



Excellent Experience

ANNUAL REPORT

2018

- ▶ Our Shareholders, We care
- ▶ Our Customers, We care
- ▶ Our Employees, We care
- ▶ Our Partners, We care
- ▶ Our Society, We care

They are worth for “Excellent Experience”



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Message from Board of Directors

Dear Shareholders,

2018 was an exceptionally challenging year for the Company to manage the challenges in each key market. In the midst of high competition, the Company has continuously enhanced its network quality, expanded its coverage area and developed and designed its innovative and reliable services to serve the increasing demand from the global trend in technology and telecommunication as sunrise businesses in order to remain competitive in the markets.

The Company recorded total revenue in 2018 in the amount of Baht 1,339.2 million, decreasing 5.2 % from the previous year. The net profit in 2018 rebounded to be Baht 64.8, increasing from negative Baht 88.7 million in previous year. The Company has gained a good momentum from offering the innovative and reliable services to the enterprise segment and realized the revenue partly shifted from the wholesale to the enterprise portfolio.

During the year, the Company has officially launched Direct Internet (DI) service especially tailored-built for business solution to the enterprises. This has enabled the Company to expand its domestic business and grow more market share.

In addition, it is very pleased to inform you that “SYMC”, of all listed companies, was ranked for Corporate Governance in 2018 as “Very Good” evaluated by Thai Institute of Directors (IOD). This consecutive award has expressed our management continuously in good corporate governance which we need to maintain our records in a good position for next year onwards.

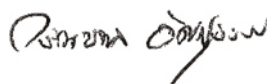
In synergy with TIME as a major shareholder, the Company has leveraged the TIME’s expertise to manage the regional footprint network in international presence and enter into the innovative and reliable service development to capture new opportunities.

We believe that our efforts in network enhancement, new services and innovations, focusing on market dynamics, customer satisfaction, cost-efficiency, and revenue optimization will continue to drive the Company to sustain its revenue growth and profitability in the future.

On behalf of the Board of Directors and the Management team, we have governed the Company in the direction of creating long-term value to all stakeholders and would like to express our gratitude to their support and confidence in the Company.



Mr. Woodtipong Moleechad
Chairman of the Board



Mr. Kranphol Asawasuwana
Chairman of the Executive Committee



Mr. Teerarat Pantarasutra
President

Vision & Mission

▶ VISION

“

With Innovation,
Competency,
Integrity and Happiness
of our People,
Symphony's heart
is always strong
and lively

”

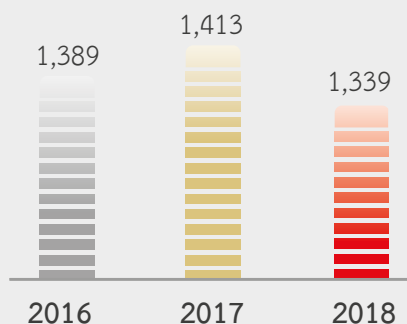


▶ MISSION

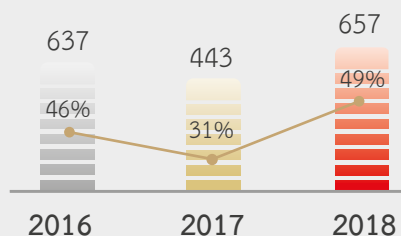
“To provide the Neutral and High-Reliable Telecommunication and Information Technology Infrastructure Service to local and international market with fairness, efficiency, integrity and ethic of our happy people. We will grow with our customers and create sustainable returns to stakeholders.”

Financial Highlights

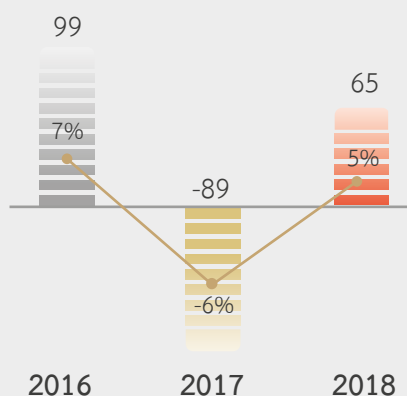
▶ Total Revenue (Baht Million)



▶ EBITDA (Baht Million)



