumers can access connectivity at a reasonable cost as a basis to further the country's development activities. The economic and social performance. The digital infrastructure means infrastructure, information technology (IT), telecommunications (Telecommunication) and broadcasters (Broadcast), as well as the fusion of technology. (Convergence), these three aspects in the development of innovative digital. The Economic and Social.

The strategic guidelines for the digital economy and society consists of the following five strategies as follows :

1. **The development of digital infrastructure (Hard Infrastructure)** The government will accelerate the development of infrastructure to provide network communications nationwide. Sufficient size to use. Stable at a reasonable price Thailand has a high-speed broadband communications infrastructure or more stable and cheaper. Available

for foreign businesses to invest in ICT in businesses such as the Data Center for Cloud Computing services joint venture in telecommunications, apps and software applications or any other business that use of quality communication to connect with the world.

2. **Creating security and confidence in transactions with digital technology (Soft Infrastructure)** The government to review the revised draft laws related to the development of the digital economy with all the laws and regulations governing telecommunications investment. (and the Internet), a modern, fair to all parties including laws, regulations and practices regarding the security of the digital system and protection of data types increasing confidence And create a good atmosphere To attract investors from abroad.

3. **Infrastructure Advisory Service (Service Infrastructure)** In addition to developing the country's infrastructure to provide comprehensive and standards to foster innovation through digital services. Of government Private and efficiently and very high quality. The lower cost than ever before, it is needed implemented concurrently, the extension Service.

The government is speeding up its e-Government services by linking information through the Platform of the state government on infrastructure and services across agencies. (Including the creation of a central database of the National ID and the establishment of central government data), including collection revealed and government information exchange standard open data (and pushing for a law to develop open Government Data) to facilitate data synchronization via Application Programming Interface (API) to develop and bring new products and services. Innovative from the public and private sectors.

4. **Encourage and support for the digital economy (Digital Economy Promotion)** The government to stimulate the economy by creating a digital ecosystem solution, an operator Digital (Digital Entrepreneur) many emerging and change the way enterprises do business Thailand in various fields. From a competition-oriented price to compete to build the value of goods and services (Service Innovation), the consumer satisfaction.

The government will increase the capacity of the sector. To enhance the value of products / services with the application of digital technologies and further innovations such as the Center Digital Business Analytic to SMEs, the fund supports digital SMEs to create a National APIs' Platform for SMEs to expand. database development Service Platform available to support the new service, including creating Agile e-Marketplace on Cloud Computing with a modern and easy to modify business processes (Business process) to promote Thailand in particular small and medium-sized businesses, as well as generate new business by using digital technology to support the market, both domestic and foreign.

5. **Social and digital resources (Digital Society)** The development of digital quality, with the development of information Service and various state Encouraging people of all levels Regardless of the disadvantaged to be accessible anywhere, anytime equally through digital technology and information resources in a warehouse to collect information and knowledge of the country in digital form that people can easily access and retrieve data to be analyzed or reproduced easily, responding to global changes.

For the management of the economy in line with the Digital Economy can be divided into three stages as follows:

1. **Digital Commerce**

Alter the method of operation, business or transaction due to the changing demands of consumers. The former is called E-Commerce, but the current channel of operation is more than one channel. Whether selling through a Website to send via email to This Post Web Board and in various posts. Create interest to users or other channels

Its primary purpose is to create the most traffic or Traffic access will cause a transaction if the customer agrees or options. In addition to the services already include the financial transactions through channels that bring technology into application. Such as online bill pays by phone or transfer money via the Internet, for example.

2. Digital Transformation

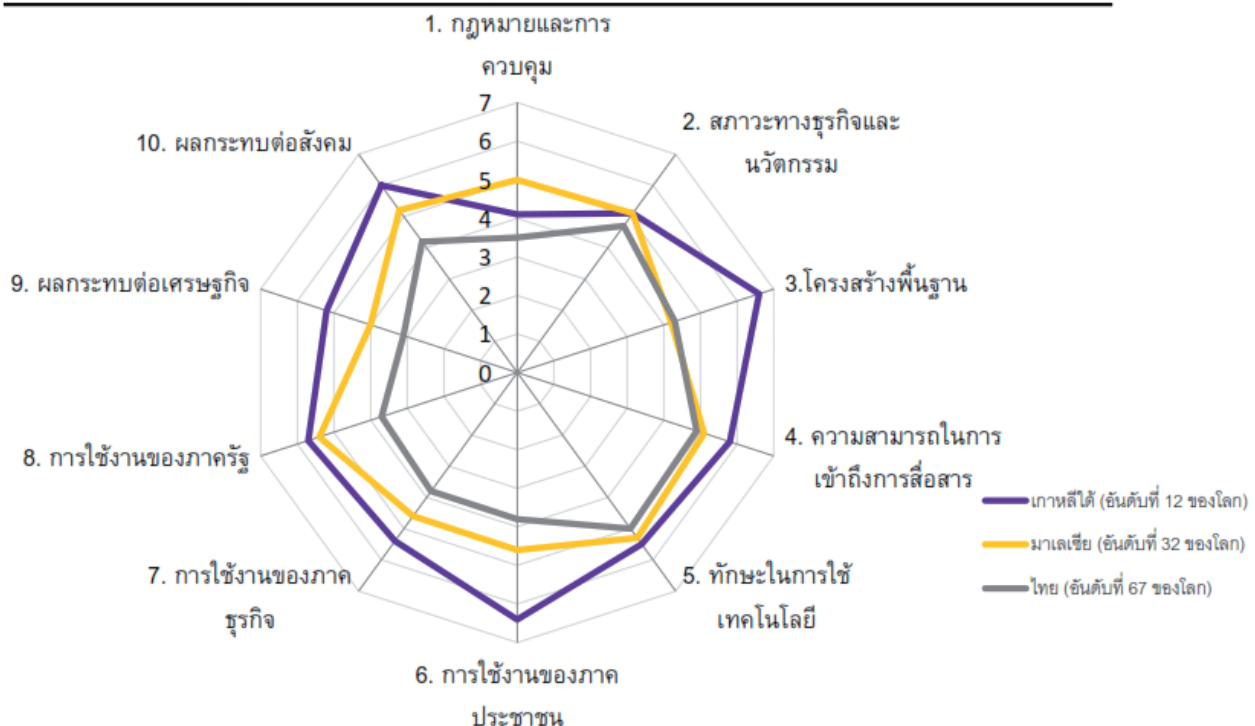
The introduction of digital technology applied to the business value of the trade, especially in terms of efficiency in the business, underscores the competitiveness of the work to reduce the cost of analyzing customer needs to enhance customer satisfaction, such as the preparation of the Website in a format that can be displayed in various portable devices developed Social Media to build. relationships with more customers Including analysis of customer information from Channel Digital.

3. Digital Consumption

Is to take the technology as a channel for the exchange of goods or services. Replacement of the existing stock. The introduction of the technology, communications and transactions. Applications to effectively use and more comfortable, as in the past, in the clothing trade. People want products need to travel to the store itself. Try and make the product Before the stock is actually up. But today Users might just go check the items sold in the Social Media such as Instagram or Facebook, or on Web Site, etc. If satisfied, led to the communication channel, whether it's Line or Email, etc. with fast performance or the increasing consumption of consumers is rising as well.

To support policies for the digital economy and society (Digital Economy) to improve infrastructure in order to accommodate an increase in the transaction, or to a channel to provide customers access to more services, such as improving access to the Internet. The most common use of technology, be it ADSL or Fiber Optic (FTTX), which are required to improve infrastructure such as telecommunication networks. In order to accommodate the ever-increasing volumes of data. Including the development of stable data transmission.

ดัชนีความพร้อมโครงข่าย (Networked Readiness Index) ปี 2015



Reference : SCB Economic Intelligence Center (EIC) on May 21, 2015.

If the analysis is ready to step into the Digital Economy are also found behind neighboring countries such as South Korea and Malaysia are reasonable. Thailand is ranked 67th in the world with an index of network (Network Readiness Index) in 2558 by Thailand also can develop in many different areas, whether it is infrastructure. The use of the public sector. The business sector and the public sector.

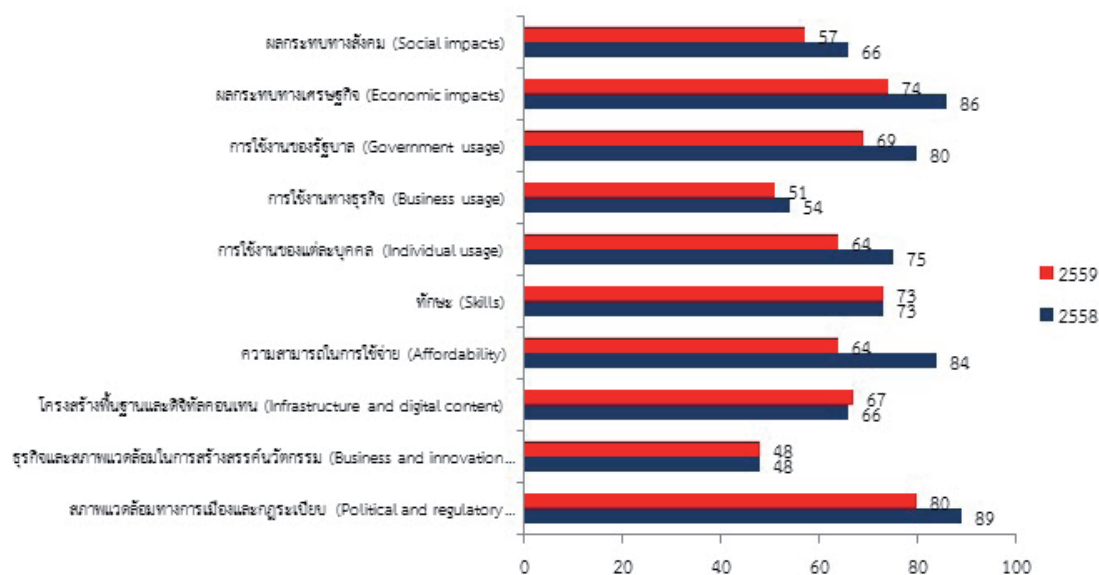
By the year 2016 is expected to be in the top 62 of the world for network readiness index (Network Readiness Index), as shown in the diagram as below;

ประเทศ	Networked Readiness Index ปี 2559 (จากทั้งหมด 139 ประเทศ)	Networked Readiness Index ปี 2558 (จากทั้งหมด 143 ประเทศ)
ไทย	62	67
สิงคโปร์	1	1
ฟินแลนด์	2	2
สวีเดน	3	3
เกาหลีใต้	13	12
ญี่ปุ่น	10	10
มาเลเซีย	31	32
จีน	59	62
อินเดีย	91	89
เวียดนาม	79	85
อินโดนีเซีย	73	79

Reference : World Economic Forum, The Global Information Technology Report 2015

It is seen that only the top 1-3 Singapore the only country not in the EU, but only if the countries in the Asia-Pacific region is in the top 10, with only two countries, namely Singapore (ranked first in the year 2015 and 2016) and Japan (ranked 10 in the year 2015 and 2016).

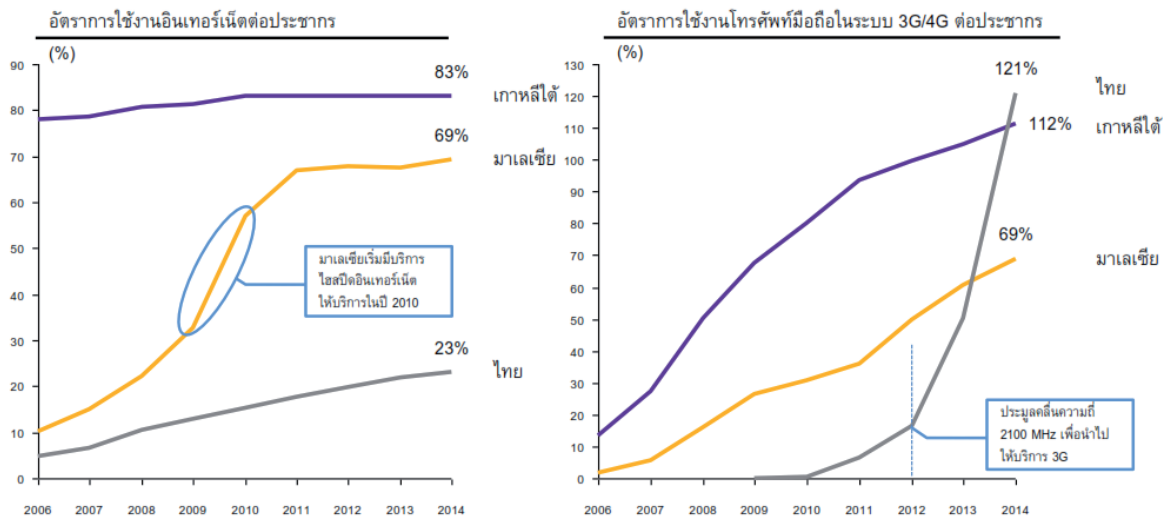
The development of the country in the year 2016 by various factors. As illustrated by the diagram as below;



Reference : World Economic Forum, The Global Information Technology Report 2015

Considering the ranking year 2016 found that business and the environment for innovation (business and innovation environment) is an issue that Thailand was ranked the best in comparison to the other side without being ranked 48th also. there are other factors that Thailand is moving up the ability to spend. (Affordability) is ranked 64th, followed by the impact of economic factors (Economic impacts) rated at 74 points, however, showed a decrease of Thailand's infrastructure and digital content. (Infrastructure and digital content)

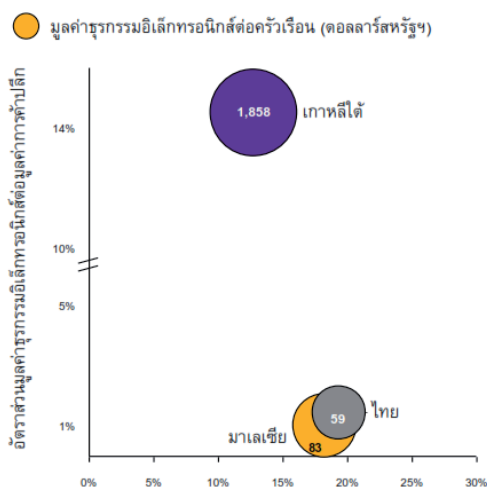
ระบบ 3G/4G ของไทยเติบโตเร็วและจะเป็นช่องทางสำคัญในการกระตุ้นกิจกรรมทางเศรษฐกิจภายใต้กรอบ Digital Economy



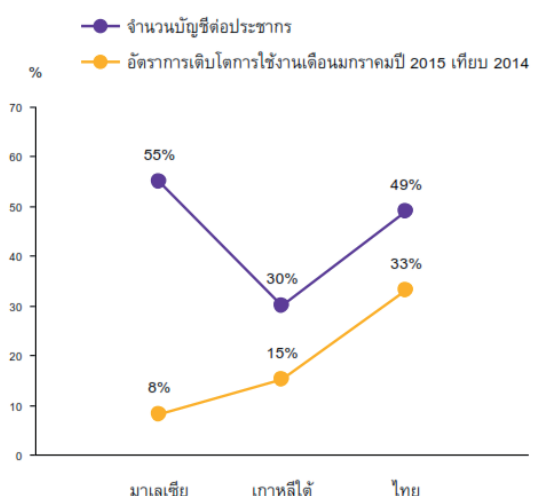
Reference : SCB Economic Intelligence Center (EIC) on May 21, 2015.

If the analysis of access to 3G or 4G, which is caused by infrastructure that has improved is the spectrum auction to ensure providers have started offering the rate of use of the mobile phone system. up to 121% higher than that of Korea and Malaysia. But if you look at the active Internet population, it was also not very high, only 23% is expected as a result of the availability and coverage of the network system that supports large data that is more extended. at present, it is not good enough

เปรียบเทียบสถานะตลาดอีคอมเมิร์ซของไทย มาเลเซีย และเกาหลีใต้



จำนวนบัญชีการใช้งานโซเชียลมีเดียต่อประชากรและอัตราการเติบโตของการใช้งานเดือนมกราคมปี 2015 เทียบ 2014



Reference : SCB Economic Intelligence Center (EIC) on May 21, 2015.

Considering the transaction electronically. Found that rapid growth at about 20 percent per year while the value of electronic transactions is still small compared to Malaysia and South Korea. In addition, the use of social media in Thailand is growing very fast rate, and 33 percent use social media to reach almost half of the population.

Factors affecting the communications market in 2015

Positive Factor	Negative Factor
<ul style="list-style-type: none"> • Use of the Internet and information technology to increase competitiveness supports Cloud and Big Data. • Using a mobile smart phones and Mobile Data needs to use Social Media and the Internet. • Auction spectrum for providing 4G. • Online transactions are becoming more accepted. • Digital Economy stimulate spending and investment climate. • AEC expand business channels and customer base. 	<ul style="list-style-type: none"> • The economy is still on a downtrend continuation. Public and private businesses remain cautious in their spending. • Situation The security and political • Slowing public investment and enterprise communications

Reference : Office of the National Science and Technology Development Agency (NSTDA.).

Factors affecting the communications market in 2016

<ul style="list-style-type: none"> • Economic conditions • Political situation • Expanding the network 3G / 4G providers of telecommunications services • Economic policy, such as digital broadband nationwide. Infrastructure Sector The business incubator Startup and Create Online Store community. • National e-Payment system to be paid electronically to the government. It starts with some uses in 2016 • Investment in large-scale government projects such as installing a Fiber Optic to provide transit services and telecommunications services • Digital Transformation Businesses of all sizes to better serve its clients and corporate management. • Industry 4.0 with the introduction of IoT / M2M into the manufacturing processes of the industry.
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Technology trends

- OTT Service: from the development of broadband networks, both wired and wireless. Contribute content via online services such as IPTV or Video on demand service by not having to invest their own network.
- Mobile Payment: transactions over mobile networks. By cutting the bank account or credit card associated electronics.
- Cyber Security: protection against online threats. Both personal, corporate fraud, the vulnerability of ICT systems in the various sectors. Need to focus more on risk management.
- IoT / M2M: the development of more than Wearable Device, or Mobile Device Platform will be the center for devices. Can communicate and work connected together. Which will be used in everyday life, both personal and business even more.
- Big Data: It is necessary to build a competitive advantage in business and marketing. To respond to customer needs immediately.
- FTTx: the high-speed communications technology. The area also has plenty of expansion. And state the importance of expanding the service to work.
- SDN / NFV / Cloud: the use of technology. Virtualization and Cloud Management to network effectively, agility and reduce costs.

Reference : Office of the National Science and Technology Development Agency (NSTDA.).

11 RISK FACTORS

There are several risks in the business which are different causes and effect and different ways to mitigate the risks. For Interlink Communication PLC., the risks can be categorized as follows :

Risk from Business Operation

Risk from distribution contract termination or manufacture company assign new distributors to compete

The Company is the cabling distributor for several brands, two main brands are LINK and COMMSCOPE (old mane: AMP) which are the cable brand from United State of America. Sales of LINK brand are cover over 50% of total distribution sales of the Company. The Company is the proprietary “Exclusive Distributor” in Thailand for LINK and “Authorized Distributor” for COMMSCOPE . These two brands are the most well-known brand and popular in cabling and telecommunication industry, however, each brand has its own strengths and customers can choose upon their needs. In case of the manufactures brand consider not to renew the distribution contracts, this may affect the company’s sales, profit and income structure. The Company may have to find an alternative brand to replace these brands which product quality may not be the good as before or not comply with international standard as LINK and COMMSCOPE. Moreover, changing the brand will directly effect to the reputation and the customer who believe in these brands quality and may reduce their order or stop purchasing from Interlink.

However, since the Company is the pioneer in this business in Thailand and helps these two brands to boost up their sales and market shares from the inception and rapidly growth from the very beginning, the Company is considered to be an important partner to those manufacture companies, LINK and AMP, and very likely to continue. Thus, the Company confidents that this risk can be mitigated in case of the termination occur. In case of the termination has to be happened, the Company can mitigate by replacing the new brand in which the Company can control the product’s quality at the same level and will not affect to customer trust, based on the past achievement that we did for these two brands, The Company can guarantee the success if this risk happens.

In addition, the Company registered “LINK” as a trademark in Thailand. Thus, the Company could outsource other manufacturers to produce product under the "LINK" brand as to distribute to locally instead of the original.

Risk from Information and Communication Technology Change

Our business is related to information and communication technology which is always changing. If we cannot follow the technology or adapt ourselves to the change in order to support customer needs, we are in risk of losing customer and also business.

However, the Company focuses on the importance of having a research and development teams to constantly develop new products, educate people both internal and external and provide support to our existing customers, new customers and those who are interesting in our products. We also constantly do a market research and technology research by attending the exhibitions outside Thailand to catch the global technology trend. In addition, we transform the risk of changing in information and communication technology to an opportunity for new business. Moreover, Interlink has set up the company culture to be an innovative style in order to be ready for changes.

However, the Company continuously develops products and employees' knowledge so that the Company can meet the needs of customers in a timely manner. The Company also provides a survey of the needs of customers, as well as exploring the movement and technological changes in the world market through regularly visiting abroad job fairs as to provide products and services of the company have been adopted as to keep pace with these changes of technology. Moreover, the Company has provided training to all employees within the Company and for customer who interest as well.

The Company has also brought the risk of technological change as an opportunity to new business by creating a corporate culture to be organization with innovative new products for the market.

Risk from Laws and Government Policies related to Telecommunications

The Company's operation is related to engineering business and telecommunication business in which currently, the telecommunication business is under the supervision of an independent organization that oversees telecommunications which is named "Office of The National Broadcasting and Telecommunications Commission" or "NBTC". The NBTC issues the policies and regulations in which could be impacted significantly on telecommunications such as policy of free competition, policy of fees and service charges and consumer protection policy. The changes of rules as previously mention might be caused the Company to faces the risk if it is shown negative effect to the operation.

However, because one of the Company's subsidiary, Interlink Telecom Co., Ltd., has obtained Telecommunication license level 3 from the NBTC. Thus, before changing or launching the policy or laws, practically, the NBTC will notify the operators in advance and open the meeting to feedback and discuss for appropriate policy. Thus, the Company has time for preparation and has the right to protest before enforcing the new regulations.

Risk from the operations of network devices, operating systems and computer systems

Telecommunication business is conducted by Interlink Telecom Co., Ltd., a subsidiary. This business is rendering the services in which depend on the performance of network devices, operating systems and computer systems. As such, the entire systems must be able to run stable at all times to meet the needs of customers so that if any part of the systems is broken due to the failure of a system crash, equipment failures, accidents or natural disasters, it will inevitably affect the company's customer service and is significantly resulting to negative operating results and the financial positions (i.e. loss of income and higher expenses according to repair and maintenance the system to be able to work stability).

However, the Company has aware of the important of the services. As such, the interlink fiber optic network is designed to has redundancy route in a Ring Topology (i.e. Non-overlapping physical). The network is routed along with railway pole and electricity pole which is designed according to the standards that have been applied widely in different countries. Such an approach can help prevent problems that might occurred from any one of path has been damaged and the Company has formed a team to monitor and solve the problem 24 hours a day (Network Operating Center). In addition, the selection of equipment for the project is based on extensive experiences from both of distribution business and engineering business in choosing best quality equipment such as 1) high standard quality of fiber optic cable, 2) additional special design and equip of core items for both core network and access network and 3) electricity system selecting to be the most effective as well as installation of a backup device to use in case of failure.

In addition, the Company has focused on the selection of equipment and installation processes as to ensure that the installed system will be able to work stability by applying extensively experience from both distribution business and engineering business in selection of equipment and method for properly equipped. Furthermore, in the event of an unexpected problem occurs, the Company has provide maintenance team that can be accessed and completed within the period specified by the standard.

The Company has also prevented this risk by pay attention to the importance of maintenance in routine manner by researching and analyzing the possibility of faults or errors (Engineering Failure Simulation) by the engineering team and making the repairs before the event actually occurs (Preventive Maintenance) such as 1) the maintenance of fiber optic cable according to schedules, 2) updating the firmware of device and software and 3) the maintenance of equipment according to schedules from the produc

Risk from dependence on management and personnel

The Company's businesses were founded by Anuntarumporn Group which currently, is major shareholders of the Company and has control over the management of the Company by taking the important positions. In addition, with the nature of businesses that are related to technology and complex regulation, the Company has to relied on the knowledge, skills, expertise and experience of personnel in various disciplines. The loss of the management or these personnel might affect to the operating result and the financial position of the Company later on.

However, most of the executives have worked with the Company for more than 10 years and some of them are shareholders. By involving the executives as the shareholders, they will be willing to work hard and dedication as to drive business to be continuously growth. In addition, systematically managerial is granted the Company's management system will not too depend on some management. In the past, the Company aimed at developing the professional management and developing new generation of management as to prepare to a systematic expansion (Succession Plan). Furthermore, the Company has also allows the management to participation in setting policy and strategy as well as giving a decision-making power as appropriated for the purpose of promote the understanding and expertise of each individual management as well.

Risk from investment in Interlink Fiber Optic Network and Interlink Data Center

The Group Company has two major future projects that are 1) Interlink Fiber Optic Network and 2) Interlink Data Center in which the two of them are new businesses. The returns from these projects are depended on various factors such as 1) efficiency of devices and equipment, 2) demand in the market, 3) market competitiveness and 4) risk from changes in technology and regulation in which these risks could be impacted to the returns might be not met the expectation.

However, the executives has carefully studied in these projects before investing and the Company has other advantages such as specialization of distribution business and engineering business is resulting to the Company's costs of construction for the Interlink Fiber Optic Network are lower than others (i.e. costs of fiber optic and equipment are covering over 50% of total project). In addition, due to the Company has a team of technicians and engineers with

expertise in design and construction of fiber optic network, thus the fiber optic cable using in the project is developed and designed to have double jacket in which helping to prevent the damage of the cable. Furthermore, the cable is also designed by applying material science and technology to enhance the ability of protection and withstand the heat if there is a fire in the vicinity. As a result, the Interlink Fiber Optic Network has high stability.

In addition, since the Company uses its technicians and engineers in construct of the network, the deployment costs are then lower than others also (i.e. deployment costs for the project are approximately 30% of total project).

Financial Risk

Risk from currency exchange

Due to the nature of business, the Company has to order products in foreign currency and have to pay by using those currencies such as dollar and euro. This leads to the increase an exposure of risk from currency exchange. However, we use full amount of currency forward contract strategy to manage this risk for a long time. This helps us able to set the price for each product more precise and have no effect on the profit margin. This strategy also helps us pass through 1998 Asian financial crisis. Therefore, this strategy becomes a must for our business.

Disaster Risk

Risk from natural disaster

According to the policy on inventories management, the Company sets the proportion for inventories to sales at 7.93%, 7.28% and 9.10% in the year 2014, 2015 and 2016, respectively. Therefore, the downside for the Company's possibility losses if the natural disaster occurs are limited to the inventories. However, the Company manages this risk by applying for full coverage insurance including costs of inventories and loss of business opportunity claims.

Management Risk

Risk from major shareholders whose hold over 50% of total shares

As at 31 December 2016, Anuntarumporn Group (Including Mr.Sombat Anuntarumporn, Mrs.Chalida Anuntarumporn, Mr.Nuttanai Anuntarumporn and Interlink Holding Co., Ltd.) represents as a major shareholder by having 184,832,946 shares or 50.999 % of total outstanding shares. This gives them control over the resolution of shareholders' meeting such as the Company's Board selection or others that are required a majority votes of the shareholders' meeting excepted for the laws or the Articles of Association required to obtain a third of the fourth votes of the shareholders' meeting. Therefore, it may be risky to the other shareholders that they may not be able to collect enough votes to investigate and balancing the proposal from major shareholders.

However, for the transparency and balance in company's management, the company has used a management structure which consists of Board of Directors and audit committee. Each of which comprises competent persons and scope of work and authorities of directors and managements are clearly set. There are policies and measures which are related to directors, major shareholders, authorized persons, and persons who may be in conflict. In addition, 3 independent directors are appointed as Board of Directors and each of them will act as the audit committee of the company to audit, to maintain balance in the decision making, and to consider approval of any agenda before proposal to shareholders. Furthermore, the company has set up an internal audit body who conducts internal audit of the company according to a set system.

12 SHAREHOLDING AND MANAGEMENT STRUCTURE

Securities of the Company

1. Common Stock

As on December 31, 2016, the Company has registered share capital of Baht 362,479,447 (ordinary shares of 362,479,447 shares at Baht 1 each) and has paid-up share capital of Baht 362,423,986 (ordinary shares of 362,423,986 shares at Baht 1 each). The remaining registered share capital total of 55,461 shares (to the dividend payment of 1,375 shares and the exercise of warrants to purchase common shares of the Company No. 1 (ILINK-W1) are shares remaining 54,086 shares) will be performed to decrease capital after the General Meeting of Shareholders for the year 2017.

2. Restrictions on the transfer of shares

Shares of the Company can be transferred without any restriction by the share held by foreigners at any time must not be exceeded 40 percent of the total number of outstanding paid-up share capital. Any transfer of shares to the foreigners that will cause the ratio of the foreign shareholding exceeding the limits, the Company has the right to refuse that transfer accordingly.

3. Warrant

On 24 June 2013, the Company has issued and allotted warrant, ILINK-W1 totally to 14,997,238 units for free to 1) shareholders who received stock dividend in 5 March 2013 and 2) general investors whose subscribe for newly issued ordinary shares during 19-21 June 2013. Details of ILINK-W1 are listed below.

Title	Description
Type of Warrant	Warrant to purchase ordinary shares of Interlink Communication PLC No.1 (ILINK-W1). Type: In named certificate from and transferable
Issuance Amount	14,997,238 Units
Tenor of the Warrant	3 years from Issuance Date
Issuance Date	24 June 2013
Expiration Date	23 June 2016
Exercise Ratio	1 unit of ILINK-W1 for 1 ordinary share
Exercise Price	Baht 20 per share

On April 30, 2014 have the right adjustment of warrants ILINK-W1 due to dividend stocks falling within the terms defined by the Company. To perform the exercise of warrants ILINK-W1 therefore requires the exercise of warrants ILINK-W1 as follows:

	Before adjustment of rights	After adjustment of rights, effective as from
Exercise Price	Baht 20 per share	Baht 10 per share
Exercise Ratio	1 unit per 1 share	1 unit per 2 shares

Furthermore, according to the resolution of the Board of Directors' Meeting No. 1/2015 on 24 June 2015, approved to pay stock dividend in which meet the condition of adjusting rights of warrant, including exercise price and exercise ratio. The adjusted exercise price and exercise ratio as follows:

	Before adjustment of rights	After adjustment of rights, effective as from May 6, 2015
Exercise Price	Baht 10 per share	Baht 8 per share
Exercise Ratio	1 unit per 2 share	1 unit per 2.5 shares

Change the exercise price and exercise ratio of ILINK-W1 above will be effective immediately from the date that the Stock Exchange of Thailand mark XD for the Company's stock, which is on May 6, 2015. (The date that the purchaser of the Company's stock has no right to receive dividend)

The ILINK-W1 warrants expire on June 23, 2016.

Warrants to purchase common shares of the Company during the year 2014 to year 2016 are as follows.

Warrant	Outstanding warrants as of December 31, 2014	Outstanding warrants as of December 31, 2015	Outstanding warrants as of December 31, 2016
ILINK-W1	14,467,158	10,742,688	- 0 -

4. Names of 10 major shareholders as at 30 December 2016

No.	Shareholders	Number of shares	% of shareholdings
1	Interlink Holding Co.,Ltd ¹	90,778,125	25.047
2	Mrs. Chalida Anuntarumporn	49,671,227	13.705
3	Mr. Sombat Anuntarumporn	44,081,227	12.163
4	Mr. Sakchai Sakchaicharoenkul	17,590,000	4.853
5	Thai NVDR Co., Ltd.	5,631,550	1.554
6	Mr. Viboon Watcharasurang	5,546,950	1.531
7	Corporate Governance Long Term Equity Fund	4,074,300	1.124
8	Thailand Commercial Long Term Equity Dividend Fund 70/30	3,734,700	1.030
9	Mr. Thawat Tanawutwattana	3,120,000	0.861
10	Mr. Anantarachai Sakchaicharoenkul	2,760,000	0.762
Total		226,988,079	62.62

Remark : ¹ Interlink Holding Co.,Ltd's shareholders are Mr. Sombat Anuntarumporn (30% of shareholdings) and Mrs. Chalida Anuntarumporn (30% of shareholdings)

5. Dividend Payment Policy

The Company has dividend policy to payout at least 40% of net profits after deduction of corporate income tax and legal reserve and must be approved by the shareholders' meeting unless the Company has the need of capital in expanding the business.

The dividend payments during the past 3 years are illustrated below.

Details	2016	2015*	2014
Net profits of separate financial statements (Baht)	169,861,109.07	223,511,456.12	182,821,869
Legal reserve (Baht)	1,425,732.34	11,175,572.81	9,141,093
Net profits after deducted legal reserve (Baht)	168,435,376.73	212,335,883.31	173,680,776
Outstanding shares (shares)			
Dividend per share (Baht)	0.20	0.26	0.27778
Dividend payment (Baht)	72,484,797.20	90,020,490.30	73,302,701.64
Percentage to net profits after deducted legal reserve	43.03	42.40	42.21

Remark : * The resolution of the Board of Directors' Meeting No. 2/2017 has approved the dividend payment by Bath 0.20 per share. However, it is still uncertainty due to it has to be approved by the AGM 2017

Management Structure

The management structure of Interlink Communication Public Company limited consists of:

- 1) The Board of Directors
- 2) Two Sub-committees; Audit Committee and Risk Management Committee
- 3) The Executive Management Team

1. The Board of Directors

The board of director comprise of 9 members as follows :

Name - Surname			Position
1	Mr. Sombat	Anuntarumporn	Chairman of the Board of Director
2	Mrs. Chalida	Anuntarumporn	Director
3	Mr. Nuttanai	Anuntarumporn	Director
4	Miss Kwanta	Meesomporn	Director
5	Mrs. Pensri	Chantakhad	Director
6	Mrs. Thanyarad	Thiem-udomlerk	Director
7	Mr. Chusak	Direkwattanachai	Independent Director
8	Admiral Saksith	Cherdboonmuang ¹	Independent Director
9	Mrs. Saowanee	Kamolbutr	Independent Director

Mrs. Thanyarad Thiem-udomlerk Deputy Managing Director Business and Operations Support and acting director of accounting as the Company Secretary.

Remark : ¹ Has been appointed as an independent director. Admiral Apiwat Sri-wattana which has resigned. Approved by the Board of Directors Meeting No. 4/2016 held on August 2, 2016.

Directors authorized to sign on behalf of the company are Mr. Sombat Anuntarumporn or Mrs. Chalida Anuntarumporn have authorized to sign and affix with company seal.

Term of the Board of Directors

At every annual general meeting, one-third of directors shall be retired; directors having the longest term are required to retire first. If the number of retired directors cannot divide into one-third, then the closest number of directors to one-third shall retire. The retired directors may be re-elected.

Authorities and duties of the Board of Directors

1. Authorities and duties by Public Company Act. and other laws as authorities and duties of the director or Board of Directors of public company limited.
2. Authorities and duties regulation of company as authorities and duties of the Board of Director
3. Prescribe policy, operation and direction of the company
4. Duties on according the law, objective and regulation of company and resolution of the Annual General Meeting of shareholders with honest and best care for company benefit.
5. Responsible to consider financial statement for year to be corrected and indicate actual status of the company according to the general accounting standard and audited by the auditors of the company.

6. Consider budget and annual salary increasing, budget for bonus of employee, important welfare of the management, propose the remuneration the Board of Directors and dividend payment to the shareholders.
7. Consider for management structure, appoint the management, Managing Director and other directors as deemed to appropriate.
8. To Consider and approval operation expense or transaction at the amount exceeding the authorities of the Managing Director.
9. Control and supervise the operation of company to be in accordance with the laws, objectives and regulation of company as well as the resolution of the shareholders' meeting. Determine the list of directors or any person who may have conflicts of interest or may have a potential conflict of interest with the Company, such directors who have an interest in such issues, has no right to vote on the matter.
10. Ensure that important information relating to the Company, both financial and non-financial information is accurate, complete, timely and transparent being disclosure through accessibility channel equality and reliability.
11. Effectively and efficiently monitor and administrator of the implementation according to the policies and plans.

In addition, the following cases must be approved by the Board of Directors' meeting and the annual general meeting of shareholders by a vote of not less than 3/4 of the total votes of shareholders who attend the meeting and entitled to vote.

- The sell or transfer of the Company's business both of entirely or some of major part of business.
- The purchase or acquisition of other company/private company's business.
- Amendment or termination of lease agreements of the Company, entirely or some of major parts. Assignment individual to manage the business of the Company or merger of business with other party for the purpose of sharing profit and loss.
- Amendment of Memorandum of Association and Articles of Association
- Capital increasing and reducing, issuing of bond and merger or discontinued of the company.

2. Audit Committee

The Audit Committee comprised Independent Directors in total of 3 persons as follows.

Name - Surname		Position
1. Mr. Chusak	Direkwattanachai *	Chairman of the Audit Committee
2. Admiral Saksith	Cherdboonmuang ¹	Audit Committee
3. Mrs. Saowanee	Kamolbutr *	Audit Committee

Miss Hathaichanok Kwanchai, Internal Audit Manager, is the secretary of the Audit Committee.

Remark : * The Audit Committee who has knowledge and experience in reviewing the financial reports.

Remark : ¹ Has been appointed as an independent director. Admiral Apiwat Sri-wattana which has resigned. Approved by the Board of Directors Meeting No. 4/2016 held on August 2, 2016

Term of Audit Committee

The Audit Committee shall be appointed for a 3 years term of office and may be re-elected after the end of term in case of vacancy due to reasons other than end of term, the Board of Director will select a person with appropriate qualification to fill is Audit Committee to members required by the Board of Director required. The replacement Audit Committee will be in office term only for the remaining duration of the relevant tenure. The policy limits the tenure of independent directors to a maximum of nine years.

Authorities and duties of Audit Committee

1. To review that the Company's financial reports are prepared in accordance with legally defined accounting principles and adequately disclosed.
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer, dismissal, performance appraisal and remuneration of the chief of an internal audit unit.
3. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
4. To consider, select and offer withdrawn an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
5. To review the connected transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company's.
6. To review that the Company has established an appropriate and effective risk management system and review the Company's continual process of good corporate governance as well as providing approaches and advice for development.
7. To report the governance activities of the audit committee in the company annual report, this must be signed by the chairman of the audit committee. The report has to consist of at least the following information:
 - (a) An opinions on the accuracy, completeness and reliability of the company financial reports,
 - (b) An opinions on the adequacy of the Company's internal control system,
 - (c) An opinions on the compliance with related laws i.e. the Securities and Exchange Act, the SET regulations or the laws relating to the business of the Company's,
 - (d) An opinions on the suitability of the external auditor,
 - (e) An opinions on the transactions that may lead to conflicts of interest,
 - (f) The number of the Audit Committee's Meetings and attendance of such meeting by each Committee Member
 - (g) An opinions or overview comment receives by the Audit Committee from its performance of duties as in accordance with the audit committee charter.
 - (h) Other transactions the Audit Committee opines that should be known to the shareholders and general investors, under the scope of duties and responsibilities assigned by the Company's Board of Directors
8. Immediately report to the Board suspicious transactions that may constitute a conflict of interest, fraud, or breach of Securities and Exchange laws, SET requirements, or the Company's business related laws and may seriously affect the Company's financial status and performance. If the Board or the management do not correct the problem within a reasonable time limit, the Audit Committee may report it to SEC or SET.
9. To inspect any suspicious circumstance without delay whenever be informed the fact from the auditor and shall report the result of preliminary inspection to the Office of Securities and Exchange Commission (SEC) and the auditors within thirty days. Such circumstances were discovered by the auditor that the director, manager or any

person responsible for the operation of the company commits an offence under the Securities and Exchange Act such as falsehood, fraud, embezzlement, concealment, etc.

10. To report the performance of duties of the Audit Committee's to the Board of Directors Regularly at least 4 times per year or once every quarterly
11. To report the transactions or any acts which may materially affect the Company's financial condition and operation results to the Company's board of directors for rectification within the period of time that the audit committee thinks fit , according to the responsible on duty as follows;-
 - (a) Conflicts of interest transaction
 - (b) Fraud or irregularly item or significant failures of internal control system
 - (c) Disobey of the Securities and Exchange Act, the SET regulations or the laws relating to the business of the Company's.

If the Company's Board of Directors or management fails to make a rectification within the such period of time, any audit committee member may report on such transaction or act to the Office of Securities and Exchange Commission (SEC) or the Stock and Exchange of Thailand (SET).

12. To have the authority to invite concerned executives, management and officers of the Company's to express opinions, attend meetings or deliver documents as deemed necessary.
13. To review and evaluate the scope of the performance of the Audit Committee on annual basis.
14. To do any other matters assigned by the Board of Directors of with the Audit Committee agree by regulation of Company's and law.

In worked the assignment, the Audit Committee is responsible to the Board of Directors and the Board of Directors will still have to be responsible for the performance to the public.

3. The Risk Management Committee

The Risk management Committee comprises of 14 members as follows :

Name - Surname			Position
1	Mrs. Saowanee	Kamolbutr	Chairman of the Risks Management Committee
2	Miss Kwanta	Meesomporn	Committee
2	Mrs. Thanyarad	Thiem-udomlerk	Committee
4	Mr. Adisak	Angmahussakul	Committee
5	Mrs. Pensri	Chantakhad	Committee
6	Mr. Prapas	Limkangwalmongkol	Committee
7	Mr. Jirayuth	Phanbualuang	Committee
8	Miss. Chanunchida	Yutiwong	Committee
9	Mrs. Nathamon	Chatpraweendej	Committee
10	Mr. Athis	Choomwisood	Committee
11	Mr. Apichart	Pongna	Committee
12	Mr. Bodee	Sontiruk	Committee
13	Miss Hathaichanok	Kwanchai	Committee/Secretary
14	Miss Sasithorn	Pakawanon	Assistance Secretary

Authorities and duties of Audit Committee

1. To formulate of policy, strategy, framework of enterprise risk management to propose to the Board of Directors for consideration and approval.
2. To evaluate and assess the risks and formulate ways to counter such risk as identified by the r person responsible to the risk examined and offer opinions for improvement.
3. To oversee the sufficiency and effectiveness of the enterprise risk management practice with continual reviews.
4. To report the Executive Management Team, the Board of Directors and the Audit Committee significant risks affecting the Company.
5. To examine the enterprise risk management on a continual basis.

4. The Management Executives Team

The Management Executives Team consists of 9 members, the names of the following :

Name - Surname			Position
1	Mr. Sombat	Anuntarumporn	President and Managing Director
2	Mrs. Chalida	Anuntarumporn	Managing Director
3	Mr. Nuttanai	Anuntarumporn	Director
4	Mr. Prasitchai	Veerayuthawilai ¹	Senior Vice President
5	Miss. Kwanta	Meesomporn	Deputy Managing Director of Distribution Business
6	Mrs. Thanyarad	Thiemudomlerk	Deputy Managing Director of Business and Operating support
7	Mr. Adisak	Angmahassagul ²	Deputy Managing Director of Engineering Business
8	Mrs. Pensri	Chantakhad ³	Deputy Managing Director of Finance
9	Mr. Prapart	Limkangwalmongkol	Sales and Marketing Director

(Details on the Management Executives Team please refer to Attachment 1)

Remark : ¹ Being appointed as Senior Vice President, approved by the Board of Directors Meeting No. 1/2560 held on January 12, 2017.

² Being promoted as Deputy Managing Director of Engineering Business on 1 January 2017.

³ Being promoted as Deputy Managing Director of Finance on 27 February 2017.

Authorities and duties of Managing Director

1. Prescribe mission, objective, policy of the company including strategies and business plan and propose to the Board of Directors.
2. Implement the business and strategy plans approved by the Board of Directors.
3. Consider bidding under the policy assigned by the Board.
4. Approve expense for normal transaction of the company within not exceeding 30 million baht.
5. Employ, appoint, discharge, order to resign, dismiss, prescribe wage, reward, salary promotion, remunerate, bonus payment for employees lower than Vice Managing Director downwards.
6. Act and present as representative of the business to the outsider for related business and for benefit to the business.

7. Approve the appointment of consultants necessary for the business operation.
8. Carry on other business assigned by the Board of Directors.
9. Assign other person to act on his behalf in case of the Managing Director is unable to perform his duty case by case.

In this regard, the above authorization to the Managing Director shall be under the criterion of law and Articles of Association of the company and in case of any action shall cause benefit or interest of the Managing Director or any person which may have conflict (according to the Notification of SEC), the Managing Director shall have no authority to approve such action whereby the Managing Director shall propose such matter to the Audit Committee for examination and comment and further forward such matter to the Board of Director and/or the Annual General Meeting of shareholders for further action according to the rules and method prescribed thereof to correspond with the regulations of SET.

5. Nomination of Director

Nomination of director of the company shall not pass the Nominating Committee. The company, however, has prescribed guidelines for appointment the company directors as follows:-

Nomination Method

The Board of Director select a person with appropriate qualification from knowledge, experiences relevant business and parent shareholders' have experience to the Board of Director as well as selection new Director will be passed the resolution from The Board of Director meeting and has the Audit Committee attendance.

In addition, nomination of director must passed of the resolution of the appointment from The Annual General Meeting of shareholders in accordance with the processes specified in company required ,which will use the following rules and procedures:-

- A shareholder has one vote per one share held.
- The candidates with the highest scores, respectively, will be appointed as new director equivalent to number applicable of such meeting. In case where there is a tie in the number of votes between two candidates, the chairman has the deciding vote.

The Annual General Meeting of shareholders, the company appoints new directors to replace those whose term have expired, equivalent to one-third of all director ,every year ,in accordance with the resolution of The Annual General Meeting of shareholders. All appointments must abide by the applicable practices for listed companies and the Company's regulations in every aspect.

Resignation

1. In The Annual General Meeting of shareholders, 1/3 of directors shall be resigned. Should number of directors be unable to equally divided into 3 part, the resigned director shall be nearest 1/3 as much as possible.

The directors shall resign from their positions. In the first and second year after the company is listed on the Stock Exchange of Thailand, the directors who are required to resign, shall apply the method of drawing lots to determine who shall resign. On subsequent years, the longest serving directors shall resign and may be re-elected to resume their positions.

2. In addition to clause 1, the director shall be resigned upon:-

- Death
- Resignation

- Lack of any qualification or been prohibited by law
- Resigned by resolutions of the Shareholders' Meeting
- Resigned by order of the court

Any director wishing to resign from position is required to submit leave application from to the company and resignation shall come into effect on the date of such resignation is arrived at the company.

6. Remuneration of Directors and Management Team for 2016

(1) Remuneration in cash

Name		Remuneration				The directors' remuneration	Amount (Baht)
		AGM	Board of Directors	Audit Committee	Risk Management Committee		
1. Mr. Sombat	Anuntarumporn	9,000	54,000	-	-	105,875	168,875
2. Mrs.Chalida	Anuntarumporn	6,000	36,000	-	-	84,700	126,700
3. Mr.Nuttanai	Anuntarumporn	6,000	30,000	-	-	84,700	120,700
4. Mr. Chusak	Direkwattanachai	9,000	54,000	36,000	-	105,875	204,875
5. Admiral Saksith	Cherdboonmuang ¹	-	12,000	12,000	-	35,292	59,292
6. Mrs. Saowanee	Kamolbutr	6,000	36,000	24,000	12,000	84,700	165,700
7. Miss Kwanta	Meesomporn	6,000	36,000	-	-	84,700	126,700
8. Mrs.Thanyarad	Thiemudomlerk	6,000	36,000	-	-	84,700	126,700
9. Mrs.Pensri	Chantakhad	6,000	36,000	-	-	84,700	126,700
Directors, who resigned during the year 2016							
1. Admiral Apiwat	Sri-wattana	6,000	18,000	12,000	-	49,408	85,408
Grand Total		60,000	348,000	84,000	12,000	804,650	1,311,650

Remark : ¹ Has been appointed as an independent director. Admiral Apiwat Sri-wattana which has has resigned. Approved by the Board of Directors Meeting No. 4/2016 held on August 2, 2016.

The shareholders' meeting 2016 considered remuneration for the board in aspects of appropriately to size, type business and related of operating result, include in aspects of appropriation, duties and responsibility, as approved remuneration for the board for 2016 as follows :

Meeting Fee

- The Chairman of the Board of Director and the Chairman of the Audit Committee at Baht 9,000 per meeting
- The Board of Director and the Audit Committee at Baht 6,000 per meeting

Annual Remuneration of the Board of Directors

- The Chairman of the Board of Director and the Chairman of the Audit Committee at Baht 105,875 per year.
- The Board of Director and the Audit Committee at Baht 84,700 per year.

In 2016, the board of directors held the meetings as follows:

Name		Meeting			
		AGM	Board of Directors	Audit Committee	Risk Management Committee
		Number of Attendance / No. of meetings in 2016			
1. Mr.Sombat	Anuntarumporn	1/1	6/6	-	-
2. Mrs.Chalida	Anuntarumporn	1/1	6/6	-	-
3. Mr.Nuttanai	Anuntarumporn	1/1	5/6	-	-
4. Mr.Chusak	Direckwattanachai	1/1	6/6	4/4	-
5. Admiral Saksith	Cherdboonmuang ¹	-	2/6	2/4	-
6. Mrs. Saowanee	Kamolbutr	1/1	6/6	4/4	3/3
7. Miss. Kwanta	Meesomporn	1/1	6/6	-	-
8. Mrs. Thanyarad	Thiemudomlerk	1/1	6/6	-	-
9. Mrs. Pensri	Chantakhad	1/1	6/6	-	-
Directors, who resigned during the year 2016					
Admiral Apiwat	Sri-wattana	1/1	3/6	2/4	-

Remark : ¹ Has been appointed as an independent director. Admiral Apiwat Sri-wattana which has has resigned. Approved by the Board of Directors Meeting No. 4/2016 held on August 2, 2016.

(2) Other remuneration

- None -

Remuneration of Management

(1) Remuneration in cash

The Company's criteria for executive compensation by considering the knowledge, skills, experience and past performance, as well as comparison with other companies in the same business.

For remuneration of the executive's annual 2559 salary, bonus and other benefit totaling of Baht 29,297,247.

(2) ค่าตอบแทนอื่น

- None -

7. The secretary of company

To performs all secretariat work with effectiveness. The Board of Directors is responsible for appointing a qualified person as Company Secretary, who is at present Mrs.Thanyarad Thiem-udomlerk Duties and Responsibilities of the Company Secretary as follows :

1. Prepare and maintain the following documents :

1.1 Company's statutory register of directors

1.2 Annual reports

- 1.3 Notices and minutes of the meetings of the Board of Directors
- 1.4 Notices and minutes of the shareholders' meetings
2. Maintain and keep a record of vested interests as reported by directors and executives.
3. Send copies reporting vested interests of directors and executives or related persons to the Chairman of Audit Committee within seven days of the receipt of each report.
4. Organize Board and shareholders' meetings according to rules and applicable laws.
5. Supervise, inspect, and provide advice to CPN and the Board of Directors in conformance to CPN's memorandum of association, articles of association, Securities and Exchange Act, Public Company Limited Act, and applicable laws.
6. Act as the clearing house between the Board of Directors, executives, and the shareholders.
7. Coordinate and follow up the Board's and shareholders' resolutions.
8. Ensure that appropriate information disclosure and information reports are submitted to the regulators as required.
9. Perform other duties as required by the regulations of the Capital Market Supervisory Board or as assigned by the Board of Directors.

8. Personnel Policy

The staff is one of the factors that make the Company to successfulness, though; the Company is focused on the development of personnel policies and guidelines consistently. As the staff continuously to provide the Company with the knowledge, skills and expertise in providing services to the customers efficiently.

The Company has trained staff from the orientation for new employees and training of employees by segment and staff level throughout the year. The Company also encourages employees to attend training seminars and technical knowledge as involving both direct and indirect to their roles. The purpose is to develop the skills of existing employees to deal with the competitive conditions in the industry on a regular basis.

The Company treats employees equally and fairly with no regard of race, religion, gender, status, language, or position. The Company does not support child labor, human trafficking, or any kinds of corruption. Compensation and other benefits have provided to employees appropriately and consistency with other companies in the same industry. Other benefits are provided in a higher than minimum prescribed by labor law, for example, Employee Joint Investment Program (EJIP), annual health checkup, 5S activities, safety and healthy working environment activities, exercise area for employees, and also focuses on human development in a long term in order to emphasize learning opportunity and professional development.

As at 31 December 2016, the Company and its subsidiaries have details of their employees as follows:

Number of employees

Parties	31 December 2015	31 December 2016
Interlink Communication PLC.	329	346
Interlink Telecom PLC.	319	457
Interlink Power and Energy Limited	12	22
Interlink Data Center Co., Ltd.	1	1
Total	661	826

Remunerations

Parties	31 December 2015	31 December 2016
Interlink Communication PLC.	160,263,066.75	173,930,926.02
Interlink Telecom PLC.	140,129,858.92	152,420,789.78
Interlink Power and Energy Limited	9,529,303.34	8,344,053.98
Interlink Data Center Limited	118,686.00	95,272.50
Total	310,040,915.01	334,791,042.28

Employee's remuneration includes salary, overtime payment, social security payment, provident fund, Contributions to a joint project between the employer and the employee (EJIP) and other benefits, the details are as follows :

Companies participating	Interlink Communication Public Company Limited
Project Timeline	Starting on March 1, 2015 until February 28, 2024 a total period of 8 years.
Employees who can participate	employees who pass probation, according to his/her willingness
Format project	The money paid to participating employees: 3 percent of salary. The money the company Contributions for employees participating : 100 percent of the money that workers pay into the program.
Scheduled Acquisition shares	Every months
Terms of shareholdings	1-8 years: the number of shares cannot be sold. 8 years : the number of shares authorized to sell the accumulated <ul style="list-style-type: none"> • Case resigned between 1-5 years : a collection of stocks that are still owned by the employees. Shares of the company, all employees have to contribute back to the EJIP etc. • Case resigned between 6-8 years : the stock is cumulative of all employees. The Company and its partners Contribution and holding not less than three years (calculated on the months leading wholesale investment) remains the property of the employee. Shares of the Company Contributions and holding less than three years, the employee must return to the EJIP etc.
Agent Operations	Phillip Securities (Thailand) PCL.

13 THE BOARD OF DIRECTORS AND THE MANAGEMENT TEAM

Mr. Sombat Anuntarumporn

President and Managing Director

Age : 58 years

Relationship with the management :

Husband : Mrs. Chalida Anuntarumporn Managing Director

Father : Mr. Nuttanai Anuntarumporn Director and Managing

Director of Interlink Telecom Public Co., Ltd.



Qualifications :

- Honorary Doctor's degree of Business Administration
Dhomburi Rajabhat University
- Master of Business Administration
National Institute of Development Administration (NIDA)
- Bachelor of Electrical Engineer
King Mongkut's University of Technology Thonburi
- Degree in National Defense College (2005)
National Defense College
- Leader Program Certificate (CMA 4)
Capital Market Academy – The Stock Exchange of Thailand
- Technique of reconcile sentence joining
The Central Intellectual Property and International Trade Court
- Diploma in Politics Democracy Certification Program (Por Por Ror 14)
King Prajadhipok's Institute
- Judicial Executive Program (in process)
Judicial Training Institute

Trainings :

- Directors Accreditation Program (DAP)
Thai Company Committee Institute Promotion Association

Shareholding :

As at 16 March 2015	44,065,476	Share
Change during the year	15,751	Share
As at 31 December 2016	44,081,227	Share
% of Shareholding	12.16	%

Experiences :

- 1995 – Present President and Managing Director
Interlink Communication Public Company Limited
- 2014 – Present Honorary Advisor
Vice-President of the National Legislative Assembly

- 2005 – 2015 Vice President of Committee for ICT Business
Thai Chamber of Commerce and Board of Trade of Thailand
- 2011 – Present Founding President
Thai Listed Companies Association: mai
- 2005 – Present Committee
Thai Chamber of Commerce and Board of Trade of Thailand
- 2011 – Present Founding President of the Association/Honorary
President Thai Cabling Association
- 2014 – Present Honorary Advisor
Legislature
- 2014 – Present Honorary Advisor
Economic Commission Money and Finance
- 2014 – Present Honorary Advisor
Commerce Commission The Industrial and Labour
- 2005 – 2010 President of Guardians and Teacher
Satree Withaya 2 School
- 2016 – Present Committee
The Zoological Park Organization Under The Royal Patronage of H.M. The king
- 2017 – Present Secretary
National Reform Council

Holding a Position in Public Company :

- 2007 – Present Vice-President
Interlink Telecom Public Company Limited

Holding a Position in Private Company :

- 1987 – Present Managing Director
Interlink Holding Co., Ltd.
- 2008 – Present President and Managing Director
Interlink Power and Energy Co., Ltd.

Mrs. Chalida Anuntarumporn

Director and Managing Director

Age : 59 years

Relationship with the management :

Wife : Mr. Sombat Anuntarumporn President and Managing Director

Mother : Mr. Nuttanai Anuntarumporn Director and Managing Director of Interlink Telecom Co., Ltd.

**Qualifications :**

- Studying Honorary Doctor's degree
North Bangkok University
- Master of Business Administration
National Institute of Development Administration (NIDA)
- Bachelor Degree in Management
Sukhothai Thammathirat University
- Diploma of Accounting
Commercial College, Phranakron Campus
- Leader Program Certificate (CMA 8)
Capital Market Academy – The Stock Exchange of Thailand
- Degree in National Defense College (2009)
National Defense College
- Diploma Top Executive Program in Commerce and Trade (TEPCOT)
Class 5
Academy of Trade Institute
- Advance Security Management Course, 4th Class (Mor Sor 4)
National Defense College

Trainings :

- Directors Accreditation Program (DAP)
Thai Company Committee Institute Promotion Association

Shareholding :

As at 16 March 2015 49,671,227 Share

Change during the year - Share

As at 31 December 2016 49,671,227 Share

% of Shareholding 13.71 %

Experiences :

- 1995 – Present Director and Managing Director
Interlink Communication Public Company Limited
- 2012 – Present President
Interlink Hajjai Foundation
- 2013 – 2014 Honorary Advisor - Committee on Children
Senate of Thailand
- 2009 – Present Executive Director/Chief Information Office
The Nation Council of Women of Thailand

- 2010 – Present Director of Corporate Social Responsibility
The Thai Chamber of Commerce & Board of Trade of Thailand
- 2013 – Present Associate Judge
Central Juvenile and Family Court
- 2014 – Present Chairman
Saving and Credit Cooperatives Interlink Communication
- 2010 – Present Chairman of the women personality development association Class 6
Women Personality Development Association
- 2010 – Present President of Special Event
Business and Professional Women's Association of Thailand – Bangkok
- 2010 – Present Secretary of the Committee on Agriculture
Business and Professional Women's Association of Thailand – Bangkok
- 2014 – Present Founding President Zonta Club 10 Zonta Club 10
- 2015 – Present Consultant Economic Commission Money and Finance National Assembly
- 2010 – Present Hostess Committee
Student Association of Capital Market Academy
- 2010 – 2014 Vice President of Entertainment
Board of Scholar, National Defense Class 2009
- 2009 – 2010 Board of Treasurer and Public Relations
The Board of Capital Market Academy Class 8

Holding a Position in Public Company :

- 2007 – Present Director
Interlink Telecom Public Company Limited

Holding a Position in Private Company :

- 2008 – Present Managing Director
Interlink Power and Energy Co., Ltd.
- 1987 – Present Managing Director
Interlink Holding Co., Ltd

Mr. Nuttanai Anuntarumporn

Director (Managing Director of Interlink Telecom Public Company Limited and Interlink Data Center Company Limited)

Age : 30 years



Relationship with the management :

Father : Mr. Sombat Anuntarumporn President and Managing Director

Mother : Mrs. Chalida Anuntarumporn Managing Director

Qualifications :

- Master Degree in Financial Economics
Boston University, USA
- Bachelor Degree in Engineering
Chulalongkorn University

Trainings :

- Directors Accreditation Program (DAP)
Thai Institute of Directors Association (IOD)
- SCB Young Entrepreneur Program class 12
Siam Commercial Bank Public Company Limited
- Diploma new Democracy Leader
King Prajadhipok's Institute
- Diploma Project Manager
Boston University

Shareholding :

As at 16 March 2015	2,299,958	Share
Change during the year	1,997,591	Share
As at 31 December 2016	302,367	Share
% of Shareholding	0.08	%

Experiences :

- 2012 – Present Director
Interlink Communication Public Company Limited
- 2011 – 2012 General Manager
Interlink Telecom Public Company Limited
- 2013 – Present Executive Director
Thai Listed Companies Association : mai

Holding a Position in Public Company :

- 2015 – Present Committee / Managing Director
Interlink Telecom Public Company Limited

Holding a Position in Private Company :

- 2013 – Present Managing Director
Interlink Data Center Co., Ltd.

Miss Kwanta Meesomporn

Director and Deputy Managing Director for Distribution Business

Age : 47 years



Relationship with the management :

None

Qualifications :

- Master Degree in Public and Private Management
Faculty of Political Science, NIDA
- Bachelor Degree in Management
Faculty of Arts, Rajaphat Institute
- Mini Master of Management
Faculty of Political Science, NIDA

Trainings :

- Directors Accreditation Program (DAP)
Thai Institute of Directors Association (IOD)

Shareholding :

As at 16 March 2015	3,101,360	Share
Change during the year	2,468,952	Share
As at 31 December 2016	632,408	Share
% of Shareholding	0.17	%

Experiences :

- 2004 – Present Director
Interlink Communication Public Company Limited
- 2013 – Present Deputy Managing Director for Distribution Business
Interlink Communication Public Company Limited
- 1995 – 2013 Director of Distribution Department
Interlink Communication Public Company Limited
- 1992 – 1995 Secretary to Managing Director
Interlink Holding Co., Ltd.

Holding a Position in Public Company :

None

Holding a Position in Private Company :

None

Mrs. Pensri Chantakhad

Director / Deputy Managing

Director of Finance

Age : 49 years



Relationship with the management :

None

Qualifications :

- Master Degree in Business Administration
Saint John's University
- Bachelor Degree in Management
Sukhothai Thammathirat University
- Diploma in Accounting
Chiangmai Commercial School

Trainings :

- Directors Accreditation Program (DAP)
Thai Institute of Directors Association (IOD)
- High Manager Development Course
National Institute of Development Administration (NIDA)

Shareholding :

As at 16 March 2015	1,458,297	Share
Change during the year	1,375,797	Share
As at 31 December 2016	82,500	Share
% of Shareholding	0.02	%

Experiences :

- 2004 – Present Director
Interlink Communication Public Company Limited
- 2017 – Present Deputy Managing Director of Finance
Interlink Communication Public Company Limited
- 1995 – 2016 Director of Finance Department
Interlink Communication Public Company Limited

Holding a Position in Public Company :

- 2013 – Present Director of Finance Department
Interlink Telecom Public Company Limited

Holding a Position in Private Company :

- 2013 – Present Director of Finance Department
Interlink Power and Energy Co., Ltd.
- 1987 – 1995 Accounting and Finance Manager
Interlink Holding Co., Ltd.

Mrs. Thanyarad Thiemudomlerk

Director / Deputy Managing Director

Business and Operations Support

Age : 41 years



Relationship with the management :

None

Qualifications :

- Master Degree in Financial Accounting
Chulalongkorn University
- Bachelor Degree in Accounting
Chiangmai University

Trainings :

- Directors Accreditation Program (DAP)
Thai Institute of Directors Association (IOD)
- Company Secretary Program (CSP) 29/2009
Thai Institute of Directors Association (IOD)
- Effective Minute Talking (EMT) รุ่น 35/2016
Thai Institute of Directors Association (IOD)
- Taxation Auditor
Dhammaniti

Shareholding :

None

Experiences :

- 2015 – Present Deputy Managing Director of Back Office
Interlink Communication Public Company Limited
- 2004 – Present Director
Interlink Communication Public Company Limited
- 1997 – 2011 Director of Accounting Department
Interlink Communication Public Company Limited
- 1997 – 2011 Accounting Manager
Interlink Holding Co., Ltd.
- 1997 – Present Accountant
Rueng Bandit Petroleum Ltd., Part.

Holding a Position in Public Company :

None

Holding a Position in Private Company :

None

Mr. Chusak Direkwattanachai

Independent Director and Chairman
of the Audit Committee

Age : 72 years



Relationship with the management :

None

Qualifications :

- Master Degree in Business Administration
Northern Illinois University, USA
- Bachelor Degree in Economics
Thammasart University

Trainings :

- Chartered Director Class (CDC) Class 1
Thai Institute of Directors Association (IOD)
- Directors Accreditation Program (DAP)
Thai Institute of Directors Association (IOD)
- Directors Certification Program (DCP) Class 24
Thai Institute of Directors Association (IOD)
- Audit Committee Program (ACP)
Thai Institute of Directors Association (IOD)
- Finance for Non-Finance Directors (FN)
Thai Institute of Directors Association (IOD)

Shareholding :

None

Experiences :

- 2010 – Present Independent Director and Chairman of the Audit Committee
Interlink Communication Public Company Limited
- 2010 – Present Advisor
Thai – Russian Chamber of Commerce
- 2009 – Present Advisory Board
Thai Institute of Directors Association (IOD)
- 2003 – Present Associate Judge
Central Intellectual Property and International Trade Court
- 2014 – Present Advisory Committee on the Economy Money and Finance
National Assembly

Holding a Position in Public Company :

- 2009 – Present Independent Director, Chairman of the Audit Committee and Nomination and Remuneration Committee
Muang Thai Insurance Public Company Limited

Holding a Position in Private Company :

- 2008 – Present Advisor Committee
Green General Product Co., Ltd.