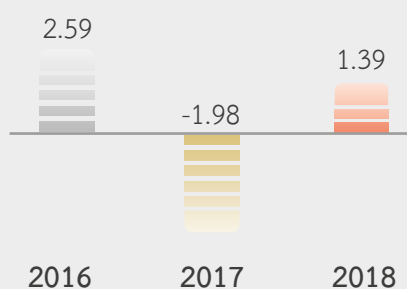
▶ Net Profit (Baht Million)



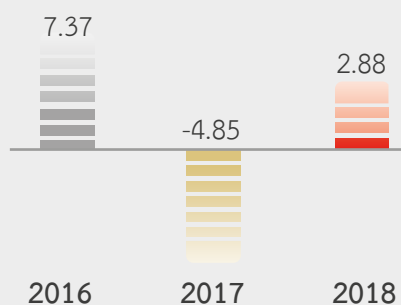
▶ Net Debt to Equity (times)



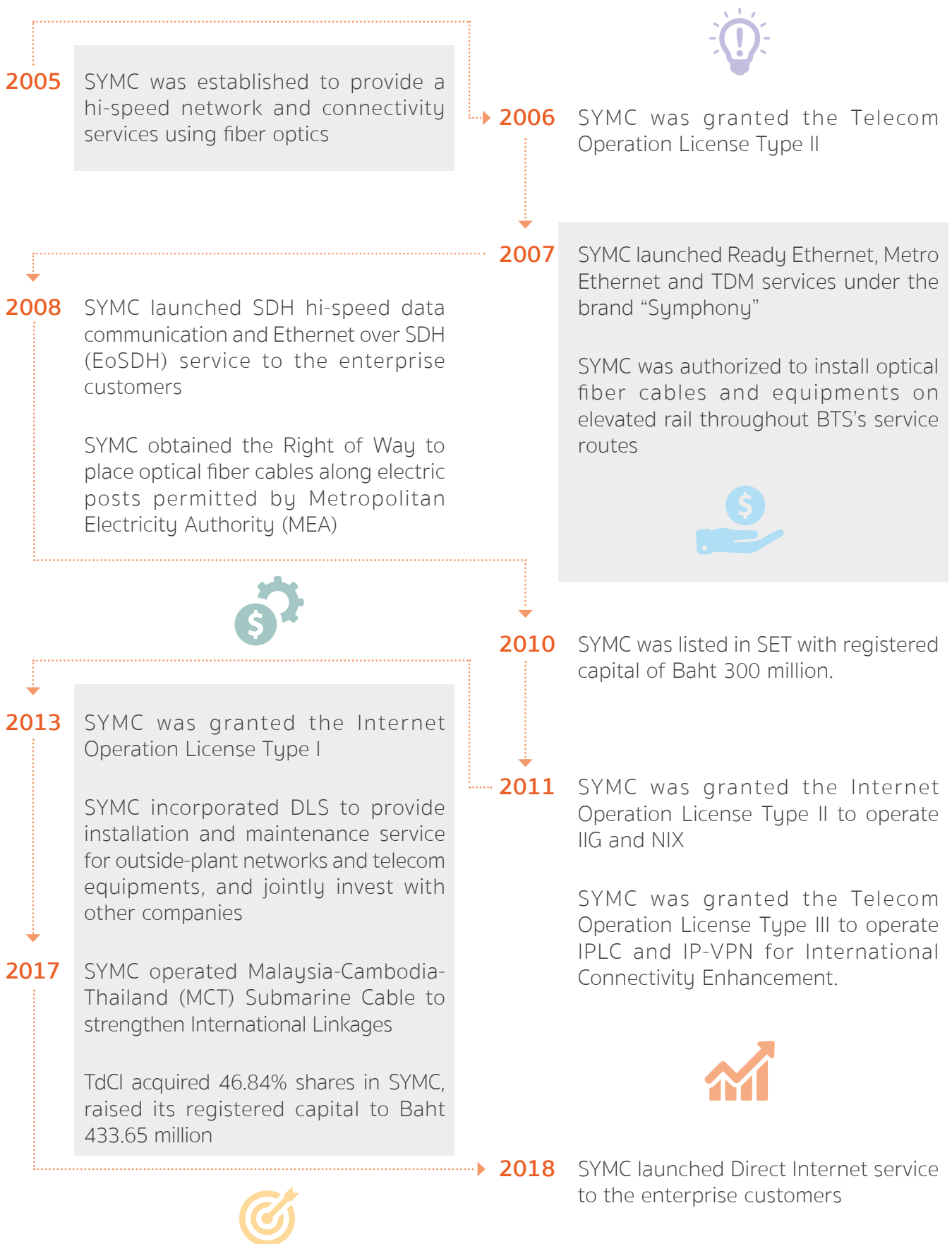
▶ Return on Asset (%)