Admiral Saksith Cherdboonmuang

Independent Director and
Audit Committee

Age : 64 years



Relationship with the management :

None

Qualifications :

- Master Degree in Master of Public Administration
Burapha University
- Bachelor Degree of Science Program in Naval Science
Royal Thai Naval Academy

Trainings :

None

Shareholding :

None

Experiences :

- 2016 – Present Independent Director and Audit Committee
Interlink Communication Public Company Limited
- 2014 - Present Members of the National Legislative Assembly
The National Legislative Assembly
- 2010 - 2013 Advisor
National Defence Studies Institute, Royal Thai Armed Forces (NDSI)

Holding a Position in Public Company :

None

Holding a Position in Private Company :

None

Mrs. Saowanee Kamolbutr

Independent Director and Audit Committee

Age : 65 years



Relationship with the management :

None

Qualifications :

- Master Degree in Public Administer
Thammasart University
- Bachelor Degree in Public Administration
Thammasart University
- Degree in National Defense College (2005)
National Defense College
- Leader Program Certificate
Capital Market Academy – The Stock Exchange of Thailand
- Senior Executive Program
Kellogg – Sasin
- The Management Development Program
Wharton School
- Advance Security Management Course, 4th Class (Mor Sor 4)
National Defense College

Trainings :

- Directors Certification Program (DCP)
Thai Institute of Directors Association (IOD)
- Role of Compensation Committee (RCC)
Thai Institute of Directors Association (IOD)
- Role of Chairman Program (RCP)
Thai Institute of Directors Association (IOD)
- Financial Institutions Governance Program (FGP)
Thai Institute of Directors Association (IOD)

Shareholding :

None

Experiences :

- 2013 – Present Independent Director and Chairman of the Risk
Interlink Communication Public Company Limited
- 2014 – present Advisor of the Committee on Economic, Monetary Affairs
and Finance the Standing Committee
The National Legislative Assembly

- 2009 – 2013 Chairman of the Board of Directors
TMB Bank Public Company Limited
- 2012 – 2013 Executive Chairman
Thai Yan-Yon Retail Group
- 2009 – 2012 Deputy Permanent Secretary
Ministry of Finance
- 2008 – 2012 Director and Chairperson of the Audit Committee
Provincial Waterworks Authority
- 2004 – 2008 Member of the Board, Member of the Audit Committee
and Chairman of Labor Relation
The Thailand Institute of Scientific and Technological
Research
- 2006 – 2008 Director and Independent Director
KTB Leasing Co., Ltd.
- 2004 – 2007 Deputy Director-General
Revenue Department, Ministry of Finance

Holding a Position in Public Company :

- 2016 – Present Director and Independent Director
Glow Energy Public Company Limited
- 2016 – Present Director/ Independent Director /Risk Management
Committee and Chairman of Corporate Governance
Committee
FN Factory Outlet Public Company Limited
- 2011 – Present Independent Director and Chairman of the Audit
Committee
T.K.S. Technologies Public Company Limited
- 2009 – Present Director and Chairman of the Audit Committee
Carabao Group Public Company Limited

Holding a Position in Private Company :

- 2014 – Present Committee
Small and Medium Enterprise Development Bank
of Thailand (SME Bank)

Mr. Adisak Angmahussagul

Deputy Managing Director of Interlink Power and Energy Company Limited

Age : 59 years



Relationship with the management :

None

Qualifications :

- Bachelor Degree in Electrical Engineer
King Mongkut's Technology Institute, Thonburi

Trainings :

- Executive Management Program
National Institute of Development Administration
- Submarine Composite Cable Training
VISCAS Corporation, Japan Sep. 15-19, 2014
- Fiber Optic Communication Technology Program
Faculty of Engineering, Chulalongkorn University
- Project Management Class 1
Faculty of Engineering, Chulalongkorn University
- Optical Fiber Cable Training
YOFC, Wuhan, China May 16-19, 2008
- Submarine Composite Cable Training
Exsym Corporation Nagoya Japan Sep. 21-26, 2008
- Submarine Composite Cable Training
Draka Shanghai Optical Fiber Cable Co., Ltd., Shanghai China Dec. 8-13, 2008
- AMP ACTII-III Certifying and Troubleshooting Premises Cabling System, Designing Premises Cabling System, AMP ACT 1, Installing Premises Cabling System, Link Master Installer Cabling System, JEPIC Underground Training
Nagoya & Tokyo, Japan Nov. 5-17, 1995
- Electricity 94 Conference
Toronto, Canada
- ELezimold Underground Cable Training
New Jersey, USA Mar. 18-31, 1994
- Medium Voltage
France Oct. 18-31, 1992

Shareholding :

None

Experiences :

- 2002 – Present Director of Engineering Department
Interlink Communication Public Company Limited
- 2013 – 2016 General Manager
Interlink Power and Energy Co., Ltd
- 2010 – 2012 Board of Construction and Design Business
The Thai Chamber of Commerce & Board of Trade of Thailand
- 1996 – 2001 Engineering Manager
Demco Co., Ltd.
- 1982 – 1996 Chief of Construction and Underground Cable Maintenance Dept. 1, MEA – Wat Liab

Holding a Position in Public Company :

None

Holding a Position in Private Company :

- 2017 – Present Deputy Managing Director
Interlink Power and Energy Company Limited

Mr. Prapas Limkangwalmongkol

Sales and Marketing Director

Age : 47 years



Relationship with the management :

None

Qualifications :

- Master Degree in business administration
Bangkok University
- Bachelor Degree in Science in Industrial Education Program in Electrical Engineering
King Mongkut's Technology Institution, Thonburi

Trainings :

None

Shareholding :

As at 16 March 2015	3,674 Share
Change during the year	2,895 Share
As at 31 December 2016	6,569 Share
% of Shareholding	0.00 %

Experiences :

- 2013 – Present Director of Sales and Marketing Department
Interlink Communication Public Company Limited
- 2010 – 2012 Sales Engineering Manager
MHE-Demag (T) Ltd.
- 2007 – 2010 Business Unit Manager
Schneider (Thailand) Co., Ltd.
- 2003 – 2007 Business Unit Manager
Asia Pacific Elevator Services Limited.
- 1998 – 2003 Technical Manager
Property Care Services (Thailand) Limited.
- 1991 – 1998 Service Sales Manager
Jardine Schindler (Thai) Ltd.

Holding a Position in Public Company :

None

Holding a Position in Private Company :

None

Mr. Prasitchai Veerayuttawilai

Senior Executive Vice President

Age : 56 years



Relationship with the management :

None

Qualifications :

- Master of Business Administration.
Thammasat University
- Bachelor of Engineering
Chulalongkorn University

Trainings :

None

Shareholding :

None

Experiences :

- 2017 – Present Senior Executive Vice President
Interlink Communication Public Company Limited
- 2014 – 2016 Executive Director
EDMI Limited Singapore
- 2005 – 2014 Executive Vice President
Samart Telcoms Public Company Limited

Holding a Position in Public Company :

None

Holding a Position in Private Company :

None

14 CORPORATE GOVERNANCE

The Board of Directors have recognized the importance of good corporate governance in a consistent manner to increase the operating transparency, the competitive abilities, and the confidence to shareholders, investor and other stakeholder, which leads the Company to have sustainable growth. The Board has supported and encouraged the compliance with the principles related to good corporate governance in accordance with the guidelines provided by the Stock Exchange of Thailand by harmonize those guided standards with the Company's business. By means of that, the Company could maximize the benefits of shareholders, mitigate conflicts of interests between stakeholders and promote ethical behavior. It was guaranteed by "Ethical Award in 2003" which the Company have been selected by the Chamber of Commerce and the Board of trade of Thailand. Additionally, the Company is confident that having the good management system, having the Board of Directors and Management with far visions and responsibility for their duties, and having the tools to control and to balance the authority, will boost up the transparent management and audit work.

Corporate Governance

The Company's Board of Directors fully realizes the importance of maintaining good corporate governance in order to achieve complete transparency in business operations, to boost the Company's business competitive and to increase the confidence of shareholders, investors and all parties concerned. The company brought the criteria of good corporate governance of the Stock Exchange of Thailand (SET) and regulations of the Securities and Exchange Commission (SEC), as factors to create an effective enterprise management system. They are not only used to create transparency in the work, operations to business ethics, but also used to set up various internal control systems, including the strong emphasize on rights and equitable treatment of shareholders. Therefore, the Board has laid down the following important principles of corporate governance:

- All shareholders and parties with vested interests will be treated equally and fairly.
- The Board of Directors is determined to generate value added for business in the long run, to administer operations prudently and cautiously, to carry duties and responsibilities efficiently and effectively in order to result in the greatest benefits for shareholders, to see to it that conflicts of interest do not occur and to be totally responsible for their actions and decisions.
- The Board of Directors will operate with complete transparency and accountability, with sufficient information disclosures for all parties concerned.

Section 1 The Rights of the Shareholders

The Board of Directors aware and respects the rights of the shareholders and heed over the benefits of the shareholders equally as specified in the Articles of Association and relevant laws. Whether, shareholders will be minor, foreign investor, institutional investors, or major shareholders, all shareholders have the same rights and equitable treatment as follows.

- The rights to receive the share certificates and the rights to buy – sell or transfer shares.
- The rights to receive sufficient and timely information which relevant to make the appropriate decision.
- The rights to attend the meetings and cast the vote in the Annual General Meeting of Shareholders to change the important policies of the Company.

- The rights to appoint or remove the directors of the Board and set the remunerations of the Directors.
- The rights to appoint and recommend audit fees of the external auditor.
- The rights in the profit of the Company.

The access to company's information and news promptly and appropriately through any most convenient channels. The Company also fully supports Shareholders to fully use their rights in Annual General Meeting of Shareholders and participate in decision making to any decisions related to rights and their benefits.

The Company aims to support and provide all facilities necessary to shareholders and investors in the Shareholders' meetings, including meeting location with easy access by public transportation for convenient of the participants. Pre-registration documents are allowed to send prior to meeting date in order to avoid spending a lot of time checking documents at the registration desk and barcode system is provided for registration and votes for more convenience. Revenue stamps are prepared for shareholders in case it is required for uses.

In the Annual General Meeting of Shareholders of 2016, the Company has performed the steps of the meeting as required by law included calling for the meeting, delivering the documents and informing of the agenda, stepping in conduct the meeting as well as sending the meeting minutes to facilitate the exercised rights of shareholders.

Section 2 Equal Treatment to Shareholders

The Board of Directors shall provide convenience for all shareholders equally whether or not those shareholders are the management executives or not management executives. They shall forward the complete sufficient and in-time information to the shareholders and encourage them to right in and cast votes in the shareholders' meeting or to cast votes through proxies or any person in case of failure to attend by themselves. The shareholders can express their ideas or ask any question equally in the Annual General Meeting of Shareholders by the Company following actions.

Prior to the Meeting

- (1) All shareholders receive necessary and sufficient information about the meeting date and the agenda in advance through the shareholders invitation letter attached by the relevant documents at least 14 days prior to the meeting. The meeting invitation letter indicates the data, the date, time place and map of the Annual General Meeting of the Shareholders together with details of the documents that the shareholders shall present on the meeting date including the regulation of the Company with respect to the Annual General Meeting of Shareholders and vote casting, the documents indicating the meeting agenda and opinions of the Board of Directors towards each agenda as well as relevant information needed for the decision making for shareholders. In addition, The Company set to informing about the meeting via the Website: www.interlink.co.th, not less than 21 days prior to the meeting.
- (2) In case of any shareholders cannot attend the meeting, they can appoint independent directors or any person to attend on their behalf by the Company's proxy statement as sending along with the meeting invitation letter. Shareholders can also download the proxy via Website: www.interlink.co.th.

The Date of the Shareholders' Meeting

- (1) In 2016, the Company conducted the 2016 Annual General Meeting of Shareholders on Wednesday, April 27, 2016 during 14.00 p.m.-16.47 p.m. at Chopraya Bollom, Chaopraya Park Hotel, Ratchadapisek Road, Huaykwang, Bangkok, for this meeting, the company considered a venue where there is enough parking and convenient for shareholders to attend.
- (2) The Company has provided appropriately and adequately reception for attended shareholders.

- (3) Chairman and Managing Director, Chairman of Audit Committee and Directors attended the meeting to clarify and answer questions. The Company has given the rights to the shareholders in order to ask the questions to the Board at the meeting on the matters related to the agenda or the Company in which the Board of Directors, the Audit Committee and the external auditor are introduced to the attendance.
- (4) Before start the meeting, Chairman of the meeting has clearly clarified the rules of the meeting, the meeting's agenda, voting procedures, vote counting and the rights of shareholders and conducted the meeting according to the agenda as indicated in the invitation letter as well as given the opportunity for shareholders to express their opinions and raised questions during each session to build understanding of shareholders and to keep the meeting running smoothly and transparently
- (5) The meeting is conducted according to the agenda as indicated in the invitation letter and not adding any agenda without notification to shareholders in advance as to give shareholders the opportunity to study information before making a decision.
- (6) The Company has prepared ballot for every agenda for shareholders to vote. The ballot is to be collected in the meeting room and for transparency, the Company has kept the ballots for later examination.
- (7) On the agenda of election of directors, the Company has granted right to shareholders to elect by individual and given opportunity to shareholders to nominate candidates to be elected independently and vote on agenda.
- (8) During the Meeting, the Company has given an opportunity for shareholders to express their point of view and raised question on the matters related to the meeting or in connection with the Company and let the board to clarify and provide sufficient information to shareholders by allocating adequate time and conducting of the meeting properly and transparency.

After the Meeting

- (1) The Company's Secretary is responsible for the preparation and collect the minutes of shareholders' meeting that has been reviewed by the Board of Directors, at the next meeting of the Board of Directors. The minutes is published on the Website: www.interlink.co.th so that attendees could reviewed for its completeness before presentation to the nest AGM to consider for approval. The minutes shall be submitted to the relevant authorities within 14 days of the specified period in its entirety.
- (2) In order to ensure that shareholders entitled to receive payment of dividend after it has been approved by the shareholders' meeting, the Company has informed the shareholders through the community system ,Electronic Listed Companies Information Disclosure (ELCID) of the Stock Exchange of Thailand, to allow shareholders to realize their rights, including date, Time and details of the dividend to be received.
- (3) Dissemination of information to shareholders on regular basis through the Stock Exchange of Thailand, the media and various publications, including website: www. Interlink.co.th and provide a channel that minority shareholders can request information directly to the Company's e-mail: t.thanyarad@interlink.co.th or ir@interlink.co.th. In addition, the shareholders can request information directly from the Company's secretary/investor relations, Mrs. Thanyarad Thiem-udomlerk at 0-2693-1222 ext.291.
- (4) The Board of Directors has set preventive measure of insider abuse (Insider Trading) of the concerned persons, including the Board of Directors, management team and employees whose are in the concerned department (including spouses and minor children of such person) by such persons must adhere to guidelines for careful use of data within any of which may have effect on stock prices by bringing the information that has not been disclosed or to use confidentially or be disclosed to third parties, or acts, that will be caused a conflict of interest.

- (5) Efficiently operational in creating sustainable growth for the organization for shareholders to have appropriately returns.

In addition, in case the directors or the high rank management has traded the Company's shares, such trading shall be reported to the Security Exchange Commission (SEC) within 3 days for further publicizing to the general public.

Section 3 The Role of Stakeholders

The Board of Directors recognizes the rights of those stakeholders and encourages cooperation between the Company and stakeholders as well as key stakeholders such as shareholders, employees, customers, suppliers, creditors, community and community where our company is located, as well as society as a whole, and its related entities.

- **Shareholders** : The Company has the intention to run the business for the highest benefits of the Company and shareholders by considering the good performance with stable growth and competitive advantage in order to create the shareholders' value in the long run, which is the important mission of the Company, including the disclosure of information transparently and reliably for the shareholders.

The Board of Directors assigns the Investor Relations Function for taking care of shareholders and investors equally following basic rights, rights set forth in the laws and rights as indicated in the Articles of Association such as right to determine the number of shares, right to receive share certificate, right to entitle to attend the meeting, right to vote, right to suggestion and comment during the shareholders' meeting and right to earn a fair return. In addition, the Company has also granted the shareholder in suggestions and comments related to the operations as the Company's owner through independent directors. All suggestions and comments will be screened and proposed to the Board of Directors afterward. Furthermore, the Company has dividend payout policy at the rate not lower than 40% of separate net profits for the year after corporate income tax deduction and statutory reserve.

- **Employees** : The Company considers the employees as the valuable resource and the important factor toward the accomplishment in business operations. Therefore, the Company has the policy to provide the fair compensation and welfare for the employees, covering all of the basic requirements stipulated by law such as health insurance, annual leave per the length of service, establishment and contribution to the provident fund, Contributions to the project, a joint venture between the employer and the employee (EJIB). Annual health checkup, and good working environment for the employees' happiness in working. Apart from that, the Company also promotes and provides the opportunity for the employees to increase their knowledge regularly by continuing to focus on the development of their capabilities on the knowledge, skills related to their work and to have the good attitude. The Company also values the implantation of conscious and good ethics in working and living in order to be the good employees with wisdom and the good citizen in the society.
- **Customers** : The Company is committed to the satisfaction and confidence to their customers to get the best quality of product and service at a reasonable price and provides information to customers without any distortion as to maintain good relationships with customers. The Company will not disclose customer information without permission, unless it is required to disclose information to third parties involved under the provisions of the law enforcement. In addition, the Company has organized a seminar (Training Course) to all customers such as state enterprise, government, students and interest person about the system cabling and equipment in order to use and install correctly.

- **Trade Partners** : The Company has cooperated with trade partners with equity and equality on the basis of benefit sharing. The true and accurate information are exchanged. The Company focuses on the trading partners because they are considered as a key factor in co-creating value for business, thus the Company has built relationships with partner groups equitably to create benefit sharing business without any damage to reputation of the Company or contrary to any law.
- **Creditors** : The Company is committed to conducting business with the principles and discipline. To build trust with creditors. The Company adheres to the principles of the terms and conditions set forth in the agreement strictly. If the case can not comply with the conditions agreed upon.
- **Competitors** : The Company recognizes the benefits of competition that is effected to business management and quality improvement for benefits of customers, thus the Company has supported the policy in promote competition and free trade, compliance with the framework of honest competition, operate with fairness within the framework of law and ethics, and has no policy to competition by any means to obtain competitive information illegally and contrary to the ethics.
- **Community and Society** : The Company continuously and earnestly carries on the Corporate Social Responsibility activities with well awareness of the responsibilities which the company should have toward the society as a whole and has prepared various projects providing assistance and support to the useful social activities. The details of the activities can be seen in the topic "Corporate Social Responsibility: CSR".

In addition, the Board of Directors has determined to be reporting of the performance of the Company that the stakeholders and other stakeholders should recognize and report data in a 56-1, Annual Report, website and etc., as well as provide two way communication channel to stakeholders and other stakeholders to have the opportunity to comment or complain in cash that there is any event that has been done without the fairness of the actions by the Company.

The Anti-Corruption

In 2014, the Company has formulated the Anti-Corruption Policy to prove our dedication to equity, ethical, transparent and responsibility in business operations to our stakeholders and well as the society as a whole based on the good governance framework. The Anti-Corruption Policy was approved by the Audit Committee and the Board of Directors on November 14, 2014, communicated to all employees. Are set to Training policy against corruption, corrupt all employees in the orientation of new employees and posted across the board within the company. Also on the Web site of the company to disseminate to the public interest.

Anti-corruption policy

Interlink Communication Public Company Limited

1. Introduction

Interlink Company Communication Public Company Limited and its subsidiaries Committed to conduct business in accordance with good governance principles and Good Corporate Governance By focusing on anti-corruption. Including adherence to morality, morality, ethics, Bibliography and Governance Management with transparency and it is responsible for all stakeholders. Guidelines for the Proper Practices of Advisory Directors, Subcommittees, Executives and employees of the Company in Ethics. Business and Work Ethics this is part of the company's corporate governance, to ensure that the company has a policy. Set guidelines, requirements and channels for complaints. To

prevent corrupt including making decisions and actions. Businesses that may be at risk with corruption are carefully considered and treated, so they formulate "Anti-corruption policy" in writing to seize a clear guideline in conducting business and can grow the organization to grow continuous and sustainable.

2. Purpose

- 2.1 To support the Company, its advisors, its subcommittees, its executives and employees. No involvement with Corruption.
- 2.2 To promote the role and involvement of employees. And stakeholders in protection and anti-corruption
- 2.3 To provide information and guidelines for directors, advisors, subcommittees, executives and employees of the Company no involvement with corruption.
- 2.4 To ensure stakeholder confidence that the Company has a policy against corruptions and support the corporate governance truly.

3. Scope

This Anti-corruption policy, applicable to all advisors, subcommittees, executives, and employees in all departments, work of the company and affiliates as a guideline for the operation and the company. It also encourages individuals or organizations. Externally, this represents the company and follows the policy.

4. Definition

Corruption refers to the pursuit of unlawful gain as of position, function, or of information obtained from performing duties for any purpose. It is beneficial to oneself, people or others to acquire the property other wrongful self both directly and indirectly include any action. Contradictory or contradictory to the principles of morality. Ethics and Good Corporate Governance except in cases where the law, regulations, local tradition or trade traditions.

5. Anti - Corruption Policy

- 5.1 The Company will adhere to the principles of morality, morality, ethics, ethics and good governance. In Action
- 5.2 The company will not participate in corruption. Both directly and indirectly
- 5.3 The Company will not accept or give any bribes, whether in the form of cash or other property. To hope for a business return. Contrary to the principles of morality, morals, ethics, ethic and good governance.
- 5.4 Receiving or Presenting a Gift Entertainment is not corrupt. If the reception or delivery is based on traditional festivals. Popular or to maintain and develop interpersonal relationships and not against the principles of morality, morals, ethics. Bibliography and Governance.

6. Reporting clues and complaints. If you see corrupt actions involving the company. Directly or indirectly, please let us know to investigate the facts further.

- 6.1 Contact address for clues and complaints to Company secretary or Chairman of the Audit Committee, details as follows :

Company secretary

Interlink Company Communication Public Company Limited
 48 Interlink Building Soi Rungrueng Ratchadaphisek Road
 Samsen Nok, Huay Kwang, Bangkok 10310
 Email : company_secretary@interlink.co.th
 Phone : 0-2693-1222 ext. 291
 Fax : 0-2693-1222 ext. 260

Chairman of the Audit Committee

Mr. Chusak Direkwattanachai
 Email : chusak@interlink.co.th

6.2 Protection of complainant rights and confidentiality

6.2.1 Protection of Complaints and Related Persons

Because of the complaint and information in good faith It will benefit the company. Therefore, the Company is aware of the importance of protecting the complainant, the information provider and other witnesses, which the Company will take to protect the complainant and the related parties appropriately. Include employment contract coverage. That the complaint does not constitute a ground for dismissal, punishment, or other conduct that would have an adverse effect on the complainant and the person concerned if the complaint is dishonest and false, the Company will punish the complainant and related parties according to the Company's regulations.

6.2.2 Confidentiality and concealment of contributors.

The Company is aware of the safety and the right to conceal the identity of the complainant and the person concerned. Has the right not to disclose the name when complaining about the actions of advisors, directors, subcommittees, executives and employees of the company, correlation with Corruption, however, the company. Encourage the complainant to identify the complainant for ease of contact and investigation. When the complainant makes a complaint about corruption in good faith, the Company will protect the identity of the complainant and related parties. It will keep the information confidential so that the investigation is effective and to prevent bullying or unfair practices against the complainant and the person involved.

6.3 Procedures and Procedures for Investigation and Punishment

6.3.1 When the Company has been notified of any clues or complaints. Recipient will consider appointing the person responsible for the complaint as appropriate. The person responsible for the complaint will be the moderator. Investigate the facts and judge the offense. In case the accused is the executive director of the company. The person responsible for the complaint shall file a complaint so that the audit committee may consider the mistake.

6.3.2 If the investigation reveals that the information or testimony is reasonable to believe that the alleged offender has committed a real crime, the Company will give the defendant the right to know the allegations, clarify and prove themselves. By finding additional information or evidence to show that they are not involved in corrupt actions as alleged.

6.3.3 If the accused has done real corruption the act is against the anti-corruption policy. The offender shall be subject to disciplinary action at the discretion of the person responsible for the complaint or the audit committee, as the case may be and if the act is against the law. Offenders may also be subject to legal penalties.

6.3.4 When the person responsible for the complaint or the audit committee, as the case may be, considers the complaint. The decision is final and the company will report the findings to the complainant as appropriate.

7. Publishing and enforcing

7.1 Companies will publish anti-corruption policies to their advisors, subcommittees, executives, and employees to known through the company's communication channels such as bulletin boards, annual reports, etc.

7.2 The Company will provide clarification on anti-corruption policy of the Company. To the Advisory Committee, the Executive Committee and the new staff. Will review and develop anti-corruption policies Continuous and regular every year.

The Company sets up the evaluation and follow-up process for Anti-corruption Policy as follows :

1. Management and employees shall evaluate their operation according to Corporate Governance Policy and Managerial Ethics in order to prevent any corruption acts.
2. Inspection process shall be conducted by Internal Audit department with prompt and sufficient suggestion according to annual plan then shall be reported and approved to Audit Committee for further review.
3. The Company shall set up Risk Management Department and Internal Control to be responsible for test and corruption risk assessment continuously in order to implement effectively. Anti-corruption shall be reviewed, followed up, and improved continuously for further assessment by Risk Management Committee and report to The Board of Directors promptly and timely.
4. If any complaints are found with reasonable evidences that there are acts with impacts to financial statement, or company's operations, or any offense against Anti-corruption Policy. Audit Committee shall report to The Board of Directors for further remedy in the timely manner.

The Company shall communicate Anti-corruption Policy's practices and preventions through several channels, for example, Bulletin Board, so that Management and all employees comply and implement in the same direction.

Section 4 Information Disclosure and Transparency

The Company emphasizes the important of information disclosure as it greatly affects the decision making of investors and stakeholders. It is, therefore, necessary to control and define measures concerning the legal disclosure of information, both financial and non-financial information. Such information is to be disclosed via the SET community Portal/ELCID and the Company's website with completeness, sufficient, reliable and up to date, written both in Thai and English. In making detailed information being known, the Company assigns CFO appoint by the Board of Directors to disclose the information. Moreover, the investor relations section has been formed to contact institutional investor, shareholders as well as analysts and related government sectors on a fair basis. If the shareholders required any additional information, they can contact the investor relations section directly at Investor Relations, Interlink Building, No.48, Soi Rung-Rueng 20, Ratchadapisek Road, Samsenok, Huay Khwang, Bangkok at tel. 02-693-1222 ext.291.

The Board of Directors commit to ensure compliance with legal regulations and regulations concerning information disclosure and transparency, strictly.

- The Company assigns Investor Relations Function for grant opportunity for investors to ask question by contact to Mrs. Thanyarad Thiem-udomlerk, Tel. 0-2693-1222 ext. 291 or E-mail : ir@interlink.co.th.
- The Company has published information on website both in Thai and English through www.interlink.co.th, at the same time, also assigned corporate communication department to thoroughly and timely publish message of operating and financial results through various media to shareholders, investors and any stakeholders.
- The Company has held the Opportunity Day event 4 times in 2016 as to promote the understanding of the Company's current situation and ensure the transparency of the quarterly and annually financial and performances disclosure and also disclosed of any information beyond duties under the regulations.
- The Company provided opportunities for investors, analysts and financial institutions to visit and discuss with top executives in a fair and timely manner.
- The Company has also held a press conference with journalists from time to time in order to provide financial and other relevant information able to reach to investors and public.

Section 5 Responsibilities of the Board of Directors

1. Qualifications, Structure and Components of the Board of Directors

1.1 Independence and Neutrality of the Directors

The Board of Directors do their duties and use their discretion independently to make decisions over all issues submitted by the management and the major shareholders. Each director can set up questions, expresses opinions or make objections in case of disagreeing in the matters affecting the benefits of the shareholders or stakeholders.

1.2 Qualifications of the Directors

The Board of Directors comprise of a wide variety of directors in terms of age, expertise, knowledge beneficial to the Company businesses. They bring new perspectives to the Board and devote time and endeavors to their duties fully. Moreover, they are fair and ethical. The policy limits the number of listed companies that each director in office of not more than five companies

In addition, the Company makes supports for the directors to attend the training according to their roles and duties such as the DAP, DCP, ACP and other relevant courses. This is to provide knowledge and understanding for them particularly those newly appointed. The Company has given sufficient corporate data, rules and regulations and the business data to the Board of Directors prior to their duty operations and has arranged the Board of Directors' manual for their roles. So far, all directors including the managing director attended the DAP or DCP program. Continuance of education for the Board of Directors has been granted for their business supervising capabilities.

1.3 Qualifications of the Independent Directors

Below are the qualifications of the Independent Directors in accordance to the minimum frame of definition of Independent Directors announced by the Stock Exchange of Thailand (SET).

1. Not hold more than 1 percent of shares with voting rights of the Company, parent company, its subsidiary, affiliates and any entities that may have a conflict, including shares held by related person
2. Never or used to be an executive, an employee, a salary-based consultant or controlling person of the Company, its parent company, subsidiary, affiliates, subsidiary in the same level or the juristic person with conflict of interest, unless has resigned from the position for at least 2 years prior to the appointment.
3. Never or used to have business relation with the Company, its parent company, subsidiary, affiliates, subsidiary company in the same level or the juristic person with conflict of interest, which may disrupt his or her independent discretion, provided that he or she has not had such business relation for at least 2 years prior to the appointment.
4. Not being or not used to be the external auditor of the Company, its parent company, subsidiary, affiliates, subsidiary company in the same level or the juristic person with conflict of interest, not a major shareholders, non-independent director, executive or managing partner of the external auditor which has the external auditor of the Company, its parent company, subsidiary, affiliates, subsidiary company in the same level or the juristic person with conflict of interest, unless has resigned from the position for at least 2 years prior to the appointment.
5. Not being or not used to be any professional service provider which includes the legal or financial consultancy service provider with a fees over Baht 2 million per annum, to its parent company, subsidiary, affiliates, subsidiary company in the same level or the juristic person with conflict of interest, not a major shareholder, non-independent director, executive or managing partner of that professional service provider which has the professional service provider to its parent company, subsidiary, affiliates, subsidiary company in the same level or the juristic person with conflict of interest, unless he or she has resigned from the position for at least 2 years prior to the appointment.

6. Do not having the relationship in term of the father, mother, spouse and children including the spouse of the children of an executive management, a major shareholders, the controlling person, or the person who might be appointed to be management or the controlling person or the Company or its subsidiary.
7. Not being the director to the represent of the Company, the major shareholder or related person of major shareholder.
8. Do not have other characters which cannot make the independent opinion regarding to the Company's operation.
9. The independent director can make the decision in term of collective decision which is delegated from the board regarding to the operation of the Company, its parent company, subsidiary, affiliates, and subsidiary company in the same level or the juristic person with conflict of interest. However, such independent director is not possess the audit committee position as well.
10. The independent director can take the position of non-executive director or the group's independent director. However, such information should be revealed in the form 56-1 and annual report including the remuneration.

1.4 Components of the Board of Directors

The Board of Directors comprise of 9 persons, which is proper for the business size, as categorized below.

- 6 persons of executive directors and stakeholder directors.
- 3 persons of non-executive directors and non-stakeholder directors who have no relationship with major shareholders or not being executive or presentation of major shareholders.

Those non-executive directors have authorities to check and balance of the executive ones to some extent. The non-executive directors are required to have the qualified of the audit committee as per the announcement on the qualifications and scope of the audit committee announced by the Stock Exchange of Thailand.

1.5 Chairman of the Board of Directors, Chairman of the Executive Committee/President and Position separation

The Chairman of the Board of Director and the Chairman of the executive committee and President is the same person. However, the Company has clearly defined the authorities under the Chairman of the Board of Director and Managing Director. In addition, the Board of Directors' structure has been set as one-third between independent director and executive directors and such independent directors are appointed as audit committee. These are resulted in the balance of power in order to review the business operation. In addition, the Board of Directors cannot approve any transaction that any member/they or the person with interest conflict has/have the interest or may have the interest conflict in any other manner with the Company. Such transaction will propose and approval by the audit committee.

Likewise, the roles of the Chairman of the Board of Director and the Managing Director have been separated. The business plans proposed by Mr. Sombat Anuntarumporn as Managing Director, for instance, have opened the chances for other member of the Board of Directors to make full enquiries and issue disagreements.

1.6 Term of the Directors

The board directors can hold his office for 3 years in each term. Upon the end of the term, he/she may be re-proposed to the annual general meeting of shareholders to hold another office term if re-elected there. The policy limits the tenure of independent directors to a maximum of nine years.

1.7 Retirement of the Directors

The board directors will retire when reaching 72 years of age, effective from the date following the annual ordinary shareholders' meeting, which is held after that director is 72 full years old.

1.8 Director Selection

The selection to fetch a board director does not pass the nominating committee. However, below is the board director selection and appointment process as follow.

Appointment of director nomination method

The Board of Directors is responsible for selecting individuals to be appointed as Directors. It is based on the knowledge and experience related to the business. In accordance with the strategy of the business of the Company and will use the database (Director Pool) Thailand Institute of Directors (IOD), a component in the recruitment of a new director. Or considering a major shareholder of the Company. Experienced To reassure its shareholders despite the appointment of new directors to review by the Board of Directors, the Audit Committee are also included.

In addition, nomination of director must passed of the resolution of the appointment from the annual general meeting of shareholders in accordance with the processes specified in company required ,which will use the following rules and procedures:-

- A shareholder has one vote per one share held.
- The candidates with the highest scores, respectively , will be appointed as new directors equivalent to number applicable of such meeting . In case where there is a tie in the number of votes between two candidates, the chairman has the deciding vote.

At every annual general meeting, one-third of directors shall be retired; directors having the longest term are required to retire first. If the number of retired directors cannot divide into one-third, then the closest number of directors to one-third shall retire. The directors retire by rotation can be re-elected to the position board of director again.

Rotational resign

1. At every annual general meeting, one-third of directors shall be retired; directors having the longest term are required to retire first. If the number of retired directors cannot divide into one-third, then the closest number of directors to one-third shall retire. The directors retire by rotation can be re-elected to the position board of director again.

Directors who must be removed from board of directors in the first year and the second year following the registration listed on the Stock Exchange of Thailand. Then draw that out of any subsequent year, the directors who served the longest on the board of director. The directors retire by rotation can be re-elected to the position board of director again.

2. In addition to clause 1, the director shall be resigned upon:-

- Death
- Resignation
- Lack of any qualification or been prohibited by law
- Resigned by resolutions of the Shareholders' Meeting
- Resigned by order of the court

Any directors wishing to resign from position is required to submit leave application from to the Company and resignation shall come into effect on the date of such resignation is arrived at the Company.

1.9 Remunerations of the directors of board and the management team

The Company has the clearly and transparently policy, that the remuneration will be lower than the rate prevalent in the industry and proper for the duties and responsibilities assigned but in the level attractive enough to keep the directors and the management with needed qualifications.

Executive compensation is based on the principles and policies of the Board of Directors. In connection with the performance of the Company. And the performance of each executive is also taking into consideration the fair. According to compare companies in the same industry with the similar of income. Considering the circumstances, including the economy. And is able to maintain an executive compensation that meets the company's needs as well as incentives for performance, quality and good standard. The duties and responsibilities assigned.

1.10 Sub-committees in the board of directors

The board of directors will appoint a number of their directors to be members of the subcommittees in order to conduct the special duties. The roles and duties of the sub-committee will be compared with the qualifications of each director. Each sub-committee shall hold the office for 3 years per term and may be re-appointed.

Each sub-committee will perform the duties and responsibilities as assigned by the board of directors. That sub-committee is empowered to inform the management to clearly and attend the meetings, make clarifications, or prepare the reports or hire consultants to provide relevant operating advices as they deem proper at the expense by the Company. Any sub-committee will submit their annual report to the board of directors every year.

Currently, the board of directors has two sub-committees, which are the Audit Committee and the Risk Management Committee.

1) The Audit Committee comprises of three independent directors who are not the executives or have not participated in the corporate operating management, one of which is audit committee Mr.Chusak Direkwattanachai Chairman of the Audit Committee, and Mrs. Saowanee Kamolbutr Audit Committee who is highly knowledge and experiences in reviewing the financial statements, addition of review policy, regulations, and relevant laws and rules of related agencies. The audit committee shall audit the financial statements so that the Company can have the strict, proper, modern yet efficient internal control system. The audit committee shall also select and propose the remuneration of the external auditor, will make the corporate data disclosure with respect to the connected transactions or those with possible conflict of interest, complete and transparent, and give opinions on the internal audit year plan, budgets, and the appointment, employment and terminations head of internal audit and the manpower rate of the internal audit.

2) The Risk Management Committee consist of Mrs. reassigned Kamolbutr (Independent Director and Audit Committee) as Chairman of the Risk Management Committee and executives total of 13 persons for the prevention of risk organization-wide both internal and external factors by covering factors affecting the strategy, missions and other financial and operations factors. Taking into account the likelihood and severity of the impact of the suspension. With measures on prevention, including measures for reporting and monitoring. By the audit of the Company. Risk analysis has been applied to assess the adequacy of internal controls and pushing for local control of the agencies. And standardize the work efficiency even more.

1.11 The secretary of company

To performs all secretariat work with effectiveness. The Board of Directors is responsible for appointing a qualified person as Company Secretary, who is at present Mrs. Thanyarad Thiem-udomlerk.

Duties and Responsibilities of the Company Secretary

1) Prepare and maintain the following documents:

1.1) Company's statutory register of directors

1.2) Annual reports

1.3) Notices and minutes of the meetings of the Board of Directors

1.4) Notices and minutes of the shareholders' meetings

- 2) Maintain and keep a record of vested interests as reported by directors and executives.
- 3) Send copies reporting vested interests of directors and executives or related persons to the Chairman of Audit Committee within seven days of the receipt of each report.
- 4) Organize Board and shareholders' meetings according to rules and applicable laws.
- 5) Supervise, inspect, and provide advice to CPN and the Board of Directors in conformance to CPN's memorandum of association, articles of association, Securities and Exchange Act, Public Company Limited Act, and applicable laws.
- 6) Act as the clearing house between the Board of Directors, executives, and the shareholders.
- 7) Coordinate and follow up the Board's and shareholders' resolutions.
- 8) Ensure that appropriate information disclosure and information reports are submitted to the regulators as required.
- 9) Perform other duties as required by the regulations of the Capital Market Supervisory Board or as assigned by the Board of Directors.

2. Operations of the Board of Directors

2.1 Authority and duties of the Board of Directors

To supervise the operations of the Company, the subsidiaries and associated company in accordance with laws, objectives, regulations and resolutions of the shareholders meeting, the boards of directors have designated the following issues to be under their approval.

1. Authorities and duties by Public Company Act. and other laws as authorities and duties of the director or Board of Directors of public company limited.
2. Authorities and duties regulation of company as authorities and duties of the Board of Director
3. Prescribe policy, operation and direction of the company
4. Duties on according the law, objective and regulation of company and resolution of the Annual General Meeting of shareholders with honest and best care for company benefit.
5. Responsible to consider financial statement for year to be corrected and indicate actual status of the company according to the general accounting standard and audited by the auditor of the company.
6. Consider budget and annual salary increasing, budget for bonus of employee, important welfare of the management, and propose the remuneration the Board of Directors and dividend payment to the shareholders.
7. Consider for management structure, appoint the management, Managing Director and other directors as deemed to appropriate.
8. To Consider and approval operation expense or transaction at the amount exceeding the authorities of the Managing Director.
9. Control and supervise the operation of company to be in accordance with the laws, objectives and regulation of company as well as the resolution of the shareholders' meeting. Determine the list of directors or any person who may have conflicts of interest or may have a potential conflict of interest with the Company, such directors who have an interest in such issues, has no right to vote on the matter.
10. Ensure that important information relating to the Company, both financial and non-financial information is accurate, complete, timely and transparent being disclosure through accessibility channel equality and reliability.
11. Effectively and efficiently monitor and administrator of the implementation according to the policies and plans.

2.2 Meetings of the Board of Directors

The board works under the meetings of the board of directors, which are held at least 6 times per year. The meeting dates will be designated in advance for the entire year (Meetings every second Wednesday of the month of January, February, May, July, August and November) and the special meetings may be added more as are necessary.

The Chairman of the board of directors is responsible for the operations of the board of directors, designates the meeting agendas together with the managing director, administers for the directors to receive the meeting agendas and supported documents within proper time prior to the meeting so that they can have enough time to study and review the issues for comments and vote casting, acts to ensure that the meeting documents have clear, sufficient and proper analytical data and recommendations.

In each meeting, the chairman of the board of directors shall allocate the time for the information presentation and discussions, enquiries, issue conclusion so that the directors can contemplate the matters. The chairman of the board of directors also opens the chances for the directors and encourages them to show out their viewpoints, gather their opinions and proposes the acquired conclusions to the meeting.

In the meeting of the board, the significant stakeholder for each considerate issue shall leave the meeting during the consideration of that matter.

During the considering over any matter, the director can ask to view or check the relevant documents, request the management to make detailed clarifications, and arrange the external advisor(s) or expert(s) to express his opinion (s). The Company is responsible for the expenses.

The resolution is made by major votes. The minimum amount of a quorum of the committee to vote at the meeting. Directors must have at least two third of the total membership and the objection of any director shall be recorded in the minutes of the meeting.

The board of directors set up the Company's secretary to make supports to the meeting agendas, to prepare the meeting invitation letters, to look after and manage the meetings, to collect and store the meeting documents and to give suggestions about the operations of the board of directors in accordance with laws, the objectives, and other relevant regulations. The Company's secretary also prepares meeting minutes as to approval by the chairman of the board of directors before present them to request for approval by the board.

The Company Secretary Served a notice of meeting, agenda and meeting documents to the Committee at least five days to allow the directors to study beforehand.

In the year 2016, the Board of Directors of the company with a total of 6 times.

2.3 Annual Report of The board of directors

The board of directors is responsible for the preparation of the Company's business reports and the financial reports as well as the consolidated financial reports of the Company and its subsidiaries including the financial information shown in the annual report. The financial report is made under generally accepted accounting standards in Thailand by applying the appropriateness account policies and consistently complying with them, with the careful discretion. Significant information is disclosed sufficiently in the notes to financial statements as well. The board of directors assigns the audit committee to review of the quality of the financial report and to provide opinions to the board of directors. This includes the reporting in form 56-1 and the annual report.

2.4 Communication to the Management

The board of directors supports the executive management to attend the meeting with them. Those powerful persons are required to present the information on the agendas they are responsible to the meetings of the board of directors. This is to exchange the information and understand the perspectives of both sides.

The board of directors also supports the meetings and opinion expressions between the directors and the executive management in other chances. That encourages them to make acquaintances and direct contacts with no interference to the management's operations. Prior notice, however, should be informed to the chairman of the board of directors before that.

2.5 Development of the Directors and the Management

All directors of the Company had fully realized of director fiduciary duty and nature of business, reflecting on each meeting that they have concentrate on considered matter, questioned in unclear point, given suggestion in order to achieve the suitable final solution, being maximize benefits to the Company and all relevant. Besides, the Company encourages all members of the board and the top management to attend various seminars and courses benefited to their responsibilities as required by SEC which organized by Thai Institute of Directors Association (IOD), for instance, Directors Accreditation Program (DAP), or Directors Certification Program (DCP), or Audit Committee Program (ACP). Almost of the Company's directors had passed at least one of the aforesaid training courses. Additionally, they have encouraged the current directors, audit committee, top management, the secretary to the board and relevant person to attend training program consistently to develop their skills in various fields to enhance their capacities. The secretary to the board has been assigned to look for suitable training program to be proposed to all for consideration. According to new director, he will get briefly summary information of nature and business operation guideline from the chairman or executive directors.

In addition, the Company encourages the secretary to the board and the secretary to the audit committee to attend the training programs and seminars related to the circumstances that benefit to their roles which arranged by SEC, SET, The Listed Companies Association and other relevant organizations consistently.

2.6 Contracting External Consultants

The board of director and the sub-committees can contract the external consultants, who/which in introduced in the operating, at the Company's responsible for the cost.

3. Follow-up and Supervision over the Management

The board of directors have designated the business directions and objectives and approved the business plan the management has arranged to make supports to the operating target achievements. This includes the continued tracking on the operations of the management, for which the achievement comparison is made between the business plan and the established budget and from the financial reports and the operating results notified to the board of directors.

The board of directors requires the management to report the actual operating results with respect to the financial and other working issues in comparison with the targets to them constantly to ensure the planned achievements. In case of failure to reach the target, the board of directors shall partake in making solutions, corrections and supervision for the management to present the corrective work plan. The board of directors also makes assessment over the operations of the management each year partially for the stipulation of the management's remunerations.

4. Risk Management

The Company has Risk Management Team as mentioned earlier in 8.3 with risk management policies in order to evaluate organization risk as a whole; both internal and external. The risk factors consisted of Vision, Missions, Business Strategies, Financial, follow with regulations, and other IT by consideration of possibility and alleviation of effects along with establishment of preventing, reporting and monitoring measures. The Company's internal audit department has implemented risk analysis to evaluate capability of internal audit system and drive the control across departments and establish more efficient working standards. The Company's risk management policies are communicated to all employees. It is scheduled to have a risk management policy for all employees. Orientation for new employees and posted across the board within the company.

The Risk assessment year 2016 to consider the key elements two reasons: To evaluate the potential risk (Likelihood) and The impact on the organization if there is a risk that the (Impact) Risk management subcommittee defined criteria for risk evaluation to be used as guidelines for evaluation of potential level and effects. Each department collects potential risks in its section and categorize the risks based on their potential. The 5 categories of risks are as follows:

1. Strategic Risk (Strategic Risk : S)
2. Operation Risk (Operation Risk : O)
3. Financial Risk (Financial Risk : F)
4. Compliance Risk (Compliance Risk : C)
5. Information Technology Risk (Information Technology Risk : IT)

Risk management committee of company defined criteria for risk evaluation to be used as guidelines for evaluation of potential level and effects.

5. Internal Control System and Internal Audit

The Company recognizes the importance of internal controls in both the management and operational levels. Therefore, the approval authority responsibility of the practical worker and management are clearly documented. Controls over the assets and assets custody of the Company have been set to benefit and segregation of duties as practical worker, supervisors, and evaluators are made to achieve a balance, inspection/review and monitoring between them appropriately. The system of internal control will be evaluated by the Internal Audit to ensure that key performance and financial activities of the Company has followed the guidelines set out effectively and will be the tool for monitoring the compliance with the relevant law and regulations. Including, the establishment of the Audit Committee to make an opinion on the adequacy and appropriateness of the Company's and subsidiaries' internal control system. The Company's internal control system covers the internal controls from operating level to executive level. This is to ensure that the Company has proper management followed the principles of good corporate governance and to prevent damage to the assets of the Company illegally or without authority.

The Company's Internal Audit division reports the work of the internal audit directly to the audit committee, in order to empower them to work independently, enable to make an effective audit and balance from working. This includes the auditing to ensure that the primary operations and significant financial activities of the Company followed the guidelines in effective way and also the compliance with relevant laws and regulations.

The process of the Internal Audit division work is started from a preparation of the annual internal audit plan which approved by the audit committee and then, conducting the audit work by following the approved audit plan. Important

and relevant documents are prepared and collected as evidence of the audit complied with the specified standard of internal audit. Internal audit results and recommendations shall be reported to the related management of the Company, then, reported to the audit committee for consideration and monitoring of the revised controls continuously. In 2016, there were 4 times of meeting of Audit Committee, as though, the internal audit works would be monitored and evaluated throughout the year consistently covered each work system in each step as defined in the approved annual audit plan. In addition, the Audit Committee receives and comments on the observations and recommendations of external auditors, including the revision of the Company. In 2016, based on the auditing results of the internal audit and the external auditor, there was no significant observation reported.

6. Visions and Missions

The Board of Director oversee the preparation of the operating visions, mission, targets and policies as well as the long term strategic plan, the work plans and the annual budget of the Company. The Management is assigned to present and the Board of Directors express their opinions and make mutual discussion before making the joint conclusion and subsequent approval to ensure that the corporate operating directions shall generate maximum interests for the shareholders. In the past 2016 years have been involved in the review and approval of vision and mission. The management and staff aim in the same direction as follows. Below are the vision and mission.

STRATEGY	Continuous Growth and Sustainability
TYPES OF BUSINESS	Distribution Business Engineering Business Telecom Business
MISSION	Interlink Communication Public Company Limited “The largest importer and distributor of computer network cabling systems in ASEAN” Interlink Telecom Public Company Limited “The network provider thru nationwide fiber optic Covering 77 provinces of Thailand, Connect instantly with 100% safe and secure and the most modern and most secured data center” Interlink Power and Energy Limited “The specialist in Electrical Systems and Communications”

7. Business Ethics and Employees of Ethics

For the maximum interests of the shareholders, the board of directors recognizes the equal importance of the targeted success and the means to achieve them. In the code of conducts, the Company requires any director, the Management and employee in all levels not to use the internal significant information of the Company's group and not to disclose it to the public for his own or any other person's benefit.

To abide by Article no. 59 of the Securities and Stock Exchange Act A.D. 1992, the Company demands each of the directors and the executives including their spouses and children to submit his shareholding report and his shareholding change report in the form specified and within the period prescribed in the shareholding report regulation.

Only those with direct relevant duties or those assigned specifically can disclose any data about the Company upon the actual, accurate fact, and careful manner basis.

8. Internal Information Control

For transparency purpose and to prevent the use of inside information that has not been disclosed to the public for personal benefits and avoid criticism of inappropriate sale and purchase of company's shares by its personnel, the Company has issued regulations to directors, executives and all employees as follows.

1. The directors, executives and all employees of the Company must protect the Company's confidentiality and must not disclose it for their own or others' benefits whether directly or indirectly. They must not transfer, or receive the Company's shares by using the Company's confidentiality and/or inside information and/or undertake any business transactions by using the Company's confidentiality and/or inside information, which would lead to financial loss to the Company whether directly or indirectly.
2. The directors, executives and employees who are aware of inside information that has not been disclosed to the public must not use such information for their own benefits and must avoid or refrain from buying, selling, transferring or receiving company's shares within 1 month before the disclosure of the quarterly financial statement and annual financial statement to the public.
3. All company's directors and management must report any changes in their company's share ownership to SEC under section 59 of the Securities and Exchange Act B.E. 2535 within 3 days from the date of sale, purchase, disposal or receipt of such share and submit a copy to the Company as reference.
4. After the purchase, sale or transfer, and must submit a copy of the report of the first set for the Company. To records
5. The Board of Directors and top management must report all personal conflicts of interest related to Group Company's management and operations. Any changes and necessary information must be presented and reported annually, in which it must be reported by Company's secretary within 7 days since the report being received according to Securities and Exchange Act B.E. 2535. This information will be used to inspect and prevent any conflict of interest that may occur.

Auditor Fees

The Company and its subsidiaries has paid auditor fees to the registered auditor in the year 2016 in total of Baht 2,670,000 (Two million six hundred and seventy thousand baht)

Non Auditor Fees

-None-

15 CORPORATE SOCIAL RESPONSIBILITY

Social Responsibility Policy (Corporate Social Responsibility or CSR)

The Interlink Group operates in the Information and Communication Technology (ICT) industry. The Group comprises of 3 main businesses. **1) Distribution business** as a leading importer and distributor of communication and telecommunication cabling in Thailand selling leading brand such as LINK, COMMScope (old name: AMP) and a product line under the trademark owned by the Company, 19" GERMANY EXPORT RACK and many other products making us the no.1 in the industry with the highest market share in Thailand. **2) Engineering business** as a contractor in the construction and installation of all cabling such as Fiber Optic Cable, Submarine Cable, Underground cable and many more engineering services aiming at large projects which require high specialization and to prevent conflict with the Company's own customers in the distribution business. The Company has received great confidence from many large state organizations and the private sectors. **3) Telecom business** as a provider of nationwide fiber optic network through Interlink Fiber Optic Network utilizing the latest technology for the highest efficacy in the network and for a complete service with the network ability (NA) averaged at 99.991% and Service Level Agreement (SLA) averaged at 99.954% and has received the Type 3 Telecom License allowing own network to be provide to the general public from the National Broadcasting and Telecommunications Commission. In addition, telecom business also provides Interlink Data Center with the most modern and most secured technology. Under the administration of Interlink telecom public company limited.

In addition to conducting business in a responsible stakeholder. (Stakeholder), the Company also has operations through its Corporate Social Responsibility CSR (Corporate Social Responsibility: CSR), both inside and outside the organization. In response to the policy of the company is "continuing and sustainable growth" (Sustainable Growth), including the Morning Talk to promote learning products to employees, and who is involved. Cabling Project for knowledge about products and services in various provinces (Road Show) course consumers the skills needed to decide on the selection of products and services (Interlink Training Course) seminar. Awareness about the product and use it correctly also included is a platform to exchange focusing on saving the economy. Comments of stakeholders (Special Group Seminar) exhibit to showcase products and services (Product Seminar) project activities under the Campus Tour institutions. Nationwide Awareness Training. Encourage employees has participated in the development of a strong community. Build a better society Conservation of the environment and recognizes the use of resources and energy and cost savings, which perform as well as the culture of the organization, including engaging support operations. Interlink Hai Jai Foundation to give me a heart operation. In social activities such as a project to "Pee Sorn Nong" Sis-to-Sis project growing wisdom with warmth, 84 schools offer to the His Majesty King Bhumibol Adulyadej. This project supports the knowledge, skills education. Inspiring education to children in remote areas throughout the region. The intent is to have children grow into good adults and can create value for their own country. The program supports and promotes Buddhism and teacher development programs, etc.

Sustainable Business Practices

Over the previous 30 years, the Interlink Group has been operating as part of the Thai Society being aware of the importance of business practice with a mind for social responsibility. Therefore, the Company has established the Corporate Social Responsibility Policy aligning the strategy for Continuous Growth and Sustainability in parallel to business practices with a development for maximum benefit of the society as a whole. The Company has performed such practices through 6 dimensions as follows.

Dimension 1 : Business management under good corporate governance concept to support and promote good corporate governance as prescribed by the Stock Exchange of Thailand

Dimension 2 : Conducting business fairly, ethically, transparently and accountable as well as complying with the laws, rules and regulations of the society and to be neutral in political standing.

Dimension 3 : Continual development of human resources from into to create organizational culture of “Good and Smart” which will drive the mindset of social responsibility externally through CSR programs at all levels to foster a quality project within the organization. This is a key strategy in building a sustainable society to Thailand.

Dimension 4 : Continual improvement on relationships with stakeholders through ethical and accountable business practice, which aims for growth while looking after all stakeholders with equity.

Dimension 5 : Participant with the local communities and society under our belief that the Company cannot grow without the support of the local communities and the society by concentrating on educational, cultural and societal development and the improvement on the quality of life to promote and support employees to have volunteer spirit through many CSR activities of the Company.

Dimension 6 : Innovation improvement in products, operations, and systemic decision making beginning with the prevention, maintenance, Improvement and Development to promote new innovations.

Socially Responsible Information Disclosure of Business Operations

The Company has disclosed business operations regarding corporate social responsibility through CSR Report 2016 (Sustainability Report 2016) by selecting only important business activities in accordance with the Stock Exchange of Thailand under the Global Reporting Initiative (GRI) G4 framework which is the latest international standard for the reporting of practices in the environmental, societal, economical which can be categorized into 8 topics as shown below:

1. Ethical Business Practices :

The Company's Board of Directors is aware of the importance of good corporate governance by giving priority to the business processes at all stages and levels for greater transparency and to increase competitiveness and the confidence from all stakeholders. The Company complies with the good corporate governance framework by the Stock Exchange of Thailand.

2. Anti-Corruption :

The Company has established Anti-Corruption Policy in writing as part of the Company's Code of Conduct. The Anti-Corruption Policy was approved by the Board of Directors Meeting 5/2557 on November 14, 2014 ref. ac.480/57/bs. It is communicated to all employees. Are set to Training policy against corruption, corrupt all employees in the orientation of new employees and posted across the board within the company as well as on the website of the Company to disseminate to the public interest.

3. Human Rights :

The Company respects human rights as the foundation in human resource development by having the policy and regulations in writing which is fair to all personnel. The practices are in accordance with international standards through the responsibility of the human resource department.

4. Equitable Treatment of Employees :

The Company gives protection and take care of the employees sufficiently through many benefits and workplace protection include fair treatment to all parties.

5. Responsibility to Consumers :

The Company thrives to create satisfaction and confidence from consumers to receive good services and high quality products according to the ISO 9001:2008 standard at an acceptable price and to disclose all important information fully while respecting customers and consumers privacy in their information.

6. Taking care of the Environment :

The Company thrives to develop products with a mind for the effect on the environment in all the stage of the product cycle. Therefore, all imported products are in accordance to the Restriction of Hazardous Substances Standard which is a regulation of the European Union (Directive 2002/95/EC) which has determined the standard for the environment. In addition, the construction of Interlink Data Center was for the highest efficiency in energy use. The Company also has regulations in work practice to reduce effects to the environment.

7. Local Communities and the Society Development :

The Company gives back to the communities through many projects and activities with the aim of developing the society to go sustainably. Also, all business processes are aware of the effect to all stakeholders and listens to all suggestions for a mutual agreement and improvement.

8. New Innovations and publicizing innovations :

The Company has operated while being socially responsible through systematic operation and decision making to prevent, maintain, improve and develop to continually produce new innovations.

9. Copyrights and Intellectual Property Infringement Campaign :

The Company's policy is to use information technology in their organizations. The guidelines have been prepared in writing. According to the document number IT.005/14/BS, which became effective on January 6th, 2014 in compliance with, or non-infringement of intellectual property rights. The Company plans to carry on with the story, including all employees must sign an agreement not delinquent on your computer and do not violate intellectual property rights. The company has a policy to use the system's information technology group and a monitoring system software employee. To prevent the use of software is pirated or not work-related.

Internal Corporate social responsibility

1. **Annual Seminar** : The first event that is held in early of the year as to allow employees and the executives to learn and understanding of the operation of each section. As a result, employees can pull their potential in order to do work effectively and efficiently. This is the most important to enable the Company to conduct its business toward policies and goals.
2. **Annual Medical Check-Up** : To promote the health and hygiene of the staff and to enhance capacity of the body to always ready to work.
3. **Comfortable mind...Happy body Project ("Jai Sa-bai ... Guy Pen-suk")** : An activity as to purify the mind and quality of life. The lectures are focused on the knowledge of living, changing the attitude and practicing Vipassana Meditation. The activities are conducted both inside and outside the office as appropriated.
4. **Ormboon Sarngkusol Jaining Sukkurd** : Wishes for a new generation of heart Dharma attention and care more with regards to practice seriously.
5. **The 5S project** : The purpose is to develop and enhance the performance of the personnel to be effective and to encourage participation in the development of quality in the work of the personnel at all levels. This will also cultivate the discipline and the good habits in work. The implementation of 5S can be used as the basis in work, and, it also contributes the unity in the group as well.
6. **Environmental Programs** : Events held to provide all units to participate in the campaign by using creativity in ways to conserve energy, reduce global warming, Construct awareness for tenacious, prevention and solve environmental problem. In the years 2015 to the present organized by topic in activity is "Ruleawrukleay and Kaisajaimakkuakan".
7. **Efficient Resources Usage Campaign** : The Company support reuse, recycle and most effective resources utilization, for example, two-side paper uses, energy saving on electricity and air conditioner during lunch break, encourage stairs uses instead of elevator, car pull, etc. However, these actions may not show obviously in term of decrease in expenses but it motivates employees to be cultivated in the society.
8. **Outing** : This activity is held to the personnel in the organization's stress relaxation. Strengthen relationships and harmony between employees and management through recreational activities such as sports events, rally etc. Apart from that, there is a great opportunity to all the personnel in the organization to join CSR activities and events together such as the release sea turtles, growing the mangrove etc.
9. **Training for Basic Fire Fighting** : This training is to educate the Basic Fire Fighting and can be implemented in a real emergency including knowledge about fire the use of firefighting equipment, first aid and etc.
10. **Fire evacuation practicing** : The purpose is to plan and practice fire evacuation by involved personnel in the simulation in order to be ready, not panicking and do not underestimate the situation when facing the real one.
11. **"Interlink Hai-Jai" Cooperative** : Established and operated by a key objective is to cultivate to save and rescue the personnel who are facing financial problems.
12. **Interlink Training Course** : To train and educate the internal personnel to promote, introduce and suggesting information, and give an advice of how to use all types of Interlink products.
13. **Computer Basics Training** : To train and educate the internal personnel of the basic knowledge in computer operations such as maintenance, basic troubleshooting, using Navision, etc.
14. **Morning Talks** : the activities to connect the relationship, analyze working of the employees in each week by suggested and solved problems which be occurred during working and to truly understand of products, leads to be able to give an exactly advice to the customers.

External Corporate Social Responsibility

1. **Interlink Training Course** : Currently, there are 4 courses, Training to give knowledge, promote and give an introduction of how to use, and the proper using of all type of company's products to the customers, to achieve better understanding on how to choose the correct method and the most effective.

2. **Road Show** : Both Domestic and international, the campaign runs on training of how to use the company's products to cover whole regions of Thailand and international which the participants of this campaign no need to pay for all occurred expenses.

3. **Special Group Seminar** : A seminar of five main groups are the government, enterprises, universities, communication systems design counseling and telecommunication group, to introduce and educate about company's products.

4. **Product Seminar** : Seminar and exhibition, to present products' information including giving knowledge about products and related new technology.

5. **Interlink Campus Tour** : Activities to educate to students to learn knowledge of computers cabling system and telecommunications system together with work shop and activities with purpose is to participants can apply their knowledge in their career in future.

6. **Cabling Contest** : To promote and develop the talented youth in technology including the development of professional skills to Thai students and open the opportunities for the youth to be a representative in the world contest.

7. **Thank you Party** : The activity is organized to reward the customers who trust and loyal in the company all along. However, besides of CSR project as mentioned above in order to build a truly sustainable back to the society. The company has been operating under "Interlink Hai-jai" The policy focus on social mobilization volunteers develop CSR, foundation by promoting and supporting to children and youth in Thailand have been trained to develop mental and cultivate awareness in social responsibility to themselves, community and society which deemed to lay the sustainable foundation to Thailand society. The project of this foundation as below stated:

8. **"Pee Sorn Nong" Sis-to-Sis project, growing wisdom with warmth** : Operated through the events, education, live by lifestyle principles of self-sufficiency economic and create happiness to students and schools in the wilderness in all regions of Thailand. In the beginning of the year, we have more than 300 of volunteers who came from employees who sacrificing their private time to willing to participate in this project in which of the project, the volunteer team has completed the missions totaling 60 places of schools in 28 provinces of Thailand.

16 INTERRELATED ITEMS

Interrelated transactions of Interlink Communication Public Company Limited and/or the subsidiaries with major shareholders

Person who may have conflict	Nature of transaction	Value		
		2016	2015	2014
Interlink Holding Co., Ltd.	Rental expenses : The Company entered into rental agreement of resort house for the purpose of internal activities such as training, seminar and annual meeting of the management according to normal business. Rental rate and conditions are as indicated in the agreement.	0.225	0.07	0.15
Mr. Sombat Anantarumporn	Personal Guarantee: For the use of credit facilities granted by financial institutions according to normal business	6,925.80	6,945.29	3,705.00
Interlink Telecom Plc.	Sales : The Company sold its cables, fiber types and pricing guidelines by the cost plus margin.	18.77	5.80	5.90
	Rental income and services : The Company leased office buildings ,Warehouse , land use in operations and HR , IT and Legal services.	4.14	2.91	2.35
	Interest income : The Company's loans as working capital for the construction of a fiber optic network.	7.01	9.50	1.60
	Rental costs : The company offers high-speed MPLS network circuit and Dark Fiber connectivity to the data store.	4.42	4.42	0.76
	Trade accounts receivable as at 31 December	16.23	14.42	63.49
	Trade accounts payable as at 31 December	3.15	4.08	4.17

Person who may have conflict	Nature of transaction	Value		
		2016	2015	2014
Interlink Power and Energy Co.,Ltd.	Sales : The Company sold its cables, fiber types and pricing guidelines by the cost plus margin.	0.15	0.02	2.40
	Rental income and services : The Company leased office buildings to be used in the operation.	0.49	0.49	0.68
	Interest income : The Company provides loans as short working capital.	-	0.20	0.20
	Project cost : Company Subcontract	0.89	391.83	217.20
	Project-related interest income:			
	Trade accounts receivable as at 31 December	0.45	0.12	1.86
	Trade accounts payable as at 31 December	0.80	7.67	69.41

Interrelated transactions of Interlink Communication Public Company Limited with other companies

Person who may have conflict	Nature of transaction	Value		
		2016	2015	2014
E.S. International (1991) Co., Ltd.	Sales : The Company sales goods at market price. Sale conditions are as same as granted to other parties.	1.89	1.90	1.73
	Purchases : The Company engages E.S. International (1991) Co.,Ltd to produce rack cabinet for containing computer network cabling equipment under the Company's trademark. The agreement has been made with the normal business conditions. Purchasing price is according to expected selling price.	112.84	111.68	106.12
	Dividend income : The Company receives dividend income from investment in share capital of E.S. International (1991) Co.,Ltd by shareholding of 10%	0.50	0.50	0.50
	Trade accounts receivable as at 31 December	0.54	0.53	0.49
	Trade accounts payable as at 31 December	23.26	28.65	21.23

Person who may have conflict	Nature of transaction	Value		
		2016	2015	2014
Interlink Hai-jai Foundation	Other purchases: The Company purchases premium goods for giving to business partner and customers with the purpose that the money will be used in social development. The purchase price is at market price that the foundation also sales to other parties with discount from due to high volume of purchasing.	0.23	-	0.02

Measure or Approval Process for Reporting

The Company shall assign related department to comply the information related with those items to propose the Audit Committee Commission for the consideration whether those items are in accordance with the general business practice and market price, and propose to the Board of Director for approval. In addition, the interested person or those who may have benefit conflict shall not participate in such approval process for fairness and optimal benefit of the Company.