▶ Return on Equity (%)



Major Development



Major Events in 2018

Corporate Activities

ASCO'S BUSINESS SOLUTION SYMPOSIUM 2018

During March 24th -25th, SYMC, along with Association of Thai Securities Companies, hosted ASCO's Business Solution Symposium 2018, held for the 5th consecutive year. There were key executives from various securities companies attended this event. Also, the speakers from leading companies such as network solution from SYMC, cloud solution from CISCO and security solution from Juniper and PPlus were honored to share the useful and updated technology information to all attendees. Moreover, there was a dinner event for everyone to talk and to win the lucky draw prizes. In the morning of the next day, golfers had a great time to play golf together. This event was held at Springfield Village Golf & Spa Cha - Am.



SYMC WELCOMED MAHIDOL UNIVERSITY FOR COMPANY VISIT

On March 30th, our sales and engineering team welcomed Professor Kittikhun Thongkanchorn, Computer Technical specialist and the university students of the Faculty of Information and Communication Technology (International Program) visiting our office. They were briefed about our new technology for telecommunication business and viewed the equipments which is related to network service in order to experience in the real working environment.



SYMC WELCOMED BANGKOK BANK PLC. FOR COMPANY VISIT

On June 21st, SYMC warmly welcomed Mr. Nakhon Sayanwisuttikam, Network Engineer Manager and his team from Bangkok Bank PLC. for visiting our office as well as meeting with our sales and engineering team led by Mr. Anupong Homkhajorn, Senior Vice President-Submarine Network & Network Operation Center (NOC) in order to discuss about our services. Furthermore, they also visited NOC team that operates continuously in 24 hours and 7 days and other relevant operation services to ensure that our professional team has provided services with quality to satisfy the customers' satisfaction.



MOU SIGNING CEREMONY OF "DIGITAL ASIA HUB" BETWEEN ETDA AND DIGITAL ASIA HUB

On July 25th, Mr. Kranphol Asawasuwana, Chairman of the Executive Committee of SYMC on behalf of Vice President of Thai Internet Service Provider Association (TISPA) functioned as the representative for signing the MOU of "Digital Asia Hub" between the Electronic Transactions Development Agency (ETDA) and the Digital Asia Hub in order to establish "The Digital Asia Hub Thailand" in network collaboration and work closely in the field of Digital Economy and Social Development to enhance the potential, distribute knowledge and research on technological change in Thailand and Southeast Asia. In addition, it also offers a way to collaborate on the protection of the personal information of Internet users in the Future Economy and Internet Governance : Big Change to Big Chance at the Royal Paragon Hall, Siam Paragon.



THAILAND E-SPORTS CHALLENGE 2018

On August 17th, Office of the National Broadcasting and Telecommunications Commission (NBTC) organized the THAILAND E-SPORTS CHALLENGE 2018. The objective is to promote E-SPORTS in Thailand for Thai people to understand this sport category. In addition to being included in the Olympic Games, it also helps to drive to Digital Transformation era. In this occasion, SYMC recognizes the importance of this matter and be one of the sponsors to make this event happened. Mr. Kranphol Asawasuwat, Chairman of the Executive Committee, on behalf of SYMC attended this event. Moreover, Colonel Settapong Malisuwan, Ph.D., Vice Chairman of the NBTC presided over the opening ceremony and presented the awards to the winners at Thailand E-sports Arena, The Street Ratchada.



SMART SOLUTIONS FOR THE DIGITAL ERA

On August 24th, SYMC held the Smart Solutions for The Digital Era, with the purposes of providing the clients with the latest information and trends of various solutions for working in the digital era such as Security Solution, Cloud Solution, Network Solution, and also Internet Service Solution which is the latest services that SYMC launched. Mr. Alex Loh, Chief Operating Officer, presided over the opening ceremony to welcome all honored guests and valued partners attending the event. The guest speakers from Fortinet, Huawei, HPE – Aruba and SYMC were invited to provide information regarding Smart Solutions which are useful for working more efficiently. Moreover, all of the honored guests also have the opportunity to meet, discuss and exchange useful ideas at Bangkok Marriott Marquis Queen's Park.