Future policy or trend of interrelated transaction

(Details are specially classified in above tables)

Investor preventive measure

- The Company has policy to sign contract and prescribed remuneration of each other.
- Able to refer the market price.
- Prepare report and propose the Audit Committee Commission for consideration, comment and certify the items and disclosed type, value and reason of recording in annual data disclosure form.
- In case of any interrelated item is necessary to obtain comment from specialist, the Company shall provide independent specialist to express their comments toward the item.

17 MANAGEMENT DISCUSSION AND ANALYSIS

Operation results and financial position of Interlink Communication Public Company Limited and its subsidiaries, as from the period of 1 January to 31 December 2014, 2015, and 2016 are as follows.

Operation Results

In 2015, Interlink Communication Public Company Limited and its subsidiaries (“the Interlink Group”) have operated in 3 business which are distribution business, engineering business and telecom business. The operation results have been analyzed as follows.

(1) Revenues

Description	Consolidated Financial Statements for the years					
	2014 (Restated)		2015		2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues						
Revenue from distribution business	1,634.84	60.79	1,974.02	64.11	1,987.81	66.89
Revenue from engineering business	811.87	30.19	665.21	21.60	169.73	5.71
Revenue from network rendering and data center space rental service	114.81	4.27	293.99	9.55	439.91	14.80
Revenue from network installation	115.73	4.30	124.93	4.06	344.49	11.59
Other income	11.97	0.45	20.84	0.68	30.00	1.01
Total revenues	2,689.22	100.00	3,078.99	100.00	2,971.94	100.00

The Company's major income during 2014 2015 and 2016 are from distribution and engineering business in which there are Baht 2,689.22 Million, Baht 3,078.99 Million Baht 2,971.94 Million, respectively or increasing of 14.49% and decreasing of 3.49% for the year 2015 and 2016. In 2016, the proportion of revenue from distribution business contributed approximately 66.89% of the total revenue, revenue from engineering business contributed approximately 5.71% of the total revenue and telecom business contributed approximately 26.39% of the total revenue. In year 2016, the distribution business revenue has increased Million 145.92 Baht contributed approximately 49.63%, the telecom business revenue has increased Baht 145.92 Million contributed approximately 49.63%. Even though, there is a decrease in the proportion of revenue from engineering business in 2016 due to 2 engineering projects (the submarine cable) in 2013 – 2014 and completed in 2015

The analysis of revenues by businesses

(1.1) Income from distribution business for the years ended 31 December 2014, 2015 and 2016 are Baht 1,634.84 Million, Baht 1,974.02 Million and Baht 1,987.81 Million, respectively or 20.75% and 0.70% of increasing for the year 2015 and 2016. The major reasons of increasing in the revenues from distribution business are from the growth of

industry that highly consumed computer network cabling systems and telecommunication equipment, as a result, the Company has acquired more customers and more sales volume, although in 2015 the revenue from sales of projects with TOT totaling more than 190 million baht, resulting in annual sales in 2015 increased significantly. Considering income distribution lines in 2016 compared to 2015, excluding revenues from the project TOT found that revenue in 2016, up from the year 2015 of 203.79 million baht. or 11.42 % However, it is noted that the growth rate has increased by lower percentages because of our based revenues of each year are higher and higher in which the management has already concerned for this issue and in 2017, the management has set target to maintain the growth rate to be around 10% by expanding customers' base, adding new products and launching sale activities consistency

(1.2) Income from engineering business for the years ended 2014, 2015 and 2016 are Baht 811.87 Million, Baht 665.21 Million and Baht 169.73 Million respectively, or 18.06% and 74.48% of indcreasing in 2015 and 2016, respectively according to 2 engineering projects (the submarine cable) completed in 2015. However in the third quarter and fourth quarter of 2016, the company has won the tender for the big project such as the Project Construction of utility systems Airports of Thailand (AOT) , Construction of transmission line Mae Sa Liang and Construction Power Station North, etc. The Company has recognition revenue from progress work and backlog as the end of the year 2016 around 1,511.25 million Baht. Which will be constantly recognized throughout work period of 3 years.

Generally, duration in proving the engineering services are approximately 1 year to 3 years, therefore, this is resulting in different of projects conducted in each year, in which could be summarized as follows:

Year	No. of major projects	Project Value	Revenue recognition of major projects	Total revenue from engineering	Proportionate revenue of major project	Remark
2014	2	1,950.00	797.10	811.87	98.18%	A
2015	2	1,950.00	656.71	665.21	98.72%	B
2016	2	1,624.95	114.61	169.73	67.52%	C

- A. Major projects in 2014 are 1) 22kV Submarine Cable to Koh Kood, Koh Mak in Trat Province with the project value of Baht 1,150 Million and 2) 115kV Submarine Cable to Koh Phangan in Surat Thani Province with the project value of Baht 800 Million. The progression of those two projects as at 31 December 2014 are 78.75% and 48.06%, respectively, and the rest are to be recognized in 2015 accordingly.
- B. Major projects in 2015 (same project as specified in a.) are 1) 22kV Submarine Cable to Koh Kood, Koh Mak in Trat Province with the project value of Baht 1,150 Million and 2) 115kV Submarine Cable to Koh Phangan in Surat Thani Province with the project value of Baht 800 Million, in which both projects are completed in 2015.
- C. Major projects in 2016 are 1) Suvarnabhumi Airport Development Utilities Project of the Airports of Thailand (AOT) with the project value of Baht 809.37 Million and 2) Construction of 115-22 KV Switching Station at Industrial Estates North 2-3 and Power Station Lampang 3 Project with the project value of Baht 526.28 Million and 3) 115 KV Transmission Line HOD District, Chiang Mai Province Station - Maesariang District Mae Hong Son Province Station Project, which offer a total of 289.30 million. At the end of fiscal year 2016, the Company has revenue backlog to be recognized in the future over Baht 1,511.25 Million.

Based on the above information, it is shown that more or less of income from engineering business depending on each year's types of projects. The Interlink Group's management has set the policy to acquire only project that granted us high margin such as project that requested for specialist and has low competition environment (i.e. Submarine Cable, Substation and Transmission Line). Such large scale of many project and submarine cable projects are to be launched for bidding in 2017, in which the Company expects to win the bidding.

(1.3) Income from telecom business consists of three categories, identified as follows;

Income from network rendering service

The telecom business is conducted its operation under Interlink Telecom Public Company Limited ("Interlink Telecom") and has invested in construction of INTERLINK FIBER OPTIC NETWORK throughout Thailand on railways path since 2012 and finishing in 2013. The INTERLINK FIBER OPTIC NETWORK could generate revenue since June 2013 according to the plan. In 2014 - 2016, INTERLINK FIBER OPTIC NETWORK has generated revenue for the Interlink Group as much as Baht 112.01 Million, Baht 269.26 Million and Baht 388.54 Million respectively, which is expected to grow continuously according to the company's target.

Income from network installation service

Over 2014 to 2016, Interlink Telecom has received fiber optic installation projects to produce additional income for the group by utilizing the ability and specialization from the construction team of INTERLINK FIBER OPTIC NETWORK which has produced income of Baht 115.73 Million, Baht 124.93 and Baht 344.49 Million respectively.

Income from data center space rental service

INTERLINK DATA CENTER building was completed and available for the first customer in October 2014 utilizing 20% of the utilizable data center space. Interlink Telecom is now providing service to two major customers utilizing data center with income of Baht 2.80 Million. In 2014, in which the rental contract is 5-year contract term starting from September 2015. This has generated an increased income of Baht 24.72 Million contributed approximately 782.86% compared to income in 2013 of Baht 21.92 Million. Revenue of Data Center service increased from 24.72 Million Baht in the year 2015 to 51.37 Million Baht in the year 2016 in which resulting to 26.65 million Baht or 107.78% of increasing. The mentioned increase in revenue caused by the recurring income from current customers, which company maintains from previous years led to the income growth continuously. The remaining 15% of data center space are reserved for future cloud computing services

(2) Costs of Sales and Services

Description	Consolidated Financial Statements for the years					
	2014 (Restated)		2015		2016	
	Million Baht	% to total revenues	Million Baht	% to total revenues	Million Baht	% to total revenues
Costs of distribution business	1,264.90	47.04	1,509.78	49.03	1,515.35	50.99
Costs of engineering business	651.19	24.21	533.63	17.33	136.04	4.58
Cost of network rendering and data center space rental service	95.33	3.54	218.28	7.09	329.37	11.08
Cost of construction network	81.94	3.05	78.60	2.55	272.98	9.19
Total costs of sales and services	2,093.36	77.84	2,340.29	76.01	2,253.74	75.83

Costs of sales and services are classified into 1) costs of distribution sales, 2) costs of engineering services and 3) costs of telecom services in which for the years ended 31 December 2014, 2015 and 2016 are Baht 2,093.36 Million, Baht 2,340.29 Million and Baht 2,253.74 Million respectively, or 11.80% and 3.70% of increasing in the year 2015 and 2016.

Costs of distribution business for the year ended 31 December 2014, 2015 and 2016 are Baht 1,264.90 Million, Baht 1,509.78 Million and Baht 1,515.35 Million respectively, or equal to 19.36% and 0.37% of increasing for the year 2015 and 2016. The higher of such costs are in line with higher of revenues as well.

Costs of engineering business for the years ended 31 December 2014, 2015 and 2016 are Baht 651.19 Million, Baht 533.63 Million and Baht 136.04 Million respectively, or 18.05% of increase and 74.51% of decrease for the year 2015 and 2016 respectively, which are in line with change in engineering revenues as described in (1). Costs of engineering services mainly are material on sites, deployment cost and others costs.

Costs of telecom business for the year ended 31 December 2016 increased significantly due to full operation of the telecom business in 2016 according to an increase in revenue. The costs of telecom business can be categorized as follow :

- Cost of network rendering service consists of depreciation, network maintenance, network and accessories rental and poles rental for cabling, for example.
- Cost of network construction service consists of materials and tools, contractors and other construction expenses, for example.
- Cost of data center space rental service consists of depreciation, facility costs and other costs to provide service, for example.

(3) Gross Profits

Description	Consolidated Financial Statements for the years					
	2014 (Restated)		2015		2016	
	Million Baht	% to total revenues	Million Baht	% to total revenues	Million Baht	% to total revenues
Gross profits from distribution business	369.93	22.63	464.25	23.52	472.46	23.77
Gross profits from engineering business	160.68	19.79	131.58	19.78	33.70	19.85
Gross profits from telecom business	53.27	23.11	122.03	29.13	182.06	23.21
Total gross profits	583.88	21.81	717.85	23.47	688.22	23.39

Overall gross profits for the years ended 2014, 2015 and 2016 are Baht 583.88 Million, Baht 717.85 Million and Baht 688.22 Million, respectively or equal to 21.81%, 23.47% and 23.39% of total income respectively. The overall gross profits are changed in the same trend with gross profits of distribution business in which the overall gross profits are close to distributions' due to the coverage of distribution revenues at approximately 60% – 70% of total revenue.

Gross profit of distribution for the years ended 31 December 2014, 2015 and 2016 are Baht 369.93 Million, Baht 464.25 Million and 472.46 Million respectively, or equal to 22.63%, 23.52% and 23.77% of gross profit margin respectively. The Company could control the gross profit margin of distribution business to be higher than 20% due to large product orders resulting in the economies of scales and the hedging of foreign currency as to foreseen selling prices and set the selling price policy concisely.

Gross profit of engineering business for the years ended 31 December 2014, 2015 and 2016 are Baht 160.68 Million, Baht 131.58 Million and Baht 33.70 Million respectively, or are 19.79%, 19.78% and 19.85% of gross profit margin respectively. The Company try control the gross profit margin of engineering business to be 20%. However, the gross profit margin of engineering are changed in according to nature of projects in each year, for example, Construction of submarine cable result in higher return than construction of underground cable, substation, and transmission line.

Gross profit of telecom business for the years ended 2014, 2015 and 2016 are Baht 53.27 Million, Baht 122.03 Million and Baht 182.06 Million respectively, or are 23.11%, 29.13% and 23.21% of gross profit margin according to following factors:

- The decrease of 25.75% in 2015 to 25.13% in 2016 of gross profit from network rendering service and data center service because there are expenses occurring from expanding fiber optic network to cover 75 provinces, and Data Center service has more customer. So, the utilization of asset is better in 2016.
- The increase of 37.08% in 2015 to 20.76% in 2016 because project characteristics that differ significantly, However the revenue from network installation service for the year 2016 is higher than the 219.56 million baht from the year 2015.

(4) Other income

Description	Consolidated Financial Statements for the years					
	2014 (Restated)		2015		2016	
	Million Baht	% to total revenues	Million Baht	% to total revenues	Million Baht	% to total revenues
Other incomes	11.97	0.45	20.84	0.68	30.00	1.01

Other incomes are interest income, gain on exchange rate and forward contract, and others from normal operation.

For the years ended 31 December 2014, 2015 and 2016, other income are Baht 11.97 Million, Baht 20.84 Million and Baht 30.00 Million, respectively or increasing by 74.10% and 43.95% in 2015 and 2016 respectively.

(5) Selling and Administrative Expenses

Description	Consolidated Financial Statements for the years					
	2014 (Restated)		2015		2016	
	Million Baht	% to total revenues	Million Baht	% to total revenues	Million Baht	% to total revenues
Selling expenses	207.82	7.73	242.94	7.89	256.39	8.63
Administrative expenses	111.91	4.16	123.91	4.02	131.56	4.43
Share of losses from investment in joint venture	-	-	-	-	0.14	0.00
Total	319.73	11.89	366.85	11.91	388.09	13.06

Selling and administrative expenses are mainly including by employees' related expenses, rental expenses, depreciation and amortization and commission and sales promotion expenses.

For the years ended 31 December 2014, 2015 and 2016, the Company has selling and administrative expenses of Baht 319.73 Million, Baht 366.85 Million and Baht 388.09 Million respectively, or equal to 11.89%, 11.91% and 13.06% of total revenues in which the change in proportionate to total revenues are not significant and the increasing is according to inflation.

(6) Financing Costs

Description	Consolidated Financial Statements for the years		
	2014 (Restated)	2015	2016
	Million Baht	Million Baht	Million Baht
Capitalized - statement of financial position	7.29	3.46	-
Finance costs - statement of comprehensive income	14.61	36.92	44.56
Total	21.9	40.38	44.56

The Company began to have interest expense since 2013 from short term borrowing and long term loans from many sources with the interest expense has capitalized into the asset and profit and loss by company capitalization rate. However, the interest expense are capitalized to asset in trend of decrease is follow to the progress of construction INTERLINK FIBER OPTIC NETWORK project.

(7) Corporate Income Tax

Description	Consolidated Financial Statements for the years		
	2014 (Restated)	2015	2016
	Million Baht	Million Baht	Million Baht
Profits before corporate income tax	261.51	334.93	285.54
Corporate income tax	50.15	68.47	58.38
Corporate income tax rate (%)	19.18	20.44	20.45

For the years ended 31 December 2014, 2015 and 2016, the Company has corporate income tax of Baht 50.15 Million, Baht 68.47 Million and Baht 58.38 Million, respectively, or equal to 19.18%, 20.44% and 20.45% of effective tax rate respectively. The effective tax rate of the Company are close to those rate ruling by law because the company has permanent difference between the accounting basis and the tax basis of not too much.

(8) Net Profits

Description	Consolidated Financial Statements for the years		
	2014 (Restated)	2015	2016
	Million Baht	Million Baht	Million Baht
Profit for the year	211.36	266.45	227.16
Other comprehensive income			
Actuarial gain, net of income tax	5.7	5.71	(0.87)
Total other comprehensive income for tax			
Total comprehensive income	217.06	272.16	226.29
	%	%	%
Net profit rate from operation	7.86%	8.65%	7.64%
Net total comprehensive income	8.07%	8.84%	7.61%

Form the table shown above, it has been identified that the company has profited from actuarial gains(loss) resulting from change in assumption in the evaluation of obligation for employees of Baht 5.70 Million in 2014, Baht 5.71 Million in 2015 and loss of Bath (0.87) Million respectively .

For the years ended 31 December 2014, 2015 and 2016, the Company has net profits of Baht 211.36 Million, Baht 266.45 Million, and Baht 227.16 Million, respectively or equal to 26.06% of increasing for the year 2015 and equal to 14.75% of decreasing for the year 2016 which is the notable growth rate that causing from follows.

- The increase of distribution income that grow stronger in line with the growth of the telecommunications industry and communications.
- The revenue of engineering decrease to 495.48 Million form the year 2016 or equal 74.48% because the 2 large Submarine projects that finish in the ended of year 2015. However in the third quarter and fourth quarter of 2016, the company has won the tender for the big project such as the Project Construction of utility systems Airports of Thailand (AOT) , Construction of transmission line Mae Sa Liang and Construction Power Station North, etc. The Company has recognition revenue from progress work and backlog as the end of the year 2016 around 1,511.25 million Baht. Which will be constantly recognized throughout work period of 3 years as described in section (1)
- The recognition of revenue from telecom business has been growing rapidly and continuously, including network service, data center service, and construction network, which resulted in an increase of customers, income, and higher gross profit compared to other business.

(9) Dividend

The Company has dividend policy to pay at least 40% of net profits of separate financial statements after income tax and deducted for legal reserve (if any), in which it has to be approved by the shareholders' meeting.

Financial Positions**(1) Assets**

In 2014, 2015, and 2016 the proportionate between current and non-current assets are changed to be 45%:55%, 33%:67%, and 49%:61% respectively. There has been a increase in proportionate between current and non-current assets due to the Interlink Telecom Public Company Limited has initial publish offering during the year 2016 and received funding from the shareholders of 1000 million baht.

Total assets as at 31 December 2014, 2015 and 2016 are Baht 3,408.43 Million, Baht 3,450.09 Million and Baht 5,585.90 Million respectively, or 1.22% and 61.91% of increasing in 2015 and 2016, respectively

Total assets as at 31 December 2016 are higher than that in 2015 by Baht 2,135.81 Million due to the Interlink Telecom Public Company Limited has initial publish offering during the year 2016 and received funding from the shareholders of 1000 million baht higher investment in the continuing of property, plant and equipment investment, construction of network INTERLINK FIBER OPTIC NETWORK of Inter Link Telecom Co., Ltd. (the Company) of 603.63 million and the increase in accrued revenue from engineering service amount of 272.14 Million because at the ended of 2016 have the many large construction are continue to operate

(2) Cash and Cash Equivalents/Current Investment/Restrict bank deposits

Description	Consolidated Financial Statements for the years		
	2014 (Restated)	2015	2016
	Million Baht	Million Baht	Million Baht
Cash and Cash Equivalents	196.20	304.87	694.53
Current Investment	178.88	118.41	751.40
Restrict bank deposits	68.56	-	8.00
Total	443.64	423.28	1,453.93

As a result from favorable operation results for many years, the company has high liquidities and has policy to invest the excess demanded cash in short term investment. However, in 2012, there is construction project INTERLINK FIBER OPTIC NETWORK that needed high investment amount and thus, the Company has to funding from issuing new ordinary shares and offering/selling the public in which such funds amount of Baht 386.00 Million(2013), and funding form shareholder exercise of warrant amount of Baht 300 Million(2014-2016) and the Interlink Telecom Public Company Limited (Subsidiary company) has initial publish offering and received funding from the shareholders of 1040 million(2016). The company are excess liquidity to current investment in fixed deposit.

(3) Accounts Receivable

Trade accounts receivable of the Company is aging from the due date of collection as at 31 December 2014, 2015, and 2016, as follows.

Description	Consolidated Financial Statements for the years		
	2013	2014	2015
	Million Baht	Million Baht	Million Baht
Between 0 - 3 months	302.78	282.98	402.07
Over 3 - 6 months	1.15	5.95	10.12
Over 6 - 12 months	22.94	2.38	10.33
Over 12 months	6.38	6.73	12.01
Total	333.25	298.04	434.53
Less : Allowance for doubtful account	(10.48)	(12.01)	(17.30)
Trade accounts receivable – net	322.77	286.03	417.23

The Company's trade accounts receivable as at 31 December 2014, 2015, and 2016, are equal to Baht 322.77 Million, and Baht 286.03 Million and Baht 417.23 Million respectively. The balance of the Company's trade accounts receivable as at 31 December 2019 are increased in line with sales of Distribution and Telecom business.

Average collection period of the Company for the year ended 31 December 2014, 2015, and 2016, are about 39.17 days, 80.29 days and 66.99 days respectively, which are decrease in compare with previous year because the effective credit policy and with the normal level when compared with the company's credit policy given to trade customers at the range about 30 -60 days.

The Company and subsidiaries provide on allowance for doubtful accounts for the losses that may be incurred from uncollectible accounts by reviewing the current status of existing accounts receivable and the collateral of the debtors. This allowance is set at 100% for receivables that are more than 120 days overdue.

(4) Accrued Revenue from Engineering Business and Retention Work for Engineering

Description	Consolidated Financial Statements for the years		
	2014 (Restated)	2015	2016
	Million Baht	Million Baht	Million Baht
Accrued revenue from engineering service	442.59	69.28	341.45
Retention work for engineering	88.53	0.22	4.66
Total	531.12	69.50	346.11

Accrued income from engineering projects and Retention receivable increased due to the large construction project that the company winning of bid to start construction for the last haft year 2016.

(5) Inventories

Description	Consolidated Financial Statements for the years		
	2014 (Restated)	2015	2016
	Million Baht	Million Baht	Million Baht
Finished goods	192.99	192.17	259.50
Goods in transit	21.61	33.87	13.99
Total	214.60	226.04	273.49
Less : Allowance for obsolete inventories	1.40	1.95	3.04
Inventories-net	213.20	224.09	270.45

The Company had inventories as at 31 December 2014, 2015, and 2016 by Baht 213.20 Million, Baht 224.09 Million and Baht 270.45 Million, respectively. The Company has policy to store inventories at the appropriate level in order to ensure that the Company has the ability to response the demand of the market. The lead-time of each inventories order is covered the period of 1 month. Average inventories sold period of the Company as at 31 December 2014, 2015, and 2016 are 57.42 days, 50.73 days and 59.56 days, sequentially. Average inventories sold period decreased in the year 2015 to support the growth of selling plan's target in 2015, which is higher compared to 2014.

The Company estimates an allowance for obsolete stock based on the consideration of inventory turnover and deterioration in each category. For the year ended 31 December 2014, 2015, and 2016, the Company provided an allowance for obsolete stock about Baht 1.40 Million, Baht 1.95 Million and Baht 3.04 Million, orderly, for inventories with no movement longer than 1 year and for those which already deteriorated.

(6) Other Current Assets

Description	Consolidated Financial Statements for the years		
	2014 (Restated)	2015	2016
	Million Baht	Million Baht	Million Baht
Other Current Assets	98.63	117.82	146.05

Other current assets of the company have increased significantly from input VAT of Interlink Telecom Co., Ltd. from the investment in Interlink Fiber Optic Network.

(7) Other Long Term Investment

Name	Type of Business	Percentage owned by the Company		Cost (Million Baht)		
		Shares	%	2014	2015	2016
E.S.International (1991) Co., Ltd	Sale/product Rack cabinet	8,000	10.00	2.25	2.25	2.25
Spirit Enterprise Co., Ltd.	Trading	5,000	1.67	0.05	-	-
Total				2.30	2.25	2.25

The Company holds the above investments in order to maintain the business relation and connection. E.S. International (1991) Co., Ltd. is a company who produces rack cabinet for computer and telecommunication equipment for the Company with the long-term business relationship. The Company could reach the successful business negotiation related to trade credit term and cost of products. So, the purpose of holding on the above investments is to support the Company's business. Based on the past dealing, the aforesaid companies did not have any financial problem.

(8) Property, Plant and Equipment

Description	Consolidated Financial Statements for the years		
	2014 (Restated)	2015	2016
	Million Baht	Million Baht	Million Baht
Property, Plant and Equipment	1747.34	2,271.62	2,767.50

As at 31 December 2014, 2015, and 2016, the Company has property, plant and equipment by Baht 1,747.34 Million, Baht 2,271.62 Million and Baht 2,767.50 Million, respectively. The reasons that PP&E are significantly higher are from the construction of INTERLINK FIBER OPTIC NETWORK.

(9) Liabilities

Description	Consolidated Financial Statements for the years		
	2014 (Restated)	2015	2016
	Million Baht	Million Baht	Million Baht
Total current liabilities	1,487.35	816.45	1,226.74
Total non-current liabilities	437.96	818.93	1,171.08
Total liabilities	1,925.31	1,635.38	2,397.82

As at 31 December 2014, 2015, and 2016, the Company has total liabilities of Baht 1,925.31 Million, 1,635.15 Million and Baht 2,397.82 Million, respectively, in which the liabilities have significantly increased since 2015 due to the followings.

- Loans from financial institutions for use as working capital for the Interlink Fiber Optic Network. (as of 31 December 2015 and 2016 of Baht 738.22 Million, Baht 1,213.90 Million respectively)
- Construction creditors for build INTERLINK FIBER OPTIC NETWORK (as of 31 December 2015 and 2016 of baht 374.63 Million 607.58 Million, respectively.)

(10) Equity

As at 31 December 2014, 2015, and 2016, the Company has shareholders' equity amounting to Baht 1,483.12 Million, Baht 1,814.70 Million and Baht 3,188.08 Million, respectively. This portion continuously increased, which was mainly due to the uninterrupted increase of the Company's retained earnings based on the consistent profit generation from the Company's operations. However, in 2016 the Interlink Telecom Public Company Limited (Subsidiary company) has initial public offering and received funding from the shareholders of 1040 million and funding from the shareholder in exercise of warrant amount of Baht 214 Million and dramatically increased in equity. For the year ended 31 December 2014, 2015, and 2016, the Company paid dividend amounted Baht 144.43 Million, Baht 73.30 Million, and Baht 90.02 Million, respectively which the calculated dividend payout ratio revealed the consistent rate about 42.20%, 41.10% and 43.03% of net profit, respectively.

Return on equity for the year ended December 31, 2014 2015 and 2016 were 15.35 percent, 16.16 percent and 9.08 percent respectively, in which the Company has control and according to the profit of the company grew steadily.

Liquidity analysis

The Company's current ratio for the fiscal year ended December 31, 2014 2015 and 2016 was 1.05 times 1.40 times and 2.22 times, respectively, the company has a stable liquidity. Although the company has begun construction investment network Interlink Fiber Optic Network across the country in the year 2555 onwards, which will cost a lot. But the company also planned to protect the liquidity risk of such. Raise funds and seek finance from a commercial bank.

(1) Cash flow from operating activities

In 2015 and 2016, the Company received money from its operations by Baht 667.80 Million and Baht 97.81 Million, respectively, the cash flow from operation activities decrease from previous year because of the last half year 2016 the company more invest to construction the large project, thus the accrued revenue from engineering project are increase to 272 Million from the year 2015.

(2) Cash flow from investing activities

In 2015 and 2016, the Company has spent money in investing activities by Baht 739.50 Million, and Baht 1,224.85 Million, respectively. In 2015 and 2016, the Company used cash in construction of INTERLINK FIBER OPTIC NETWORK around Baht 842.17 Million and Baht 461.83 Million, respectively and in the year 2016 the company are excess liquidity to investment in fixed deposit, increase of Baht 632.99 Million from 2015.

(3) Cash flow from financing activities

At 31 December 2015 and 2016, the Company has cash flow financing activities of Baht 180.46 Million, and Baht 1,516.69 Million respectively, mainly due to increase from Interlink Telecom Public Company Limited (Subsidiary company) has initial public offering and received funding from the shareholders of 1040 million and funding from the shareholder in exercise of warrant amount of Baht 214.42 Million and has financial assistance for the construction of Interlink Fiber Optic Network Nationwide from a financial institution. In 2016, the Company received Baht 492.00 Million with repayment of loan principle and interest payment of Baht 64.43 Million. In 2016, the Interlink Group had dividend payment transactions under financing activities in which such dividend were paid according to normal policy of Baht 90.02 Million.

Sources of fund

(1) The appropriateness of capital structure

The Company has Debt to equity ratio computed as at 31 December 2014, 2015, and 2016 by 1.30, 0.90, and 0.75 times, respectively which the less of calculated amount are reflected the more stability of the Company's financial position. However, the debt to equity ratio is higher due to the Interlink Group having loans from financial institution as to investing in the construction of INTERLINK FIBER OPTIC NETWORK. According the loan agreements, the Interlink Telecom Publish Company Limited, has to maintain debt to equity ratio by not greater than 2 times and ability to pay debts shall not be less than 1.2 times, and as of 31 December 2016, the Interlink Telecom Publish Company Limited DSCR is at 1.33 times.

18 REPORT OF THE AUDITOR

To The Shareholders and Board of Directors of
Interlink Communication Public Company Limited

My opinion

In my opinion, the consolidated financial statements of Interlink Communication Public Company Limited (the “Company”) and its subsidiaries (the “Group”) and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2016, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

I have audited the accompanying consolidated and separate financial statements of the Group and the Company, which comprise the consolidated and separate statements of financial position as at 31 December 2016, and the related consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Audit of recognition of revenue and costs from engineering and network installation services. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Recognition of revenue and cost from engineering and network installation service</p> <p>Refer to accounting policy No.2.22, revenue recognition.</p> <p>The Group recognises revenue and cost from engineering and network installation service using the percentage of completion method. The stage of completion is measured based on the proportion of contract costs incurred for work performed to date compared to the estimated total cost of the contract.</p> <p>I focused on these areas because:</p> <ol style="list-style-type: none"> 1) The amount of revenue from engineering and network installation service is significant, representing 17% of total revenue and 2) Significant management judgement is involved in estimating the cost to complete each contract. 	<p>I performed the following procedures to assess management's estimates:</p> <ol style="list-style-type: none"> 1) Tested controls over the budgeting process relating to the estimated total contract costs and verified management's estimated costs to complete by interviewing the project engineer and inspecting the supporting evidence. 2) Tested controls over the revenue and receivables cycle and purchase and payment cycle for projects. 3) Examined the supporting documents for actual costs incurred for work performed to date and assessed the accuracy of the percentage of completion in the monthly progress report by : <ul style="list-style-type: none"> • comparing the percentage of completion by measured based on the proportion of contract costs incurred for work performed to date compared to the estimated total cost of the contract with the physical proportion of the contract work completed as assessed by the project engineers and considered the differences to determine whether any adjustments were required • testing the actual costs incurred but not yet billed by suppliers to assess the completeness of the costs recorded • recalculating the percentage of completion by project per the monthly progress report • performing site visits and observing the method used to assess the progress of work by engineers. <p>I found that the management judgements and estimates associated with the recognition of revenue and cost from engineering and network installation service were consistent with the available evidence.</p>

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group and Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.



Amornrat Pearmpoonvatanasuk

Certified Public Accountant (Thailand) No. 4599

Bangkok

27 February 2017

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2016

Interlink Communication Public Company Limited and its subsidiaries

		Consolidated		Separate	
		2016	2015	2016	2015
	Notes	Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	694,528,701	304,874,913	467,464,969	177,935,494
Short-term investments	8	751,396,001	118,407,033	748,396,001	33,407,033
Trade and other account receivables, net	9	467,712,852	310,401,737	301,066,955	231,289,191
Financial derivative assets	31	4,315,644	1,744,461	501,729	128,881
Accrued revenue from engineering service	10	341,452,878	69,277,955	37,962,553	8,036,786
Short-term loans to subsidiaries	30.6	-	-	-	850,000,000
Short-term loans to third party		40,000,000	-	40,000,000	-
Inventories, net	11	270,453,203	224,094,381	270,453,203	224,094,381
Retention work for engineering		4,658,890	219,679	-	-
Other current assets	12	146,052,775	117,815,955	1,627,218	846,315
Total current assets		2,720,570,944	1,146,836,114	1,867,472,628	1,525,738,081
Non-current assets					
Deposits at bank held as collateral	13	8,000,000	-	8,000,000	-
Investments in subsidiaries, net	14	-	-	332,414,716	332,414,716
Investment in joint venture	15	36,858,574	-	-	-
Other long-term investment		2,250,000	2,250,000	2,250,000	2,250,000
Property, plant and equipment, net	16	2,767,503,887	2,271,618,041	246,139,891	232,501,557
Intangible assets, net	17	8,994,753	5,097,225	786,814	610,304
Deferred tax assets, net	18	29,433,824	14,862,002	9,659,349	8,589,821
Other non-current assets		12,287,058	9,424,446	973,083	917,510
Total non-current assets		2,865,328,096	2,303,251,714	600,223,853	577,283,908
Total assets		5,585,899,040	3,450,087,828	2,467,696,481	2,103,021,989

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2016

Interlink Communication Public Company Limited and its subsidiaries

	Notes	Consolidated		Separate	
		2016	2015	2016	2015
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Trade and other account payables	19	974,549,678	718,985,548	330,186,007	314,532,863
Financial derivative liabilities	31	481,653	869,346	166,289	762,551
Current portion of finance lease liabilities, net	20	41,597,088	41,794,214	-	-
Current portion of long-term loan from financial institutions, net	21	98,341,752	15,339,589	-	-
Advance received from engineering service		75,563,935	-	51,203,496	-
Accrued corporate income tax		19,354,105	22,200,748	18,761,565	19,784,535
Current portion of employee benefit obligations	22	1,620,086	-	-	-
Other current liabilities		15,236,282	17,264,170	4,177,737	7,681,185
Total current liabilities		1,226,744,579	816,453,615	404,495,094	342,761,134
Non-current liabilities					
Finance lease liabilities, net	20	37,768,826	79,366,594	-	-
Long-term loan from financial institutions, net	21	1,115,554,517	722,879,200	-	-
Provision for warranty of engineering service		2,113,468	2,227,791	1,980,095	1,977,947
Deferred tax liability, net	18	-	4,635	-	-
Employee benefit obligations	22	15,639,993	14,455,463	12,718,212	11,781,527
Total non-current liabilities		1,171,076,804	818,933,683	14,698,307	13,759,474
Total liabilities		2,397,821,383	1,635,387,298	419,193,401	356,520,608

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2016

Interlink Communication Public Company Limited and its subsidiaries

	Notes	Consolidated		Separate	
		2016	2015	2016	2015
		Baht	Baht	Baht	Baht
Liabilities and equity (continued)					
Equity					
Share capital					
Authorised share capital					
362,479,447 ordinary shares					
at par value of Baht 1 each					
(31 December 2015:					
362,479,447 ordinary shares					
at par value of Baht 1 each)		362,479,447	362,479,447	362,479,447	362,479,447
Issued and paid-up share capital					
362,423,986 ordinary shares					
fully paid-up of Baht 1 each					
(31 December 2015:					
334,653,851 ordinary shares					
fully paid-up of Baht 1 each)	23	362,423,986	334,653,851	362,423,986	334,653,851
Premium on paid-up share capital	23	770,857,410	576,466,465	770,857,410	576,466,465
Retained earnings					
Appropriated - legal reserve	26	36,242,398	34,816,666	36,242,398	34,816,666
Unappropriated		993,608,156	865,051,698	878,979,286	800,564,399
Premium on dilution of					
investment in subsidiary		461,504,845	-	-	-
Total equity attributable to owners of the parent		2,624,636,795	1,810,988,680	2,048,503,080	1,746,501,381
Non-controlling interests		563,440,862	3,711,850	-	-
Total equity		3,188,077,657	1,814,700,530	2,048,503,080	1,746,501,381
Total liabilities and equity		5,585,899,040	3,450,087,828	2,467,696,481	2,103,021,989

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2016

Interlink Communication Public Company Limited and its subsidiaries

	Notes	Consolidated		Separate	
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
Revenue from sales		1,987,809,168	1,974,018,448	2,006,727,658	1,979,840,759
Service income from engineering		169,732,922	665,214,342	169,074,467	679,612,381
Service income from network rendering and data center space rental service		439,909,760	293,989,002	-	-
Service income from network installation service		344,488,596	124,925,165	-	-
Other service income and other income		29,995,802	20,842,235	19,932,828	19,195,397
Total revenue		2,971,936,248	3,078,989,192	2,195,734,953	2,678,648,537
Cost of sales		(1,515,346,367)	(1,509,777,086)	(1,533,228,918)	(1,514,995,383)
Cost of engineering service		(136,040,174)	(533,633,610)	(135,512,503)	(567,991,021)
Cost of network rendering and data center space rental service		(329,367,381)	(218,281,893)	-	-
Cost of network installation service		(272,984,224)	(78,604,920)	-	-
Selling and service expenses		(256,394,896)	(242,935,240)	(210,669,328)	(201,640,389)
Administrative expenses		(131,555,965)	(123,906,891)	(104,834,963)	(107,402,089)
Finance costs		(44,564,477)	(36,923,621)	-	(7,423,633)
Share of losses from investment in joint venture		(141,326)	-	-	-
Total expense		(2,686,394,810)	(2,744,063,261)	(1,984,245,712)	(2,399,452,515)
Profit before income tax expense		285,541,438	334,925,931	211,489,241	279,196,022
Income tax expenses	28	(58,377,358)	(68,471,429)	(41,628,132)	(55,684,564)
Profit for the year		227,164,080	266,454,502	169,861,109	223,511,458
Other comprehensive income (loss)					
Items that will not be reclassified to profit or loss					
Remeasurements of retirement benefit obligations, net of tax	22, 28	(870,458)	5,706,574	-	4,828,726
Total other comprehensive income (loss), net of tax		(870,458)	5,706,574	-	4,828,726
Total comprehensive income for the year		226,293,622	272,161,076	169,861,109	228,340,184

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2016

Interlink Communication Public Company Limited and its subsidiaries

		Consolidated		Separate	
		2016	2015	2016	2015
	Notes	Baht	Baht	Baht	Baht
Profit attributable to :					
• Owners of the parent		220,860,793	265,576,117	169,861,109	223,511,458
• Non-controlling interests		6,303,287	878,385	-	-
		<u>227,164,080</u>	<u>266,454,502</u>	<u>169,861,109</u>	<u>223,511,458</u>
Total comprehensive income attributable to:					
• Owners of the parent		220,002,680	271,282,691	169,861,109	228,340,184
• Non-controlling interests		6,290,942	878,385	-	-
		<u>226,293,622</u>	<u>272,161,076</u>	<u>169,861,109</u>	<u>228,340,184</u>
Earnings per share					
Basic earnings per share (Baht per share)	29	0.63	0.80	0.48	0.68
Diluted earnings per share (Baht per share)	29	0.62	0.74	0.48	0.62

Statement of Changes in Shareholders' Equity

For the year ended 31 December 2016

Interlink Communication Public Company Limited and its subsidiaries

Consolidated

		Attributable to owners of the parent						
		Retained earnings						
	Notes	Issued and paid-up share capital	Premium on paid-up share capital	Appropriated- legal reserve	Unappropriated	Total owner of the parent	Non-controlling interests	Total Equity
		Baht	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance as at								
1 January 2015		261,048,952	517,347,298	23,641,093	678,247,282	1,480,284,625	2,833,465	1,483,118,090
Changes in equity for the year								
Warrant exercised	23	7,633,121	59,119,167	-	-	66,752,288	-	66,752,288
Stock dividends	23	65,971,778	-	-	(65,971,778)	-	-	-
Dividends	25	-	-	-	(7,330,924)	(7,330,924)	-	(7,330,924)
Legal reserve	26	-	-	11,175,573	(11,175,573)	-	-	-
Total comprehensive								
income for the year	-	-	-	271,282,691	271,282,691	878,385	272,161,076	
Closing balance as								
at 31 December 2015		334,653,851	576,466,465	34,816,666	865,051,698	1,810,988,680	3,711,850	1,814,700,530

Statement of Changes in Shareholders' Equity

For the year ended 31 December 2016

Interlink Communication Public Company Limited and its subsidiaries

Consolidated

		Attributable to owners of the parent							
				Premium	Retained earnings				
		Issued and	Premium on	on dilution	Appropriated-		Total owners	Non-controlling	
		paid-up	paid-up	of investment	legal reserve	Unappropriated	of the parent	interests	Total equity
Notes		share capital	share capital	in subsidiary					
		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance as									
at 1 January 2016		334,653,851	576,466,465	-	34,816,666	865,051,698	1,810,988,680	3,711,850	1,814,700,530
Changes in equity for the year									
Warrant exercised	23	27,770,135	194,390,945	-	-	-	222,161,080	-	222,161,080
Dividends	25	-	-	-	-	(90,020,490)	(90,020,490)	-	(90,020,490)
Legal reserve	26	-	-	-	1,425,732	(1,425,732)	-	-	-
Total comprehensive									
income for the year		-	-	-	-	220,002,680	220,002,680	6,290,942	226,293,622
Premium on dilution of investment		-	-	461,504,845	-	-	461,504,845	553,438,070	1,014,942,915
Closing balance as									
at 31 December 2016		362,423,986	770,857,410	461,504,845	36,242,398	993,608,156	2,624,636,795	563,440,862	3,188,077,657

Statement of Changes in Shareholders' Equity

For the year ended 31 December 2016

Interlink Communication Public Company Limited and its subsidiaries

		Separate				
				Retained earnings		
		Issued and paid-up share capital	Premium on paid-up share capital	Appropriated- legal reserve	Unappropriated	Total equity
Notes		Baht	Baht	Baht	Baht	Baht
<hr/>						
Opening balance as						
at 1 January 2015		261,048,952	517,347,298	23,641,093	656,702,490	1,458,739,833
Changes in equity for the year						
Warrant exercised	23	7,633,121	59,119,167	-	-	66,752,288
Stock dividends	23	65,971,778	-	-	(65,971,778)	
Dividends	25	-	-	-	(7,330,924)	(7,330,924)
Legal reserve	26	-	-	11,175,573	(11,175,573)	-
Total comprehensive income for the year		-	-	-	228,340,184	228,340,184
Closing balance as at 31 December 2015		<u>334,653,851</u>	<u>576,466,465</u>	<u>34,816,666</u>	<u>800,564,399</u>	<u>1,746,501,381</u>
<hr/>						
Opening balance as at 1 January 2016		334,653,851	576,466,465	34,816,666	800,564,399	1,746,501,381
Changes in equity for the year						
Warrant exercised	23	27,770,135	194,390,945	-	-	222,161,080
Dividends	25	-	-	-	(90,020,490)	(90,020,490)
Legal reserve	26	-	-	1,425,732	(1,425,732)	-
Total comprehensive income for the year		-	-	-	169,861,109	169,861,109
Closing balance as at 31 December 2016		<u>362,423,986</u>	<u>770,857,410</u>	<u>36,242,398</u>	<u>878,979,286</u>	<u>2,048,503,080</u>

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2016

Interlink Communication Public Company Limited and its subsidiaries

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
Cash flows from operating activities				
Profit before income tax for the year	285,541,438	334,925,931	211,489,241	279,196,022
Adjustments to reconcile profit before income tax to net cash from operations :				
• Depreciation and amortisation	144,565,112	111,978,963	25,379,500	23,942,310
• Amortisation of prepaid expenses	11,190,923	12,121,124	3,342,897	5,823,711
• Amortisation of deferred financing fee	657,480	83,749	-	-
• Share of losses from investment in joint venture	141,326	-	-	-
• Gain of sale of building and equipment	(2,430,557)	(23,363)	(2,430,557)	(23,363)
• Write off of fixed assets	37,109	7,082,495	37,109	39,764
• Write-off construction in progress to repair and maintenance of network	10,078,736	-	-	-
• Write-off of intangible assets	89,000	-	89,000	-
• Unrealised loss on exchange rate	(5,213,943)	(33,585,892)	(1,188,419)	(33,461,803)
• Doubtful debts (reversal)	5,287,599	1,532,138	2,493,463	812,140
• Bad debts	64,002	480,263	64,002	480,263
• Inventory write-off	-	28,139	-	28,139
• Allowance for obsolete inventories	1,096,565	543,490	1,096,565	543,490
• Impairment loss on assets	1,859,987	-	-	-
• Provision for investment in subsidiaries	-	-	-	3,494,113
• Provision for sale promotion (reversal)	2,403,309	3,358,402	2,403,309	3,358,402
• Provision for warranty of engineering service (reversal)	(114,323)	(1,578,645)	2,148	(1,828,489)
• Interest income	(7,193,588)	(1,750,572)	(12,046,332)	(11,749,144)
• Finance costs	44,564,477	36,923,621	-	7,423,633
• Retirement benefit expenses	1,716,544	3,412,682	936,685	2,472,069
Cash flows before changes in operating assets and liabilities	494,341,196	475,532,525	231,668,611	280,551,257
Change in operating assets and liabilities :				
• Trade and other account receivables	(172,298,572)	50,849,102	(86,702,459)	89,017,704
• Accrued revenue from engineering service	(272,174,923)	373,313,900	(29,925,767)	406,524,547
• Inventories	(47,455,387)	(11,469,483)	(47,455,387)	(23,273,111)
• Retention for engineering service	(4,439,211)	88,312,821	-	88,532,500
• Other current assets	(28,559,436)	(19,481,334)	(839,026)	4,938,869
• Other non-current assets	(2,862,612)	(3,606,999)	(55,573)	49,292
• Trade and other account payables	127,043,913	(87,627,590)	22,097,593	(231,680,400)
• Advance received from engineering service	75,563,935	(111,292,990)	51,203,496	(106,467,500)
• Other current liabilities	(2,027,888)	(11,547,178)	(3,503,448)	(7,927,740)
Cash generated from for operations	167,131,015	742,982,774	136,488,040	500,265,418
• Income tax paid	(69,318,572)	(75,186,570)	(43,720,630)	(59,014,614)
Net cash generated from operating activities	97,812,443	667,796,204	92,767,410	441,250,804

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2016

Interlink Communication Public Company Limited and its subsidiaries

	Notes	Consolidated		Separate	
		2016	2015	2016	2015
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Proceeds from restricted cash deposit		-	68,564,752	-	-
Payments for restricted cash deposit		(8,000,000)	-	(8,000,000)	-
Proceeds from investing in short-term investments		-	60,471,101	-	145,471,101
Payments for investing in short-term investments		(632,988,968)	-	(714,988,969)	-
Proceeds from loan to subsidiaries		-	-	850,000,000	215,300,000
Payments for loan to subsidiaries		-	-	-	(713,000,000)
Payments for loan to third party		(40,000,000)	-	(40,000,000)	-
Payments for loan		-	-	-	-
Payments for investment in joint venture		(36,999,900)	-	-	-
Proceeds from sale of fixed assets		2,490,151	63,134	2,430,561	5,561,136
Payments for purchase of fixed assets		(509,958,727)	(870,219,868)	(39,814,781)	(28,051,177)
Payments for purchase of intangible assets		(6,506,600)	(279,000)	(336,000)	(224,000)
Proceeds from loan to employees		-	-	-	-
Proceeds from sale of other long-term investment		-	50,000	-	50,000
Proceeds from interest income		7,115,717	1,845,040	23,070,664	2,406,663
Net cash receipts from (payments in) investing activities		(1,224,848,327)	(739,504,841)	72,361,475	(372,486,277)
Cash flows from financing activities					
Payments for finance lease liabilities		(42,684,206)	(33,117,980)	-	-
Proceeds from short-term loans from financial institutions		-	834,794,162	-	612,910,313
Payments for short-term loans from financial institutions		-	(982,745,467)	-	(732,910,313)
Proceeds from long-term loans from financial institutions		492,000,000	01,323,686	-	-
Payments for long-term loans from financial institutions		(15,700,000)	(565,000,000)	-	-
Payments for deferred financing fee		(1,280,000)	(2,664,960)	-	-
Proceeds from warrants exercised		214,421,080	66,749,388	214,421,080	66,749,388
Proceeds from warrants exercised in advance		-	7,740,000	-	7,740,000
Proceeds from issued ordinary shares of subsidiary		1,040,000,000	-	-	-
Payments for issued ordinary shares of subsidiary		(31,321,356)	-	-	-
Dividend paid	25	(90,020,490)	(7,330,924)	(90,020,490)	(7,330,924)
Interest paid		(48,725,356)	(39,368,495)	-	(7,423,633)
Net cash receipts from (payments in) financing activities		1,516,689,672	180,379,410	124,400,590	(60,265,169)
Net increase in cash and cash equivalents		389,653,788	108,670,773	289,529,475	8,499,358
Beginning balance		304,874,913	196,204,140	177,935,494	169,436,136
Ending balance		694,528,701	304,874,913	467,464,969	177,935,494

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2016

Interlink Communication Public Company Limited and its subsidiaries

	Consolidated		Separate	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Non-cash transactions				
Movement of other payable relating to :				
• Purchases of property, plant and equipment	141,800,248	-	(830,324)	1,067,733
• Purchases of intangible assets	(2,026,600)	2,026,600	-	-
Movement of other receivables relating to :				
• Sales of property, plant and equipment	-	-	(5,537,766)	5,537,766
Purchases of fixed assets and telecommunication networks under finance lease agreements	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2016

Interlink Communication Public Company Limited

1. General information

Interlink Communication Public Company Limited (the “Company”) is a public limited company, incorporated and resident in Thailand. The address of its registered office is 48 Soi Rung Reung, Ratchadapisek Road, Samsennok, Huaykwang, Bangkok.

The Company’s ordinary shares are listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

The Group engages in business of importer and distributor of IT network cabling system products and service outsourcing in the design and installation of network and cabling system for computers and telecommunications including high-speed network rendering and data center space rental service.

These Group consolidated financial statements were authorized for issue by the Board of Directors on 27 February 2017.

2. Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below.

2.1 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Account Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except for certain accounts as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies and to disclose the areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements as disclosed in Note 5.

An English version of the consolidated and separate financial statements has been prepared from the consolidated and separate financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language consolidated and separate financial statements shall prevail.

2.2 New financial reporting standards, revised accounting standards, revised financial reporting standards, and interpretations (collectively “the accounting standards”) which are effective for accounting periods beginning on or after 1 January 2016 and adopted by the Group

2.2.1 New/revised financial reporting standards and interpretation which are relevant and have a significant impact to the Group are as follows :

TAS 16 (revised 2015)	Property, plant and equipment
TAS 19 (revised 2015)	Employee benefits
TAS 24 (revised 2015)	Related party disclosures
TAS 27 (revised 2015)	Separate financial statements
TAS 36 (revised 2015)	Impairment of assets
TAS 38 (revised 2015)	Intangible assets
TAS 40 (revised 2015)	Investment property
TAS 41 (revised 2015)	Agriculture
TFRS 2 (revised 2015)	Share-based payment
TFRS 3 (revised 2015)	Business combinations
TFRS 4 (revised 2015)	Insurance contracts
TFRS 8 (revised 2015)	Operating segments
TFRS 10 (revised 2015)	Consolidated financial statements
TFRS 12 (revised 2015)	Disclosure of interests in other entities
TFRS 13 (revised 2015)	Fair value measurement
TFRIC 21 (revised 2015)	Levies

2.2.2 Revised financial reporting standards and interpretations with minor changes and do not have impact to the Group are as follows :

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 11 (revised 2015)	Construction contracts
TAS 12 (revised 2015)	Income taxes
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 20 (revised 2015)	Accounting for government grants and disclosure of government assistance

TAS 21 (revised 2015)	The effects of changes in foreign exchange rates
TAS 23 (revised 2015)	Borrowing costs
TAS 26 (revised 2015)	Accounting and reporting by retirement benefit plans
TAS 28 (revised 2015)	Investments in associates and joint ventures
TAS 29 (revised 2015)	Financial reporting in hyperinflationary economies
TAS 33 (revised 2015)	Earnings per share
TAS 34 (revised 2015)	Interim financial reporting
TAS 37 (revised 2015)	Provisions, contingent liabilities and contingent assets
TFRS 5 (revised 2015)	Non-current assets held for sale and discontinued operations
TFRS 6 (revised 2015)	Exploration for and evaluation of mineral resources
TFRS 11 (revised 2015)	Joint arrangements
TSIC 10 (revised 2015)	Government assistance - No specific relation to operating activities
TSIC 15 (revised 2015)	Operating leases - Incentives
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 involving the legal form of a lease
TSIC 29 (revised 2015)	Service concession arrangements: Disclosures
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 5 (revised 2015)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2015)	Applying the restatement approach under TAS29 Financial reporting in hyperinflationary economies
TFRIC 10 (revised 2015)	Interim financial reporting and impairment
TFRIC 12 (revised 2015)	Service concession arrangements
TFRIC 13 (revised 2015)	Customer loyalty programmes
TFRIC 14 (revised 2015)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TFRIC 15 (revised 2015)	Agreements for the construction of real estate
TFRIC 17 (revised 2015)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2015)	Transfers of assets from customers
TFRIC 20 (revised 2015)	Stripping costs in the production phase of a surface mine

2.3 New financial reporting standards, revised accounting standards, revised financial reporting standards and interpretations (collectively “the accounting standards”) which are effective for accounting periods beginning on or after 1 January 2017. The Group has not yet early adopted these revised standards.

2.3.1 Financial reporting standards, which have significant changes and are relevant to the Group as follows :

TAS 1 (revised 2016)	Presentation of financial statements
TAS 16 (revised 2016)	Property, plant and equipment
TAS 19 (revised 2016)	Employee benefits
TAS 27 (revised 2016)	Separate financial statements
TAS 28 (revised 2016)	Investments in associates and joint ventures
TAS 34 (revised 2016)	Interim financial reporting
TAS 38 (revised 2016)	Intangible assets
TAS 41 (revised 2016)	Agriculture
TFRS 5 (revised 2016)	Non-current assets held for sale and discontinued operations
TFRS 10 (revised 2016)	Consolidated financial statements
TFRS 11 (revised 2016)	Joint arrangements
TFRS 12 (revised 2016)	Disclosure of interests in other entities

The Group's management has been in process of assessing impact of those accounting standards. Significant changes in those accounting standards are summarized as below.

- TAS 1 (revised 2016), the amendments provide clarifications on a number of issues, including :
 - Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
 - Disaggregation and subtotals - line items specified in TAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
 - Notes - confirmation that the notes do not need to be presented in a particular order.
 - OCI arising from investments accounted for under the equity method - the share of OCI arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of other comprehensive income.
- TAS 16 (revised 2016), key amendments are the amendments clarify that depreciation of an item of property, plant and equipment based on revenue generated by using the asset is not appropriate and the amendments include bearer plants in scope of TAS 16.
- TAS 19 (revised 2016), the amendments clarify that when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important and not the country where they arise.

- TAS 27 (revised 2016), the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its separate financial statements using the equity method as described in TAS 28. While current TAS 27 allows entities to measure their investments in subsidiaries, joint ventures and associates either at cost or at fair value (when announced). The election can be made independently for each category of investment (subsidiaries, joint ventures and associates). Entities wishing to change to the equity method must do so retrospectively.
- TAS 28 (revised 2016), the significant changes are 1) the amendments allow an entity which is not an investment entity, but has an interest in an associate or joint venture which is an investment entity, a policy choice when applying the equity method of accounting. The entity may choose to retain the fair value measurement applied by the investment entity associate or joint venture, or to unwind the fair value measurement and instead perform a consolidation at the level of the investment entity associate or joint venture and 2) the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its separate financial statements using the equity method.
- TAS 34 (revised 2016), the amendments clarify that what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'; entities taking advantage of the relief must provide a cross-reference from the interim financial statements to the location of that information and make the information available to users on the same terms and at the same time as the interim financial statements.
- TAS 38 (revised 2016), the amendments include a rebuttable presumption that the amortisation of intangible assets based on revenue is inappropriate. This presumption can be overcome if either the intangible asset is expressed as a measure of revenue (i.e. where a measure of revenue is the limiting factor on the value that can be derived from the asset), or it can be shown that revenue and the consumption of economic benefits generated by the asset are highly correlated.
- TAS 41 (revised 2016), the amendments align with the accounting guidance for the measurement and recognition of bearer plants issued by the FAP in 2015.
- TFRS 5 (revised 2016), the amendments clarify that when an asset (or disposal group) is reclassified from 'held for sale' to 'held for distribution' or vice versa, this does not constitute a change to a plan of sale or distribution and does not have to be accounted for as such.
- TFRS 10 (revised 2016), the amendments clarify that: 1) the exception from preparing consolidated financial statements is also available to intermediate parent entities which are subsidiaries of investment entities and 2) an investment entity should consolidate a subsidiary which is not an investment entity and whose main purpose and activity is to provide services in support of the investment entity's investment activities.
- TFRS 11 (revised 2016), the amendments clarify that 1) the accounting for the acquisition of an interest in a joint operation where the activities of the operation constitute a business. They require an investor to apply the principles of business combination accounting and 2) existing interests in the joint operation are not remeasured on acquisition of an additional interest, provided joint control is maintained.
- TFRS 12 (revised 2016), the amendments clarify the disclosure requirements of an entity which is an investment entity and exception from preparing consolidated financial statement and instead measured its subsidiaries at fair value is required to disclose information of its subsidiaries according to the requirement in TFRS 12.

2.3.2 Revised financial reporting standards and interpretations with minor changes and do not have impact to the Group are as follows :

TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of cash flows
TAS 8 (revised 2016)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2016)	Events after the reporting period
TAS 11 (revised 2016)	Construction contracts
TAS 12 (revised 2016)	Income taxes
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 20 (revised 2016)	Accounting for government grants and disclosure of government assistance
TAS 21 (revised 2016)	The effects of changes in foreign exchange rates
TAS 23 (revised 2016)	Borrowing costs
TAS 24 (revised 2016)	Related party disclosures
TAS 26 (revised 2016)	Accounting and reporting by retirement benefit plans
TAS 29 (revised 2016)	Financial reporting in hyper-inflationary economies
TAS 33 (revised 2016)	Earnings per share
TAS 36 (revised 2016)	Impairment of assets
TAS 37 (revised 2016)	Provisions, contingent liabilities and contingent assets
TAS 40 (revised 2016)	Investment property
TFRS 2 (revised 2016)	Share-based payment
TFRS 3 (revised 2016)	Business combinations
TFRS 4 (revised 2016)	Insurance contracts
TFRS 6 (revised 2016)	Exploration for and evaluation of mineral resources
TFRS 8 (revised 2016)	Operating segments
TFRS 13 (revised 2016)	Fair value measurement
TSIC 10 (revised 2016)	Government Assistance - No specific relation to operating activities
TSIC 15 (revised 2016)	Operating leases - Incentives
TSIC 25 (revised 2016)	Income taxes - Changes in the tax status of an entity or its shareholders
TSIC 27 (revised 2016)	Evaluating the substance of transactions in the legal form of a lease
TSIC 29 (revised 2016)	Service Concession Arrangements: Disclosures
TSIC 31 (revised 2016)	Revenue - Barter transactions involving advertising services
TSIC 32 (revised 2016)	Intangible assets - Web site costs
TFRIC 1 (revised 2016)	Changes in existing decommissioning, restoration and similar liabilities

The Group's management has been in process of assessing impact of those accounting standards. Significant changes in those accounting standards are summarized as below.

TFRIC 4 (revised 2016)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2016)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2016)	Applying the restatement approach under TAS 29 Financial reporting in hyper-inflationary economies
TFRIC 10 (revised 2016)	Interim financial reporting and impairment
TFRIC 12 (revised 2016)	Service concession arrangements
TFRIC 13 (revised 2016)	Customer loyalty programmes
TFRIC 14 (revised 2016)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TFRIC 15 (revised 2016)	Agreements for the construction of real estate
TFRIC 17 (revised 2016)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2016)	Transfers of assets from customers
TFRIC 20 (revised 2016)	Stripping costs in the production phase of a surface mine
TFRIC 21 (revised 2016)	Levies
TAS 104 (revised 2016)	Accounting for Troubled Debt Restructurings
TAS 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (revised 2016)	Financial Instruments: Disclosure and Presentation

2.4 Group accounting - investments in subsidiaries, associates and joint ventures

2.4.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group 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. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquire and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the

acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquire either at fair value or at the non-controlling interest's proportionate share of the acquirer's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognized in profit or loss.

Any contingent consideration to be transferred by the group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquire and the acquisition-date fair value of any previous equity interest in the acquire over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognize and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in profit or loss.

Intercompany transactions, balances and unrealized gains or loss on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the separate financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The Company recognizes dividend received from subsidiaries in income statement when it is entitled.

A test for impairment for investments in subsidiaries is carried out when there is a factor indicating that investments might be impaired. If the carrying value of the investments is higher than its recoverable amount, impairment loss is charged to the income statement.

A list of the Group's subsidiaries is shown in Note 14.

2.4.2 Non-controlling interests

The Group presents non-controlling interests in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. Any changes in the Group's ownership interest in a subsidiary that do not result in the Group losing control of the subsidiary are equity transactions. The differences between fair value of any consideration paid and relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2.4.3 Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

2.4.4 Joint arrangements

A joint arrangement is a contractual arrangement where at least two parties agree to share control over the activities of the arrangement. Unanimous consent toward decisions about relevant activities between the parties sharing control is a requirement in order to meet the definition of joint control. Joint arrangements can be joint operations or joint ventures. The classification is principle based and depends on the parties' exposure in relation to the arrangement. When the parties' exposure to the arrangement only extends to the net assets of the arrangement, the arrangement is a joint venture. Joint operations have rights to assets and obligations for liabilities.

The Group has an investment in a joint venture which is to be accounted for using the equity method of accounting. Under the equity method of accounting, investment in a joint venture is initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint ventures. Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's financial statements, investments in joint ventures are accounted for using the cost method less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

2.5 Foreign currency translation

2.5.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Baht, which is the functional and presentation currency of the Company.

2.5.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

When a gain or loss on a non-monetary item is recognized in the statement of comprehensive income, any exchange component of that gain or loss is recognized in the statement of comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognized in the income statement, any exchange component of that gain or loss is recognized in the income statement.

2.6 Derivative financial instruments

The Group recognizes derivative financial instruments at fair value on the inception and subsequently measures each derivative financial instrument at its fair value. Gains and losses on the derivative financial instruments which relate to borrowings are offset for financial reporting purposes and are recognized as finance costs in the profit or loss, whereas the gains and losses on the derivative financial instruments which relate to trading business are offset for financial reporting purposes and are recognized as income or expense in the profit or loss.

2.7 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. Cash and cash equivalents comprise cash on hand, deposits held at financial institutions and short-term highly liquid investments with maturities of three months or less from the date of acquisition.

2.8 Trade accounts receivable

Trade accounts receivable are recognized initially at original invoice amount and subsequently measured at the remaining amount less allowance for doubtful receivables based on a review of all outstanding amounts at the year end. The amount of the allowance is the difference between the carrying amount and the amount expected to be collectible. Bad debts are recognized to the income statement as part of administrative expenses.

2.9 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined by weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises design costs, raw materials, direct labor, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realizable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2.10 Construction contracts

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized to the extent of contract costs incurred where it is probable those costs will be recoverable. Contract costs are recognized as expenses in the period in which they are incurred.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognized over the period of the contract. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature.

The Group presents as an asset the gross amount due from customers for contract work for all contracts in progress and for which costs incurred plus recognized profits (less recognized losses) exceed progress billings. Progress billings not yet paid by customers and retention are included within 'trade and other receivables'. The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognized profits (less recognized losses).

2.11 Investments

Investments other than investments in subsidiaries, associates and joint ventures are classified into the general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

Investments in non-marketable equity securities are classified as general investments.

General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the income statement.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Group's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

2.12 Property, plant and equipment

All property, plant and equipment are initially recorded at cost. Subsequently all plant and equipment are stated at historical cost less accumulated depreciation and impairment (if any). The costs of property, plant and equipment comprise both the purchase price and any costs directly attributable to bringing the assets to location and condition necessary for them to be capable of operating in the manner intended by management. Their costs also include the initial estimate of the costs of dismantling and removing the item and restoring the site on which they are located, the obligation for which the Group incurs either when the items are acquired or as a consequence of having used the items during a particular period.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to write off the cost of each asset to its residual value over its estimated useful life, except land which is considered to have an indefinite life, as follows :

	Years
Land leasehold	10
Building and building leasehold	10 - 30
Infrastructure system	10
Furniture, fixtures and office equipment	5
Tool and equipment	5
Vehicle	5
Telecommunication network equipment	8 - 25

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period. Where the carrying amount of asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals of assets are determined by comparing proceeds with the carrying amount and are recognized within "Other gains or losses, net" in the income statement.

2.13 Intangible assets

Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives of 5 and 15 years.

Costs associated with maintaining computer software programmes are recognized as an expense as incurred.

2.14 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.15 Leases

Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and the finance costs so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance costs, are included in other long-term payables. The interest element of the finance cost is charged to the statement of income over the lease period. The assets acquired under finance lease is depreciated over the shorter period of the useful life of the asset or the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of income on a straight-line basis over the period of the lease.

Leases - where the Group is the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant or equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognized as a receivable. The difference between the gross receivable and the present value of the receivable is recognized as unearned finance income. Lease income is recognized over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.16 Borrowings

Borrowings are recognized initially at the fair value of the proceeds received, net of the transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective yield method; any difference between the proceeds (net of transaction costs) and the redemption value is recognized to the income statement over the period of the borrowings.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.17 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.18 Employee benefits

The Group operates a provident fund that is a defined contribution plan, the assets of which are held in a separate trust fund, managed by trustee. The provident fund is funded by payments from employees and by the company. Contributions to the provident fund are charged to the profit and loss in the year to which they relate.

Employees are entitled to receive benefits on reaching normal retirement age under the labor law as may be agreed between the Group and employees. The defined benefit obligation on the Group is measured, using the projected unit credit method in accordance with actuarial as the present value of the estimated future cash outflows, based on employee wages, turnover rate, retirement ages, mortality, length of service and others, and using the interest rates of government securities, which have terms to maturity approximating the term of the related obligations. Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognized immediately in profit or loss.

2.19 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

2.20 Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.21 Dividends

Dividends are recorded in the consolidated and separate financial statements in the period in which they are approved by the shareholders and the Board of Directors.

2.22 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and service in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts. Revenue from sales of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer. Revenue from rendering services is based on the services performed to date as a percentage of total services to be performed.

Revenue from construction services is recognized using the percentage of completion method. The stage of completion is measured by reference to the relationship that the contract costs incurred for work performed to date bear to the estimated total costs for the contract. Revenue from other services is recognized when the services have been rendered in accordance with the terms of the agreements or invoices have been issued.

Interest income is recognized using the effective interest method.

Other income is recognized on an accrual basis in accordance with the substance of the relevant agreements.

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as President and Chief Executive Officer that makes strategic decisions.

3. Reclassifications

Comparative figures have been reclassified to conform with changes in the current period. The Group has reclassified balances for the year ended 31 December 2015 as follows:

	As previously reported Baht	Reclassification Baht	After reclassified Baht
Consolidated statement of financial position			
as at 31 December 2015			
• Trade and other account receivables, net	311,910,522	(1,508,785)	310,401,737
• Trade and other payables	719,619,218	(633,670)	718,985,548
• Financial derivative assets	-	1,744,461	1,744,461
• Financial derivative liabilities	-	869,346	869,346
Separate statement of financial position			
as at 31 December 2015			
• Trade and other payables	315,166,533	(633,670)	314,532,863
• Financial derivative assets	-	128,881	128,881
• Financial derivative liabilities	-	762,551	762,551
Statement of comprehensive income			
for the year ended 31 December 2015			
• Cost of data center space service	(214,305,305)	(3,976,588)	(218,281,893)
• Service expenses	(247,764,797)	4,829,557	(242,935,240)
• Administrative expenses	(123,053,922)	(852,969)	(123,906,891)

4. Financial risk management

The Group's activities expose it to a variety of financial risks, which include foreign exchange risk, interest rate risk, liquidity risk, and capital risk.

4.1 Foreign exchange risk

The Group hedges the foreign currency exposure of its contract commitments to purchase certain production. The forward contracts used in its programme mature in 12 months or less, consistent with the related purchase commitments.

4.2 Interest rate risk

As the Group has no significant interest bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The interest rate risk arises from borrowings with those issued at variable interest rates exposing the Group to cash flow interest rate risk. The Group continually optimizes the mix in its borrowing facilities to maximize financing flexibility whilst minimizing financing cost.

4.3 Liquidity risk

The Group manages liquidity risk by maintaining adequate reserve of cash and cash equivalents and maintaining number of committed credit facilities from banks. The Group reviews requirements for future cash flows through the completion of an annual finance plan review. The finance plan review is completed for the forthcoming year to ensure that estimates of future requirements are analyzed such that appropriate facilities can be made available.

4.4 Capital risk

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits to other stakeholders. In the future, the Group may adjust the amount of dividend paid to shareholders in order to maintain an appropriate capital structure. Annually, the Group completes a finance plan which seeks to establish positions for the current and future years' dividend projections.

5. Critical accounting estimates, assumptions and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below

Revenues and costs of engineering services

The Company and subsidiaries recognize revenues from engineering service income based on a percentage of completion method by also taking into account progress of completion from physical inspection assessed by a project engineer together with an owner or a customer.

Fair values of derivatives and other financial instruments

Fair values of derivatives and other financial instruments not actively traded in the market are measured by valuation technique. The Company and subsidiaries exercise judgment in selecting valuation model and assumptions by referencing market circumstances presented at the end of reporting period.

Provision for warranty of engineering services

The Group provides warranty on engineering projects for approximately 2 years. The amount of provision for warranty of engineering services was estimated based on historical information and claim experienced by the Group in the past.

6. Segment information – consolidated financial statements

Reporting segment is referred from internal report of the Group which is reviewed by Chief Operating Decision Maker (CODM). CODM is President and Chief Executive Officer who makes decisions about resource allocation and assesses the segment performance. CODM considers the reporting segment as below:

The Group has three segments report which comprises of distribution business, engineering business and telecommunication business.

	For the years ended 31 December							
	Distribution Business		Engineering Business		Telecommunication Business		Total	
	Baht' 000,000		Baht' 000,000		Baht' 000,000		Baht' 000,000	
	2016	2015	2016	2015	2016	2015	2016	2015
Revenues	1,987.81	1,974.02	169.73	665.21	784.40	418.91	2,941.94	3,058.14
Gross profit	472.46	464.24	33.69	131.58	182.05	122.04	688.20	717.86
Other income							30.0	20.84
Net income							718.20	738.70
Share of losses from investment in joint venture							(0.14)	-
Selling and service expenses and administrative expenses							(387.96)	(366.86)
Finance costs							(44.56)	(36.92)
Income tax expenses							(58.38)	(68.47)
Net profit							227.16	266.45
Property, plant and equipment, net	246.14	232.50	0.55	0.70	2,520.81	2,038.42	2,767.50	2,271.62
Total assets	2,063.74	915.51	187.83	115.44	3,334.33	2,419.14	5,585.90	3,450.09

Chief Operation Decision Maker considers monthly performance of reporting segments from gross profit.

The Group generates revenue from sales and services by utilizing the assets located in Thailand and all businesses are originated in Thailand. There is no customer who generates significant revenue to the Group.

7. Cash and cash equivalents

	Consolidated		Separate	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cash on hand	1,082,480	949,931	512,299	311,595
Deposits at financial institutions				
• Savings accounts	427,458,098	293,881,454	211,912,258	174,576,537
• Current accounts	15,372,060	9,956,635	4,426,361	2,961,471
Fixed deposits not over 3 months	250,616,063	86,893	250,614,051	85,891
Total cash and cash equivalents	694,528,701	304,874,913	467,464,969	177,935,494

The deposits at financial institutions of the Group comprise deposits at local financial institutions. As at 31 December 2016, deposits at financial institutions bore interest at the rate of 0.125% - 1.00% per annum (31 December 2015: interest rate of 0.125% - 0.875% per annum).

8. Short-term investments

	Consolidated		Separate	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Fixed deposits not over 12 months	751,396,001	118,407,033	748,396,001	33,407,033
Total	751,396,001	118,407,033	748,396,001	33,407,033

As at 31 December 2016, the fixed deposits not over 12 months carry interest at the rate of 0.875% - 1.50% per annum (31 December 2015: interest rate of 1.5% - 1.625% per annum).

9. Trade and other account receivables, net

	Consolidated		Separate	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Trade account receivables	434,527,198	298,047,209	268,664,342	216,228,583
Trade account receivables - related parties	-	-	14,615,881	2,633,831
<u>Less</u> Allowance for doubtful accounts	(17,300,815)	(12,013,215)	(13,786,680)	(11,293,217)
Trade account receivables, net	417,226,383	286,033,994	269,493,543	207,569,197
Deposits	11,518,224	1,966,412	11,489,532	1,477,438
Advance receivables	3,451,260	2,019,250	1,859,478	1,088,760
Advance payment for goods	1,236,385	4,478,331	1,236,385	4,478,331
Prepaid expenses	26,912,844	12,497,124	10,125,490	3,415,071
Account receivable - related parties	-	-	2,069,861	11,903,318
Other 7,367,756	3,406,626	4,792,666	1,357,076	
Trade and other account receivables, net	467,712,852	310,401,737	301,066,955	231,289,191

Outstanding trade receivables are analyzed by aging as follows :

	Consolidated		Separate	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Not due	274,435,521	160,577,002	187,046,958	135,807,647
Overdue below 3 months	127,638,896	122,402,761	79,594,986	71,994,834
Overdue 3 - 6 months	10,119,822	5,949,070	4,627,563	3,350,157
Overdue 6 - 12 months	10,326,929	2,384,972	4,149,101	1,131,240
Over 12 months	12,006,030	6,733,404	7,861,615	6,578,536
	434,527,198	298,047,209	283,280,223	218,862,414
<u>Less</u> Allowance for doubtful accounts	(17,300,815)	(12,013,215)	(13,786,680)	(11,293,217)
Trade account receivables, net	417,226,383	286,033,994	269,493,543	207,569,197

10. Accrued revenue from engineering service

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
Contract costs to date	442,870,534	68,839,761	121,601,184	18,664,307
Recognised profits to date	88,336,398	23,629,394	19,067,068	3,394,479
Contract costs incurred and recognised profits to date	531,206,932	92,469,155	140,668,252	22,058,786
Less Progress billings	(189,754,054)	(23,191,200)	(102,705,699)	(14,022,000)
Accrued revenue from engineering service	<u>341,452,878</u>	<u>69,277,955</u>	<u>37,962,553</u>	<u>8,036,786</u>

11. Inventories, net

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
Finished goods	259,507,833	192,173,071	259,507,833	192,173,071
Goods in transit	13,987,075	33,866,450	13,987,075	33,866,450
Total	273,494,908	226,039,521	273,494,908	226,039,521
Less Allowance for obsolescence	(3,041,705)	(1,945,140)	(3,041,705)	(1,945,140)
Inventories, net	<u>270,453,203</u>	<u>224,094,381</u>	<u>270,453,203</u>	<u>224,094,381</u>

The cost of inventories recognized as expense and included in 'cost of sales' amounted to Baht 1,502,295,767 in the consolidated and separate statement of comprehensive income (31 December 2015: Baht 1,494,278,677).

12. Other current assets

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
Prepaid withholding tax	18,825,170	18,408,356	-	-
Value added tax receivables	126,872,854	98,974,016	1,627,218	846,315
Other	354,751	433,583	-	-
Total other current assets	<u>146,052,775</u>	<u>117,815,955</u>	<u>1,627,218</u>	<u>846,315</u>

13. Deposits at bank held as collateral

As at 31 December 2016, the restricted cash deposits represents deposits held at saving accounts and three-month fixed deposits. These deposits are restricted for disbursement relating to the network construction only.

14. Investments in subsidiaries, net

The subsidiaries incorporated in Thailand are as follows :

Separate												
	Paid-up share capital		Proportion of ordinary Shares held by parent		Proportion of shares held by non-controlling interest		Cost Method		Allowance for impairment		Net investment - cost method	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	(Baht'000)	(Baht'000)	(%)	(%)	(%)	(%)	(Baht'000)	(Baht'000)	(Baht'000)	(Baht'000)	(Baht'000)	(Baht'000)
Interlink Telecom Public Company Limited	Telecommunication service provider which invests in the construction of fiber-optic cable network throughout Thailand in order to provide high-speed leased line service and service to enterprise customer such as co-location service and disaster recovery service.											
	500,000	300,000	60.00	99.99	40.00	0.01	299,999	299,99	-	-	299,999	299,999
Interlink Power and Energy Company Limited	Specialists and contractors in submarine cable and transmission lines including fiber optic and high voltage.											
	30,000	30,000	95.07	95.07	4.93	4.93	28,410	28,410	-	-	28,410	28,410
Interlink Data Center Company Limited	Provide data center service to enterprise customer such as co-location service cloud computing service and disaster recovery service.											
	7,500	7,500	99.99	99.99	0.01	0.01	7,500	7,500	(3,494)	(3,494)	4,006	4,006
Total							335,909	335,909	(3,494)	(3,494)	332,415	332,415

Changing in proportion of shareholding in shareholders of Interlink Telecom Public Company Limited

The 2016 Annual General Shareholders' Meeting of Interlink Telecom Public Company Limited, a subsidiary, granted the approval to increase the registered capital through issuing 200 million ordinary shares at a Baht 1 per share par value. In the third quarter, the subsidiary allotted and sold 140 million ordinary shares for the Initial Public Offering to be made to investors and unconnected persons and 60 million ordinary shares to issue the shares to the company shareholders. The total issue was Baht 1,040 million at Baht 5.20 per share. However, the Company has not yet purchased the share capital increase, which has diluted its 99.99% shareholding to 60%

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

As at 31 December 2016, total non-controlling interest is Baht 563,440,862, of which Baht 560,223,251 is attributed Interlink Telecom Public Company Limited and Baht 3,217,611 to Interlink Power and Energy Company Limited. The non-controlling interest in respect of Interlink Power and Energy Company Limited is not material.

Summarized financial information on subsidiaries with material non-controlling interests

Set out below are the summarized financial information for each subsidiary that has non-controlling interests that are material to the Group.

Summarized statement of financial position

	Interlink Telecom Public Company Limited	
	As at 31 December	
	2016 Baht	2015 Baht
Current		
Assets	736,451,056	372,567,822
Liabilities	(773,804,439)	(1,304,154,818)
Total current net assets	(37,353,383)	(931,586,996)
Non-current		
Assets	2,599,704,636	2,060,124,658
Liabilities	(1,155,766,410)	(803,518,640)
Total non-current net assets	1,443,938,226	1,256,606,018
Net assets	1,406,584,843	325,019,022

Summarized statement of comprehensive income

Interlink Telecom Public Company Limited	
For the year ended 31 December	
	2016 Baht
	2015 Baht
Revenue	809,291,874
Profit before income tax	84,079,198
Income tax expense	(16,836,234)
Post-tax profit from continuing operations	67,242,964
Post-tax profit from discontinued operations	-
Other comprehensive income (loss)	(620,058)
Total comprehensive income	66,622,906

Summarized statement of cash flows

Interlink Telecom Public Company Limited	
For the period ended 31 December	
	2016 Baht
	2015 Baht
Cash flow from operating activities	
Cash generated from operations	28,423,553
Income tax paid	(25,597,942)
Net cash generated from operating activities	2,825,611
Net cash used in investing activities	(506,537,542)
Net cash used in financing activities	529,825,174
Net (decrease)/increase in cash and cash equivalents	26,113,243
Cash, cash equivalents and bank overdrafts at beginning of year	111,378,064
Cash and cash equivalents at end of year	137,491,307

The information above is the amount before inter-company eliminations.

15. Investment in joint venture

As at 31 December 2016, the Group has an investment in joint venture as follows;

Genesis Data Center Co., Ltd.

Genesis Data Center Co., Ltd., joint ventures of the Group, the joint venture provides data center space services such as co-location service, cloud computing service and disaster recovery service with a total of 2,100,000 registered ordinary shares at a par value of Baht 100 per share amounting to Baht 210 million. The Group holds 33.33% of its authorized share capital amounting to Baht 70 million.

On 21 April 2016, the Board of Directors of Interlink Telecom Public Company Limited, a subsidiary, approved 33.33% investment in the registered capital of Genesis Data Center Co., Ltd. The subsidiary was paid-up 40,000 shares at a par value of Baht 100 per share amounting to Baht 4 million in the third quarter. During the fourth quarter, the subsidiary invested additional registered capital of Genesis Data Center Co., Ltd. 660,000 shares at a par value of Baht 100 per share amounting of Baht 66 million to maintain 33.33% of the subsidiary holds and shares were paid of Baht 33 million. The Group has an outstanding commitment in respect of the under portion of investment of Baht 33 million.

The movement in investment in joint venture can be analyzed as follows :

	Consolidated Baht	Separate Baht
For the year ended 31 December 2016		
Opening book value	-	-
Additional in investment in joint venture	36,999,900	-
Share of losses from investment in joint venture	(141,326)	-
Closing book value	36,858,574	-

The joint venture listed below has share capital consisting solely of ordinary shares, which is held directly by the Group.

Nature of investment in joint ventures

Name of entity	% of ownership interest		
	2016	Measurement method	Nature of the Relationship
Genesis Data Center Co., Ltd.	33.33	Equity	Note 1

Note 1 : Genesis Data Center Co., Ltd. provides data center space services such as co-location service, cloud computing service and disaster recovery service. Genesis Data Center Co., Ltd. is a strategic partnership for the Group, providing data center space business. Genesis Data Center Co., Ltd. is a private company and there is no quoted market price available for its shares

Summarized financial information for joint ventures

Set out below are the summarized financial information for Genesis Data Center Co., Ltd. which is accounted for using the equity method.

Summarized statement of financial position

	Genesis Data Center Co., Ltd.
	As at 31 December 2016
	Baht
Current assets	
Cash and cash equivalents	90,738,981
Other current assets (excluding cash)	1,419,467
Total current assets	92,158,448
Non-current assets	18,670,000
	110,828,448
Current liabilities	
Financial liabilities (excluding trade payables)	-
Other current liabilities (including trade payables)	252,426
Total current liabilities	252,426
Net assets	110,576,022

Summarized statement of comprehensive income

	Genesis Data Center Co., Ltd.
	For the period ended
	31 December 2016
	Baht
Interest income	33,598
Administrative expense	(563,570)
Loss from continuing operations	(529,972)
Income tax expense	105,994
Post-tax loss from continuing operations	(423,978)
Post-tax loss from discontinued operations	-
Other comprehensive loss	-
Total comprehensive loss	(423,978)

The information above reflects the amounts presented in the financial statements of the joint venture adjusted for differences in accounting policies between the Group and the joint venture (and not the Group's share of those amounts).

Reconciliation of summarized financial information

Reconciliation of summarized financial information presented to the carrying amount of its interest in joint venture.

	Genesis Data Center Co., Ltd.
	For the period ended 31 December 2016
	Baht
Summarised financial information Opening net assets as at 9 September (Company establishment's date)	12,000,000
Additions	99,000,000
Loss for the year	(423,978)
Closing net assets	110,576,022
Interest in joint venture	ร้อยละ 33.33
Carrying value	36,858,574

16. Property, plant and equipment, net

Consolidated										
	Land Baht	Land improvement Baht	Building and building leasehold Baht	Infrastructure system Baht	Furniture, fixtures and office equipment Baht	Tool and equipment Baht	Vehicle Baht	Telecom- munication network equipment Baht	Construction in progress Baht	Total Baht
As at 1 January 2015										
Cost	5,699,636	176,349,785	59,886,565	47,244,479	84,219,970	35,326,900	1,112,644,133	307,692,119	1,883,870,731	
Less Accumulated depreciation	-	(1,037,633)	(39,890,749)	(11,172,118)	(22,583,642)	(7,644,151)	(21,202,445)	(33,003,125)	-	(136,533,863)
Net book value	54,807,144	4,662,003	136,459,036	48,714,447	24,660,837	76,575,819	14,124,455	1,079,641,008	307,692,119	1,747,336,868
For the year ended										
31 December 2015										
Opening net book value	54,807,144	4,662,003	136,459,036	48,714,447	24,660,837	76,575,819	14,124,455	1,079,641,008	307,692,119	1,747,336,868
Additions	1,404,000	-	26,808,906	69,486,874	7,035,883	25,639,420	4,432,449	55,074,970	458,832,129	648,714,631
Transfer in (out)	-	-	12,110,774	394,000	-	11,343,899	-	534,802,296	(558,650,969)	-
Reclassification	-	-	-	4,180,000	(4,180,000)	-	-	-	-	-
Disposals, net	-	-	(569,521)	(5,038,067)	(314,354)	(270,634)	(7)	-	(7,082,495)	(13,275,078)
Depreciation charge	-	(569,649)	(12,298,357)	(9,072,112)	(6,265,647)	(12,096,328)	(4,725,545)	(66,130,742)	-	(111,158,380)
Closing net book value	56,211,144	4,092,354	162,510,838	108,665,142	20,936,719	101,192,176	13,831,352	1,603,387,532	200,790,784	2,271,618,041
As at 31 December 2015										
Cost	5,699,636	214,670,095	128,703,375	49,759,397	120,902,135	36,180,844	1,702,968,728	200,790,784	2,515,886,138	
Less Accumulated depreciation	-	(1,607,282)	(52,159,257)	(20,038,233)	(28,822,678)	(19,709,959)	(22,349,492)	(99,581,196)	-	(244,268,097)
Net book value	56,211,144	4,092,354	162,510,838	108,665,142	20,936,719	101,192,176	13,831,352	1,603,387,532	200,790,784	2,271,618,041

16. Property, plant and equipment, net

Consolidated										
	Land Baht	Land improvement Baht	Building and building leasehold Baht	Infrastructure system Baht	Furniture, fixtures and office equipment Baht	Tool and equipment Baht	Vehicle Baht	Telecom- network equipment Baht	Construction in progress Baht	Total Baht
As at 1 January 2016										
Cost	56,211,144	5,699,636	214,670,095	128,703,375	49,759,397	120,902,135	36,180,844	1,702,968,728	200,790,784	2,515,886,138
Less Accumulated depreciation	-	(1,607,282)	(52,159,257)	(20,038,233)	(28,822,678)	(19,709,959)	(22,349,492)	(99,581,196)	-	(244,268,097)
Net book value	56,211,144	4,092,354	162,510,838	108,665,142	20,936,719	101,192,176	13,831,352	1,603,387,532	200,790,784	2,271,618,041
For the year ended										
31 December 2016										
Opening net book value	56,211,144	4,092,354	162,510,838	108,665,142	20,936,719	101,192,176	13,831,352	1,603,387,532	200,790,784	2,271,618,041
Additions	11,500,000	-	2,331,067	1,973,586	9,308,645	36,219,704	8,741,394	49,719,108	532,199,408	651,992,912
Transfer in (out)	-	-	17,703,840	1,627,955	158,469	-	-	439,376,199	(458,866,463)	-
Reclassification	-	-	-	-	-	-	-	-	-	-
Disposal, net	-	-	-	-	(1)	-	(3)	-	-	(4)
Write-off, net	-	-	(1,815)	-	(31,532)	(63,352)	-	-	-	(96,699)
Write-off, construction in progress to repair and maintenance of network	-	-	-	-	-	-	-	-	(10,078,736)	(10,078,736)
Impairment charge	-	-	-	-	-	-	-	-	(1,859,987)	(1,859,987)
Depreciation charge	-	(571,210)	(13,248,277)	(13,912,941)	(7,672,847)	(16,552,915)	(5,360,080)	(86,753,370)	-	(144,071,640)
Closing net book value	67,711,144	3,521,144	169,295,653	98,353,742	22,699,453	120,795,613	17,212,663	2,005,729,469	262,185,006	2,767,503,887
As at 31 December 2016										
Cost	67,711,144	5,699,636	233,658,799	132,304,916	58,296,471	157,035,202	37,197,210	2,192,064,035	264,044,993	3,148,012,406
Less Accumulated depreciation	-	(2,178,492)	(64,363,146)	(33,951,174)	(35,597,018)	(36,239,589)	(19,984,547)	(186,334,566)	-	(378,648,532)
Less Impairment loss on assets	-	-	-	-	-	-	-	-	(1,859,987)	(1,859,987)
Net book value	67,711,144	3,521,144	169,295,653	98,353,742	22,699,453	120,795,613	17,212,663	2,005,729,469	262,185,006	2,767,503,887

16. Property, plant and equipment, net

	Separate								
	Land Baht	Land improvement Baht	Building and building leasehold Baht	Infrastructure system Baht	Furniture, fixtures and office equipment Baht	Tool and equipment Baht	Vehicle Baht	Construction in progress Baht	Total Baht
As at 1 January 2015									
Cost	54,807,144	5,699,636	150,599,468	31,338,147	34,696,991	5,028,698	34,130,207	10,704,374	327,004,665
Less Accumulated depreciation	-	(1,037,633)	(39,494,733)	(10,459,453)	(20,911,948)	(1,865,179)	(20,538,787)	-	(94,307,733)
Net book value	54,807,144	4,662,003	111,104,735	20,878,694	13,785,043	3,163,519	13,591,420	10,704,374	232,696,932
For the year ended 31 December 2015									
Opening net book value	54,807,144	4,662,003	111,104,735	20,878,694	13,785,043	3,163,519	13,591,420	10,704,374	232,696,932
Additions	1,404,000	-	4,736,985	985,568	3,656,754	578,453	4,432,449	13,324,700	29,118,909
Transfer in (out)	-	-	12,110,774	221,400	-	-	-	(12,332,174)	-
Disposals, net	-	-	(569,521)	(4,950,533)	(53,260)	(4,216)	(7)	-	(5,577,537)
Depreciation charge	-	(569,649)	(10,234,089)	(2,879,594)	(4,559,430)	(1,007,779)	(4,486,206)	-	(23,736,747)
Closing net book value	56,211,144	4,092,354	117,148,884	14,255,535	12,829,107	2,729,977	13,537,656	11,696,900	232,501,557
As at 31 December 2015									
Cost	56,211,144	5,699,636	166,847,857	27,301,051	38,154,776	5,595,244	34,984,151	11,696,900	346,490,759
Less Accumulated depreciation	-	(1,607,282)	(49,698,973)	(13,045,516)	(25,325,669)	(2,865,267)	(21,446,495)	-	(113,989,202)
Net book value	56,211,144	4,092,354	117,148,884	14,255,535	12,829,107	2,729,977	13,537,656	11,696,900	232,501,557

16. Property, plant and equipment, net

	Separate								
	Land Baht	Land improvement Baht	Building and building leasehold Baht	Infrastructure system Baht	Furniture, fixtures and office equipment Baht	Tool and equipment Baht	Vehicle Baht	Construction in progress Baht	Total Baht
As at 1 January 2016									
Cost	56,211,144	5,699,636	166,847,857	27,301,051	38,154,776	5,595,244	34,984,151	11,696,900	346,490,759
Less Accumulated depreciation	-	(1,607,282)	(49,698,973)	(13,045,516)	(25,325,669)	(2,865,267)	(21,446,495)	-	(113,989,202)
Net book value	56,211,144	4,092,354	117,148,884	14,255,535	12,829,107	2,729,977	13,537,656	11,696,900	232,501,557
For the year ended 31 December 2016									
Opening net book value	56,211,144	4,092,354	117,148,884	14,255,535	12,829,107	2,729,977	13,537,656	11,696,900	232,501,557
Additions	11,500,000	-	1,622,063	1,267,686	4,583,740	2,036,157	7,956,132	10,018,679	38,984,457
Transfer in (out)	-	-	17,703,840	1,627,955	158,469	-	-	(19,490,264)	-
Disposals, net	-	-	-	-	(1)	-	(3)	-	(4)
Write-offs, net	-	-	(1,815)	-	(31,532)	(3,762)	-	-	(37,109)
Depreciation charge	-	(571,210)	(10,198,056)	(3,391,452)	(4,912,219)	(1,221,224)	(5,014,849)	-	(25,309,010)
Closing net book value	67,711,144	3,521,144	126,274,916	13,759,724	12,627,564	3,541,148	16,478,936	2,225,315	246,139,891
As at 31 December 2016									
Cost	67,711,144	5,699,636	185,127,557	30,196,692	41,965,915	7,618,665	35,215,255	2,225,315	375,760,179
Less Accumulated depreciation	-	(2,178,492)	(58,852,641)	(16,436,968)	(29,338,351)	(4,077,517)	(18,736,319)	-	(129,620,288)
Net book value	67,711,144	3,521,144	126,274,916	13,759,724	12,627,564	3,541,148	16,478,936	2,225,315	246,139,891

For the year ended 31 December 2016, the Group capitalized interest from borrowings as the cost of fixed assets at the amount of Baht 4.37 million (2015: Baht 3.46 million).

As at 31 December 2016, land and building amounting Baht 149.45 million are mortgaged with a bank as collaterals for the credit facilities, bank overdrafts, letters of credit, trust receipts, letter of guarantee and forward foreign exchange contracts (31 December 2015: Baht 195.39 million). (Note 21)

The subsidiary does not have additions of assets under finance leases in the year 2016 (2015: Baht 47.11 million) included in additions of assets (where the subsidiary is the lessee).

Leased assets included above, where the Group is a lessee under a finance lease, comprise of telecommunication network equipment as follows :

	Consolidated		Separate	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
As at 31 December				
Cost - capitalised finance lease	169,757,821	169,757,821	-	-
<u>Less</u> Accumulated depreciation	(20,949,098)	(12,461,212)	-	-
Net book value	<u>148,808,723</u>	<u>157,296,609</u>	<u>-</u>	<u>-</u>

17. Intangible assets, net

	Consolidated		
	Computer software Baht	Software in progress Baht	Total Baht
As at 1 January 2015			
Cost	6,039,418	277,000	6,316,418
<u>Less</u> Accumulated amortisation	(3,151,539)	-	(3,151,539)
Net book value	<u>2,887,879</u>	<u>277,000</u>	<u>3,164,879</u>
For the year ended 31 December 2015			
Opening net book value	2,887,879	277,000	3,164,879
Additions	2,026,600	279,000	2,305,600
Amortisation charge	(373,254)	-	(373,254)
Closing net book value	<u>4,541,225</u>	<u>556,000</u>	<u>5,097,225</u>
As at 31 December 2015			
Cost	8,066,018	556,000	8,622,018
<u>Less</u> Accumulated amortisation	(3,524,793)	-	(3,524,793)
Net book value	<u>4,541,225</u>	<u>556,000</u>	<u>5,097,225</u>
For the year ended 31 December 2016			
Opening net book value	4,541,225	556,000	5,097,225
Additions	4,144,000	336,000	4,480,000
Transfer in (out)	615,000	(615,000)	-
Write-offs, net	-	(89,000)	(89,000)
Amortisation charge	(493,472)	-	(493,472)
Closing net book value	<u>8,806,753</u>	<u>188,000</u>	<u>8,994,753</u>
As at 31 December 2016			
Cost	12,825,018	188,000	13,013,018
<u>Less</u> Accumulated amortisation	(4,018,265)	-	(4,018,265)
Net book value	<u>8,806,753</u>	<u>188,000</u>	<u>8,994,753</u>

	Consolidated		
	Computer software Baht	Software in progress Baht	Total Baht
As at 1 January 2015			
Cost	3,406,000	89,000	3,495,000
<u>Less</u> Accumulated amortisation	(2,903,133)	-	(2,903,133)
Net book value	502,867	89,000	591,867
For the year ended 31 December 2015			
Opening net book value	502,867	89,000	591,867
Additions	-	224,000	224,000
Amortisation charge	(205,563)	-	(205,563)
Closing net book value	297,304	313,000	610,304
As at 31 December 2015			
Cost	3,406,000	313,000	3,719,000
<u>Less</u> Accumulated amortisation	(3,108,696)	-	(3,108,696)
Net book value	297,304	313,000	610,304
For the year ended 31 December 2016			
Opening net book value	297,304	313,000	610,304
Additions	-	336,000	336,000
Transfer in (out)	560,000	(560,000)	-
Write-offs, net	-	(89,000)	(89,000)
Amortisation charge	(70,490)	-	(70,490)
Closing net book value	786,814	-	786,814
As at 31 December 2016			
Cost	3,966,000	-	3,966,000
<u>Less</u> Accumulated amortisation	(3,179,186)	-	(3,179,186)
Net book value	786,814	-	786,814

18. Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities is as follows :

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
Deferred tax assets :				
Deferred tax assets to be recovered				
within 12 months	17,248,331	4,933,171	(67,088)	126,734
Deferred tax assets to be recovered				
after more than 12 months	12,185,493	9,928,831	9,726,437	8,463,087
	<u>29,433,824</u>	<u>14,862,002</u>	<u>9,659,439</u>	<u>8,589,821</u>
Deferred tax liabilities :				
Deferred tax liabilities to be settled				
within 12 months	-	(4,635)	-	-
Deferred tax liability to be settled after				
more than 12 months	-	-	-	-
	<u>-</u>	<u>(4,635)</u>	<u>-</u>	<u>-</u>
Deferred income taxes, net	<u>29,433,824</u>	<u>14,857,367</u>	<u>9,659,439</u>	<u>8,569,821</u>

The movement in deferred tax assets and liabilities during the year is as follows :

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
At 1 January	14,857,367	15,054,943	8,589,821	14,373,521
Charged/(credited) to profit or loss	14,358,843	1,224,785	1,069,528	(4,576,518)
Tax charged/(credited) directly				
to other comprehensive income	217,614	(1,422,361)	-	(1,207,182)
At 31 December	<u>29,433,824</u>	<u>14,857,367</u>	<u>9,659,349</u>	<u>8,589,821</u>

The movement in deferred tax assets and liabilities during the year is as follows :

Consolidated										
	Allowance for doubtful accounts Baht	Provision Baht	Allowance for obsolescence Baht	Employee benefit obligations Baht	Depreciation Baht	Financial derivation liabilities Baht	Provision for warranty of engineering service Baht	Impairment loss on investment Baht	Others Baht	Total Baht
Deferred tax assets										
At 1 January 2016	2,642,643	4,782,298	389,028	2,957,043	2,472,476	(200,799)	742,535	-	1,076,778	14,862,002
Charged / (credited) to profit or loss	1,057,520	12,970,374	219,313	529,238	1,283,934	(666,346)	430	-	(1,040,255)	14,354,208
Tax charged / (credited) directly to other comprehensive income	-	-	-	217,614	-	-	-	-	-	217,614
At 31 December 2016	3,700,163	17,752,672	608,341	3,703,895	3,756,410	(867,145)	742,965	-	36,523	29,433,824
At 1 January 2015	2,267,841	-	280,330	3,634,344	1,630,721	6,230,337	1,108,233	-	3,341,992	18,493,798
Charged / (credited) to profit or loss	374,802	4,782,298	108,698	745,062	841,755	(6,431,136)	(365,698)	-	(2,265,214)	(2,209,433)
Tax charged / (credited) directly to other comprehensive income	-	-	-	(1,422,363)	-	-	-	-	-	(1,422,363)
At 31 December 2015	2,642,643	4,782,298	389,028	2,957,043	2,472,476	(200,799)	742,535	-	1,076,778	14,862,002

The movement in deferred tax assets and liabilities during the year is as follows : (continued)

	Separate							
	Allowance for doubtful accounts Baht	Allowance for obsolescence Baht	Employee benefit obligations Baht	Depreciation Baht	Financial derivation liabilities Baht	Provision for warranty of engineering service Baht	Impairment loss on investment Baht	Total Baht
Deferred tax assets								
At 1 January 2016	2,498,643	389,028	2,608,183	1,525,874	126,735	742,535	698,823	8,589,821
Charged / (credited) to profit or loss	498,693	219,313	187,337	357,578	(193,823)	430	-	1,069,528
Tax charged/(credited) directly to other comprehensive income	-	-	-	-	-	-	-	-
At 31 December 2016	2,997,336	608,341	2,795,520	1,883,452	(67,088)	742,965	698,823	9,659,349
At 1 January 2015	2,267,841	280,330	3,320,952	1,165,828	6,230,337	1,108,233	-	14,373,521
Charged / (credited) to profit or loss	230,802	108,698	494,413	360,046	(6,103,602)	(365,698)	698,823	(4,576,518)
Tax charged / (credited) directly to other comprehensive income	-	-	(1,207,182)	-	-	-	-	(1,207,182)
At 31 December 2015	2,498,643	389,028	2,608,183	1,525,874	126,735	742,535	698,823	8,589,821

The movement in deferred tax assets and liabilities during the year is as follows : (continued)

	Consolidated		Separate	
	Financial derivation assets Baht	Total Baht	Financial derivation assets Baht	Total Baht
Deferred tax liabilities				
At 1 January 2016	4,635	4,635	-	-
Charged / (credited) to profit or loss	(4,635)	(4,635)	-	-
Tax charged / (credited) directly to other comprehensive income	-	-	-	-
At 31 December 2016	-	-	-	-
At 1 January 2015	3,438,855	3,438,855	-	-
Charged / (credited) to profit or loss	(3,434,220)	(3,434,220)	-	-
Tax charged/(credited) directly to other comprehensive income	-	-	-	-
At 31 December 2015	4,635	4,635	-	-

19. Trade and other account payables

	Consolidated		Separate	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Trade account payables	677,238,683	450,737,291	276,073,953	253,701,473
Trade account payables - related parties	-	-	394,295	5,745,744
Total trade account payables	677,238,683	450,737,291	276,468,248	259,447,217
Other account payables	224,905,264	93,258,840	8,127,061	12,044,613
Accrued expenses	41,864,497	146,877,174	26,756,485	20,880,014
Accrued bonus	29,989,032	28,112,243	14,345,782	16,161,131
Other account payables - related parties	552,202	-	4,488,431	5,999,888
Total trade and other account payables	974,549,678	718,985,548	330,186,007	314,532,863

20. Finance lease liabilities, net

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
As at 31 December				
Within 1 year	44,442,970	46,818,455	-	-
Over 1 year but less than 5 years	39,016,474	83,459,344	-	-
	83,459,444	130,277,799	-	-
<u>Less</u> Future interest paid of finance lease liabilities	(4,093,530)	(9,116,991)	-	-
Present value of finance lease liabilities, net	79,365,914	121,160,808	-	-

Finance lease liabilities excluded future interest paid are as follows :

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
As at 31 December				
Finance lease liabilities	83,459,444	130,277,799	-	-
<u>Less</u> Deferred interest	(4,093,530)	(9,116,991)	-	-
	79,365,914	121,160,808	-	-
<u>Less</u> Current portion of finance lease liabilities, net	(41,597,088)	(41,794,214)	-	-
Finance lease liabilities, net	37,768,826	79,366,594	-	-

The fair value of finance lease liabilities approximated their carrying amount, as the impact of discounting is not significant.

21. Long-term loan from financial institutions, net

21.1 The long-term loans from a financial institution are as follows :

	Consolidated		Separate	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Current portion of long-term loans from financial institutions				
Thai Baht loans	99,200,000	15,700,000	-	-
<u>Less</u> Deferred financing service fees due within 1 year	(858,248)	(360,411)	-	-
Current portion of long-term loans from financial institutions, net	98,341,752	15,339,589	-	-
Long-term loans from financial institutions				
Thai Baht loans	1,117,900,000	725,100,000	-	-
<u>Less</u> Deferred financing service fees due later than 1 year	(2,345,483)	(2,220,800)	-	-
Long-term loans from financial institutions, net	1,115,554,517	722,879,200	-	-
Total long-term loans from financial institutions, net	1,213,896,269	738,218,789	-	-

The carrying amounts and fair values of certain long-term borrowings are as follows :

	Consolidated		Separate	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Long-term bank borrowings	1,217,100,000	740,800,000	1,200,660,066	717,923,743
	1,217,100,000	740,800,000	1,200,660,066	717,923,743

	Separate			
	Carrying amounts		Fair values	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Long-term bank borrowings	-	-	-	-
	-	-	-	-

The fair value of long-term loans from financial institutions approximated their carrying amount, as the impact of discounting from floating rate is not significant.

The fair values are based on discounted cash flows using a discount rate based upon the borrowing rate of 4.75% (2015: 5%) and are within level 2 of the fair value hierarchy.

At 31 December 2016, the Group had long-term loans denominated in Thai Baht with a local financial institution which were secured amounting to Baht 1,217.10 million (31 December 2015: Baht 740.80 million) as follows:

Number	Outstanding balance as at 31 December 2016 (Baht)	Outstanding balance as at 31 December 2015 (Baht)	Interest rate per annum	Principal repayment term	Interest payment period
1	517,100,000	532,800,000	MLR - 1.5%	Repayment every month from November 2016	Payment every month
2	300,000,000	208,000,000	MLR - 1.5%	Repayment every month from December 2017	Payment every month
3	200,000,000	-	MLR - 1.5%	Repayment every month from May 2018	Payment every month
4	200,000,000	-	MLR - 1.5%	Repayment every month from January 2019	Payment every month
Total	1,217,100,000	740,800,000			

According to loan agreement, the Group has to maintain loan from financial institution to the equity and loan from related parties ratio not exceeding 2 times and maintain debt service coverage ratio not to be less than 1.2 times, which is calculated from its financial statements. Moreover, Anantarumporn family has to maintain the portion of shareholders' equity both directly and indirectly via the subsidiaries not to be less than 25%. This loan agreement is secured by:

1. Mortgaging of Interlink Communication Public Company Limited's land and building
2. Directors of Interlink Communication Public Company Limited
3. 51% share of Interlink Telecom Public Company Limited

21.2 The interest rate exposure on the long-term loans from a financial institution

The interest rate exposure on the long-term loans from a financial institution of the Group is as follows :

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
Long-term loans from a financial institution				
- at floating rate	1,217,100,000	740,800,000	-	-
Total long-term loans from a financial institution	1,217,100,000	740,800,000	-	-

21.3 Maturity of long-term loans from a financial institution is as follows :

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
As at 31 December				
Within 1 year	99,200,000	15,700,000	-	-
Later than 1 year and not later than 5 years	880,800,000	561,800,000	-	-
Later than 5 years	237,100,000	163,300,000	-	-
Total long-term loans from a financial institution	1,217,100,000	740,800,000	-	-

21.4 Credit facilities

As at 31 December 2016, the Group had the available credit facilities and overdraft from bank of Baht 1,388 million (31 December 2015: Baht 3,156 million). Other available credit facilities include letter of credit, trust receipt, letter of guarantee and forward foreign exchange contracts totaling Baht 3,650 million (31 December 2015: Baht 3,560 million).

22. Retirement benefit obligations

The analysis of the retirement benefit obligations is as follows :

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
Retirement benefit obligations to be paid				
within 12 months	1,620,086	-	-	-
Retirement benefit obligations to be paid				
after more than 12 months	15,639,993	14,455,463	12,718,212	11,781,527
	17,260,079	14,455,463	12,718,212	11,781,527

The movement in the retirement benefit obligations over the year are as follows :

	Consolidated		Separate	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Opening balance	14,455,463	18,171,718	11,781,527	15,345,366
Current service cost	1,350,914	2,701,070	671,640	1,859,685
Interest cost	365,630	711,612	265,045	612,384
Remeasurements				
(Gain) / loss from change in demographic assumptions	(728,120)	(17,206,383)	-	(15,839,685)
(Gain) / loss from change in financial assumptions	936,171	9,716,827	-	9,733,951
Experience loss	880,021	360,619	-	69,826
Closing balance	17,260,079	14,455,463	12,718,212	11,781,527

The following table is a summary of the assumptions relating to the actuarial technique as at the date of financial statements :

	Consolidated		Separate	
	2016 Percentage	2015 Percentage	2016 Percentage	2015 Percentage
Discount rate	2.19 – 2.99	3.13 - 4.04	2.19	2.16
Salary increase rate	8.00	8.00	8.00	8.00
Turnover rate	0.00 - 54.00	4.50 - 54.00	10.00 - 54.00	10.00 - 54.00
Pre-retirement mortality rate	TMO 2008	TMO 2008	TMO 2008	TMO 2008

	Consolidated		
	2016		
	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.5%	Decrease by Baht 413,116	Increase by Baht 442,672
Salary increase rate	0.5%	Increase by Baht 480,114	Decrease by Baht 453,069
Turnover rate	10.0%	Decrease by Baht 1,079,808	Increase by Baht 1,265,274

Consolidated					
2015					
Impact on defined benefit obligation					
	Change in assumption	Increase in assumption		Decrease in assumption	
Discount rate	0.5%	Decrease by Baht 950,346		Increase by Baht 1,023,099	
Salary increase rate	0.5%	Increase by Baht 1,398,906		Decrease by Baht 1,317,613	
Turnover rate	10.0%	Decrease by Baht 966,497		Increase by Baht 1,124,078	
Separate					
2016					
Impact on defined benefit obligation					
	Change in assumption	Increase in assumption		Decrease in assumption	
Discount rate	0.5%	Decrease by Baht 413,116		Increase by Baht 442,672	
Salary increase rate	0.5%	Increase by Baht 480,114		Decrease by Baht 453,069	
Turnover rate	10.0%	Decrease by Baht 1,079,808		Increase by Baht 1,265,274	
Separate					
2015					
Impact on defined benefit obligation					
	Change in assumption	Increase in assumption		Decrease in assumption	
Discount rate	0.5%	Decrease by Baht 424,530		Increase by Baht 454,343	
Salary increase rate	0.5%	Increase by Baht 429,824		Decrease by Baht 406,471	
Turnover rate	10.0%	Decrease by Baht 966,497		Increase by Baht 1,124,078	

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The weighted average durations of the Group's defined benefit obligation are between 2 years and 42 years (Company: between 3 years and 41 years).

Expected maturity analysis of undiscounted retirement and post-employment medical benefits :

	Consolidated				
	Less than a year Baht	Between 1-2 years Baht	Between 2-5 years Baht	Over 5 years Baht	Total Baht
At 31 December 2016					
Retirement benefits	1,620,086	3,979,806	5,838,284	72,082,828	83,521,004
Total	1,620,086	3,979,806	5,838,284	72,082,828	83,521,004

	Consolidated				
	Less than a year Baht	Between 1-2 years Baht	Between 2-5 years Baht	Over 5 years Baht	Total Baht
At 31 December 2015					
Retirement benefits	-	1,300,609	9,620,371	57,669,678	68,580,658
Total	-	1,300,609	9,610,371	57,669,678	68,580,658

	Separate				
	Less than a year Baht	Between 1-2 years Baht	Between 2-5 years Baht	Over 5 years Baht	Total Baht
At 31 December 2016					
Retirement benefits	-	3,772,087	5,838,284	20,595,893	30,206,264
Total	-	3,772,087	5,838,284	20,595,893	30,206,264

	Separate				
	Less than a year Baht	Between 1-2 years Baht	Between 2-5 years Baht	Over 5 years Baht	Total Baht
At 31 December 2015					
Retirement benefits	-	-	9,610,371	20,595,893	30,206,264
Total	-	-	9,610,371	20,595,893	30,206,264

23. Share capital and premium on share capital

	Number of shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 1 January 2015	261,048,952	261,048,952	517,347,298	778,396,250
Warrant exercised	7,633,121	7,633,121	59,119,167	66,752,288
Increase in share capital	65,971,778	65,971,778	-	65,971,778
At 31 December 2015	334,653,851	334,653,851	576,466,465	911,120,316
Warrant exercised	27,770,135	27,770,135	194,390,945	222,161,080
At 31 December 2016	362,423,986	362,423,986	770,857,410	1,133,281,396

The exercise of warrants

On 12 January 2015, 11 May 2015, 14 July 2015 and 12 October 2015, the Company registered an increase in paid-up share capital amounting Baht 7,633,121 (7,633,121 ordinary shares at par value of Baht 1) for the exercise of ILINK - W1 No. 6, 7, 8 and 9 of 3,337,615 units.

On 12 January 2016, 5 April 2016 and 29 September 2016, the Company registered an increase in paid-up share capital amounting Baht 27,770,135 (27,770,135 ordinary shares at par value of Baht 1 per share) for the exercise of ILINK-W1 No. 10, 11 and 12 of 11,108,063 units.

Increase in share capital

The Annual General Shareholders' Meeting held on 29 April 2015, approved the dividend payments for the year ended 31 December 2014 by ordinary shares of 65,973,153 shares at Baht 1 per share, in the ratio of 4 current shares per 1 dividend share, or shall be converted as dividend payment at Baht 0.25 per share totaling Baht 65.97 million.

24. Warrants

In 2013, the Company issued warrants at no cost to shareholders as follows :

Type of warrant	Issue to	Issuance date of warrant	Number of warrant issued (Units)	Period of warrant	Exercise per share Baht	Exercise ratio per 1 warrant
ILINK-W1	General shareholders	24 June 2013	14,997,238	3 years	20.00	1 ordinary share

On 30 April 2014, the Stock Exchange of Thailand marked XD for the Company's stock for payment of dividend and stock dividend for the year 2014. As a result, the Company needed to adjust terms of the warrants in accordance with the conditions prescribed in the prospectus relating to ILINK-W1 warrants. Changes are as follows :

Effective date	Exercise price per share	Exercise ratio per 1 warrant
30 April 2014	Baht 10.00	2 ordinary shares

On 6 May 2015, the Stock Exchange of Thailand marked XD for the Company's stock for payment of dividend and stock dividend for the year 2015. As a result, the Company needed to adjust terms of the warrants in accordance with the conditions prescribed in the prospectus relating to ILINK-W1 warrants. Changes are as follows:

Effective date	Exercise price per share	Exercise ratio per 1 warrant
6 May 2015	Baht 8.00	2.5 ordinary shares

As at 31 December 2015, warrant holders notified the Company of their intent to exercise 387,000 units of warrants, the Company collected Baht 7,740,000 from warrant holders and recorded the amount as other payables in the statement of financial position as at 31 December 2015.

As at 31 December 2015, the Company had 10,742,688 units of unexercised ILINK-W1 warrants.

For the year ended 31 December 2016, the Company collected Baht 214,421,080 from warrant holders with intention to exercise 10,721,063 units of warrants. However, there was no outstanding other payables relating to warrants exercise recorded in the statement of financial position as at 31 December 2016.

As at 31 December 2016, there were 21,625 units of warrants expired.

25. Dividend

At the Annual General Shareholders' Meeting held on 27 April 2016, the Shareholders approved the dividend payments for the year ended 31 December 2015 by cash at Baht 0.26 per share, totalling Baht 90.02 million.

The Company paid these dividends on 25 May 2016.

At the Annual General Shareholders' Meeting held on 29 April 2015, the Shareholders approved the dividend payments for the year ended 31 December 2014, details are as follows:

- Pay dividends by ordinary shares of 65,973,153 shares at Baht 1 per share, in the ratio of 4 current shares per 1 dividend share, or shall be converted as dividend payment at Baht 0.25 per share totalling Baht 65.97 million.
- Pay dividends by cash at Baht 0.02778 per share, totalling Baht 7.33 million.

The Company paid these dividends on 26 May 2015.

26. Legal reserve

	Consolidated		Separate	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
At 1 January	34,816,666	23,641,093	34,816,666	23,641,093
Appropriation during the year	1,425,732	11,175,573	1,425,732	11,175,573
At 31 December	36,242,398	34,816,666	36,242,398	34,816,666

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

27. Expenses by nature

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
Changes in inventories of				
finished goods and work in process	46,358,823	10,897,854	46,358,823	22,701,483
Subcontract cost	170,759,058	401,623,434	25,714,921	412,863,154
Repair and maintenance expense	45,245,585	31,956,838	3,657,646	3,999,827
Raw material and consumables used	203,041,639	156,834,555	104,491,804	123,532,303
System and network expense	58,258,496	32,986,833	4,725,213	4,479,013
Employee benefit expense	259,301,851	194,940,428	179,189,554	136,680,248
Depreciation and amortisation	144,571,466	111,978,963	25,379,500	23,991,602
Impairment charges	226,550	-	-	3,494,113
Operating lease payment	51,264,047	18,774,413	4,157,200	2,829,057

28. Income tax expenses

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
For the years ended 31 December				
Current tax	72,736,201	69,696,214	42,697,660	51,108,046
Deferred tax	(14,358,843)	(1,224,785)	(1,069,528)	4,576,518
Total income tax expenses	58,377,358	68,471,429	41,628,132	55,684,564

The tax on the profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows :

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
For the years ended 31 December				
Profit before tax	285,541,438	334,925,931	211,489,241	279,196,022
Tax calculated at a tax rate of	20%	20%	20%	20%
The result of the accounting prof	57,108,288	66,985,186	42,297,848	55,839,204
it multiplied by the income tax rate				
Tax effect of : Income not subject to tax	(1,031,575)	(100,000)	(1,003,952)	(430,404)
Expenses not deductible for tax purpose	2,300,645	1,586,243	334,236	275,764
Income taxes	58,377,358	68,471,429	41,628,132	55,684,564

The tax (charge) / credit relating to component of other comprehensive income are as follows :

	Consolidated					
	2016			2015		
	Before tax Baht	Tax (charge) / credit Baht	After tax Baht	Before tax Baht	Tax (charge) / credit Baht	After tax Baht
Remeasurement on retirement						
benefit obligations	1,088,072	(217,614)	870,458	(7,128,937)	1,422,363	(5,706,574)
Other comprehensive income	1,088,072	(217,614)	870,458	(7,128,937)	1,422,363	(5,706,574)
Current tax		-			-	
Deferred tax (Note 18)		(217,614)			1,422,363	
		(217,614)			1,422,363	
	Separate					
	2016			2015		
	Before tax Baht	Tax (charge) / credit Baht	After tax Baht	Before tax Baht	Tax (charge) / credit Baht	After tax Baht
Remeasurement on retirement						
benefit obligations	-	-	-	(6,035,908)	1,207,182	
Other comprehensive income	-	-	-	(6,035,908)	1,207,182	
Current tax		-			-	
Deferred tax (Note 18)		-			1,207,182	
		-			1,207,182	

The tax (charged) / credited directly to equity during the year is as follows :

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
Current tax				
Issuance expenditures	-	-	-	-
	-	-	-	-

29. Earnings per share

The basic earnings per share is calculated by dividing the profit for the period attributable to ordinary shareholders of the parent after deduction of the preference shares divided by the weighted average number of ordinary shares in issue during the year.

	Consolidated		Separate	
	2016	2015	2016	2015
For the years ended 31 December				
Basic earnings per share				
Net profit attributable to ordinary shareholders of the parent (Baht)	220,860,793	265,576,117	169,861,109	223,511,458
Weighted average number of ordinary shares outstanding (Share)	351,679,609	330,510,792	351,679,609	330,510,792
Basic earnings per share (Baht per share)	0.63	0.80	0.48	0.68

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding, assuming conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares which is warrants. The warrant calculation is made to determine the number of shares that could have been acquired at fair value (determined as the average annual market price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the warrant. The difference is added to the denominator as an issue of ordinary shares for no consideration. No adjustment is made to earnings.

	Consolidated		Separate	
	2016	2015	2016	2015
For the years ended 31 December				
Diluted earnings per share				
Net profit attributable to ordinary shareholders of the parent (Baht)	220,860,793	265,576,117	169,861,109	223,511,458
Weighted average number of ordinary shares outstanding (Share)	351,679,609	330,510,792	351,679,609	330,510,792
Adjusted for				
• warrants (Share)	5,037,668	30,104,317	5,037,668	30,104,317
Weighted average number of ordinary shares for diluted earnings per share (Share)	356,717,277	360,615,109	356,717,277	360,615,109
Diluted earnings per share (Baht per share)	0.62	0.74	0.48	0.62

30. Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries, and fellow subsidiaries, are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company 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.

As at 31 December 2016, the major shareholders are as follows :

	% of shareholding
• Interlink Holding Company Limited (held by Anantarumporn family)	25.05
• Anantarumporn family	25.97
• Sakchaicharoenkul family	10.30
• Others	38.68

The following transactions were carried out with related parties :

30.1 Revenue from sales and services

The Company has entered into office building rental, service charges and management agreements with subsidiaries. The agreements are renewed yearly. The prices are calculated under the agreements on a cost plus basis.

For the sales of fixed assets, the Company has entered into sales agreement with a subsidiary. The prices are calculated based on net book value.

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
For the years ended 31 December				
Sales of goods				
• Subsidiaries	-	-	18,918,490	5,218,297
Sale of fixed assets				
• Subsidiaries	-	-	-	5,537,766
Rental and service income				
• Subsidiaries	-	-	4,142,171	3,396,457

30.2 Purchases of goods and services

The Company has entered into network rental service agreements with a subsidiary. The price is calculated under the agreements on a cost plus basis.

For the cost of engineering service, the Company has entered into subcontract agreements with a subsidiary to operate for the submarine cable installation project. The agreements are made based on individual project basis.

The prices are calculated under the agreements on a cost plus basis.

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
For the years ended 31 December				
Purchases of goods and services				
• Subsidiaries	-	-	4,498,080	4,422,000
Cost of engineering service				
• Subsidiaries	-	-	891,137	391,832,897

30.3 Other income and expenses

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
For the years ended 31 December				
Interest income				
• Subsidiaries	-	-	7,007,787	10,150,104
Rental expenses				
• Parent company	-	-	225,000	-

30.4 Trade receivables from and trade payables to related parties

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
As at 31 December				
Trade receivables				
• Subsidiaries	-	-	14,615,881	2,633,831
Trade payables				
• Subsidiaries	-	-	394,295	5,745,744

30.5 Amounts due from and amounts due to related parties

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
As at 31 December				
Amounts due from related parties				
• Subsidiaries	-	-	2,069,861	11,903,318
Amounts due to related parties				
• Subsidiaries	-	-	4,488,431	5,999,888

30.6 Short-term loans to related parties and related interests

The movements of short-term loans to subsidiaries can be analysed as follows :

	Consolidated	Separate
	Baht	Baht
For the year ended 31 December 2016		
Opening balance	-	850,000,000
Repayments received during the year	-	(850,000,000)
Closing balance	-	-

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
As at 31 December				
Interest receivables				
• Subsidiaries	-	-	-	11,102,203
	-	-	-	11,102,203

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
For the years ended 31 December				
Interest income				
• Subsidiaries	-	-	7,007,787	10,150,104
	-	-	7,007,787	10,150,104

Short-term loans to related parties are dominated in Baht without collateral and bear interest equivalent to minimum interest of three-month fixed deposit of a commercial bank on a lending date. If specific source of fund is otherwise identified, relevant interest rate associated with such source will be applied. Short-term loans become due upon demand.

As of 31 December 2016, short-term loans to related parties above bear interest at the rate of 0.9% per annum.

The fair value of short-term loans to the subsidiaries approximated their carrying amount, as the impact of discounting is not significant.

30.7 Key management compensation

	Consolidated		Separate	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
For the years ended 31 December				
Short-term employee benefits	43,176,412	41,509,626	25,545,350	25,662,445
Post employee benefits	1,075,060	1,131,063	539,315	910,289
	<u>44,251,472</u>	<u>42,640,689</u>	<u>26,134,665</u>	<u>26,572,734</u>

30.8 Agreement with a related company

Interlink Communication Public Company Limited has entered into a consortium subcontract agreement with Interlink Power and Energy Company Limited, which is a subsidiary, on 16 December 2016. The Company entered into the agreement to cooperate in the construction of 115KV Transmission Line between Hod power station in Chiang Mai and Mae-sariang power station in Mae Hong Son. The total contract value is Baht 309.60 million which

Baht 44.65 million of the contract value allotted to Interlink Communication Public Company Limited and Baht 264.95 million allotted to Interlink Power and Energy Company Limited.

31. Fair value

31.1 Fair value estimation

The table below analyses financial assets and liabilities carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's financial assets and liabilities that are measured at fair value as at 31 December 2016 and 2015.

	Consolidated	
	Level 2 Baht	Total Baht
Assets as at 31 December 2016		
Forward foreign exchange contracts	4,315,644	4,315,644
Assets as at 31 December 2015		
Forward foreign exchange contracts	1,744,461	1,744,461
Liabilities as at 31 December 2016		
Forward foreign exchange contracts	481,653	481,653
Liabilities as at 31 December 2015		
Forward foreign exchange contracts	869,346	869,346
	Separate	
	Level 2 Baht	Total Baht
Assets as at 31 December 2016		
Forward foreign exchange contracts	501,729	501,729
Assets as at 31 December 2015		
Forward foreign exchange contracts	128,881	128,881
Liabilities as at 31 December 2016		
Forward foreign exchange contracts	166,289	166,289
Liabilities as at 31 December 2015		
Forward foreign exchange contracts	762,551	762,551

There was no transfer between Level 1, 2 and 3 during the year.

There was no change in valuation techniques during the year.

31.2 Valuation techniques used to derive Level 2 fair values

Level 2 trading and hedging derivatives comprise forward foreign exchange contracts which have been fair valued using forward exchange rates that are quoted in an active market. The effects of discounting are generally insignificant for Level 2 derivatives.

31.3 Financial assets and liabilities not measured at fair value

Carrying amounts of financial assets and liabilities including cash and cash equivalents, short-term investment, account receivables, account payables, receivables from and payables to related parties, other receivables and payables and short-term borrowing approximate fair value because these group items represents financial assets and liabilities with short-term maturity in nature.

32. Commitments and contingent liabilities**32.1 Bank guarantees**

As at 31 December 2016, the outstanding bank guarantees were issued by the bank on behalf of the Company and its subsidiaries of Baht 696.29 million (As at 31 December 2015: Baht 317.89 million). The bank guarantees are in a relation to certain performance obligations required in the normal course of business of the Company and its subsidiaries amounted Baht 695.66 million and bailing for a conciliation relating to declare category of imported goods amounted Baht 0.63 million.

32.2 Operating lease commitments and service agreements

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of spaces and other services agreements. The terms of the agreements are generally between 1 and 30 years.

Future minimum lease payments required under these non-cancellable operating leases contracts and service contracts are as follows :

(Unit: Million Baht)

As at 31 December**Payable within :**

	2016	2015
Less than 1 year	43.19	37.26
1 to 5 years	54.98	38.44
More than 5 years	144.77	152.01

32.3 Commitments and contingency liabilities**Capital commitments**

The company has an outstanding commitment in respect of the undue portion of investment in Genesis Data Center Co., Ltd., a joint venture, of Baht 33 million.

32.4 Lawsuits

32.4.1 In 2006, the Company and its subsidiaries received a letter notifying a penalty fee from the Customs Department for breach of contractual agreement and failure to comply with the scope of duty, terms and conditions relating to the issuance of smart card to ineligible persons. The Customs Department demanded the Company to pay 10 per cent of the contract amounting to Baht 1,734,728.94. However, the Company refused to pay the penalty fee as the Company believed that the request was without merit. For such case, the Company recorded the full amount of penalty fee in the other current liabilities account as at December 31, 2006. The Company had additionally submitted a claim to the Court to retrieve a guarantee letter from the Customs Department but the Customs Department defended and counterclaimed for Baht 1,734,728.94 plus the interest for Baht 282,665.76.

On 16 February 2017, the Company (plan tiff) has been sentenced by the Central Administrative Court to make payment for the penalty fee to Customs Department totalling of Baht 1,734,728.94 plus interest 7.5% per annum from 2 April 2009 till fully paid. Moreover, the Company has been required to execute such matter within 60 days from the final case date. Currently, the Company is in the process of appeal.

32.4.2 As at 31 December 2016, the Company has litigation as follows;

A subcontractor (the "Plaintiff") of the Company filed a claim against the Company on the basis that the Company has defaulted on an installation fiber optic agreement. The Plaintiff claimed for the total amount of Baht 1,161,279 which included principal amount of Baht 975,097 plus interest of Baht 186,182. However, the Company also filed a statement of defence and counter-claim for a total amount Baht 692,657. The Court of First Instance ordered the Plaintiff to pay the Company Baht 265,744 plus interest of 7.5% per annum from 24 May 2016. Currently, the Plaintiff submitted a request to extend the appeal period. The Court then gave an approval of extension until 16 March 2017.

33. Financial derivatives

Foreign exchange forward contracts

As at 31 December 2016 and 2015, the Group has foreign exchange forward contracts which have been entered into manage exposure to fluctuations in foreign currency exchange rates on accounts payable denominated in foreign currencies as follows:

a) Financial instruments

As at 31 December 2016, the Company and the subsidiary had outstanding balances of financial assets and financial liabilities denominated in foreign currencies as follows:

(Unit : Baht/1 foreign currency)

Currency	Consolidated		Consolidated		Exchange rate	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	As at 31 December 2016	
					Buying	Selling
United State dollar	-	321,306,804	-	111,935,595	-	36.00

(Unit : Baht/1 foreign currency)

Currency	Consolidated		Consolidated		Exchange rate	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	As at 31 December 2015	
					Buying	Selling
United State dollar	-	215,247,411	-	111,463,676	-	36.25

b) Financial assets and financial liabilities

As at 31 December 2016, foreign exchange forward contracts have been entered into to manage exposure to fluctuations in foreign currency exchange rates on accounts payable denominated in foreign currencies. The Company had forward foreign exchange contracts amounting to Baht 318.46 million. The settlement dates on open forward contracts ranged between 6 and 365 days. Amounts in Thai Baht to be settled and contractual exchange rates of the outstanding contracts were :

	Consolidated		Separate	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
US Dollar				
• Average exchange rate (Baht/USD)	34.63 - 36.56	34.65 - 36.49	35.05 - 36.03	35.58 - 36.49
• Amount in foreign currency (USD)	8,962,865	4,717,376	3,054,486	1,931,200
• Amount in local currency (Baht'000)	318,456	169,137	109,130	69,849
Yen				
• Average exchange rate(Baht/JPY)	-	0.3072 - 0.3074	-	0.3072 - 0.3074
• Amount in foreign currency (JPY)	-	82,013,400	-	82,013,400
• Amount in local currency (Baht'000)	-	25,197	-	25,197

c) Fair values

Fair value disclosed in Note 31.

34. Events occurring after the reporting date

Establishment subsidiary of Interlink Telecom Public Company Limited

At the Board of Directors' Meeting no. 2/2017 of Interlink Telecom Public Company Limited, a subsidiary, held on 22 February 2017, the Board granted approval for the establishment of a new subsidiary named Interlink Telecom (Myanmar) Company Limited in Myanmar. The purpose of this new subsidiary is to invest in telecommunication business which will be 100% held by Interlink Telecom Public Company Limited.

The change in par value of ordinary shares

At the Board of Directors' Meeting of the Company of Interlink Telecom Public Company Limited, a subsidiary, held on 27 February 2017, the Board approved a change of the par value of ordinary shares of the Company from that of Baht 1 to that of Baht 0.50 by splitting one ordinary share at a par value of Baht 1 into 2 ordinary shares at par value of Baht 0.50 and approved a change the Company's memorandum of association to accord with such change in the par value of the Company's shares. Such change must subsequently be approved an Extraordinary Shareholder's Meeting.





The Group of INTERLINK

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