60TH ANNIVERSARY OF NTT IN THAILAND

On August 31st, Mr. Kranphol Asawasuwat, Chairman of the Executive Committee, Mr. Teerarat Pantarasutra, President, Mr. Alex Loh, Chief Operating Officer and Mr. Pongthep Thanakijsumton, Executive Vice President-Sales & Marketing, attended the 60th Anniversary of NTT in Thailand on the occasion of the 60th year establishment and business operation in Thailand. Both NTT Communications and SYMC have a great business partnership with a long-time relationship. The management team presented a souvenir to NTT Communications' management. The event was honored by Mr. Pansak Siriratchapong, Vice Minister of Digital Economy and Society, to preside over the ceremony at the Napalai Ballroom, Dusit Thani Hotel.



CAPITAL MARKETS IT DAY

On September 4th, SYMC participated in CAPITAL MARKETS IT DAY held by Association of Thai Securities Companies (ASCO) to update information and new technology to the Executive and Information Technology Officers from Securities Companies, Asset Management Companies, and The Securities and Exchange Commission (SEC). In the event, Symphony team provided Direct Internet Service and ICT Solutions and also discuss, meet and exchange information with participants at Dusit Thani Bangkok Hotel.



ICT SOLUTIONS DAY

On October 25th and November 7th respectively, SYMC held the “ICT SOLUTIONS DAY” seminar to update its latest services and technologies such as Direct Internet Service, ICT Solutions and MCT Submarine Cable System to clients in the industrial estates and other businesses nearby Phra Nakhon Si Ayutthaya province and Chonburi province. The event was co-sponsored by a partner who specializes in various technologies which are useful for a variety of businesses such as solutions, Software and Hardware from Sangfor Technology (Thailand) Ltd., Go Green Security Distribution Co., Ltd., Netbright Co., Ltd., One Touch Progress Co., Ltd., Genesis Technologies Co., Ltd. and Innoflex Solutions Co., Ltd., who provide useful information and can be deployed within the organization appropriately.



THAILAND INSURANCE CIO FORUM 2018

During November 30th - December 2nd, it was another year that SYMC attended the Thailand Insurance CIO Forum 2018 - Cybersecurity Preparedness and AI Innovation for Insurance 2019. The forum was organized by Thai General Insurance Association and IT Insurance Club to give the opportunity for executives in Information Technology from leading insurance companies to share the updated information technology and business solution in Insurance business. SYMC joined hand as a sponsor of this event and organized an exhibition for our latest service launches; Direct Internet Service and ICT Solutions to all participants. Our team engaged with the potential customers with good responses for inquiries about our services. The event was organized at Royal Cliff Beach Hotel Pattaya, Chonburi Province.



SYMC WELCOMED FACULTY OF ELECTRICAL ENGINEERING FROM CHULALONGKORN UNIVERSITY FOR COMPANY VISIT

On November 13th, Mr. Apirath Wisitthiwong, Senior Vice President-Enterprise Department and Engineering Team welcomed Professor Panuwat Janpugdee and the students of Faculty of Engineering - Electrical Engineering from Chulalongkorn University to attend the lecture from specialist in telecommunications network and had a chance to visit the Training Equipment Room. All of them got the opportunity to learn from active devices in interconnection. In addition, they visited the Network Operation Center (NOC) where is the center of monitoring network of the company which operates 24x7. Before they left the company, there was a fun quiz for the students to join and get the prizes in a very friendly atmosphere.



CSR ACTIVITIES

SAFETY for SCHOOL

2018

On December 1st - 3rd, Mr. Alex Loh, Chief Operating Officer, together with employees participated in CSR activity at Ban Sa Ma Kha school, Nakhon Ratchasima province to provide an assistance in many activities to improve the unsafe and unhygienic environment and educate the basic safety necessary for everyday life and the practice of firefighting to the students and school personnel.



Business Overview

Symphony Communication Public Company Limited or SYMC is a Telecommunication network and service provider in Thailand, providing high speed and reliable network for both domestic and international connectivity and value-added services to serve the fast-growing data demand in Thailand and ASEAN.

The Company was originally founded by the management team with over 20 years of experiences, consisting of management team, engineering staff and experienced telecommunication specialists who have experienced delivering the hi-speed communication network using optical fiber cables for its core network and provided the related services, e.g., last mile network management and installation. In addition, the Company has prioritized to provide best services and solutions to customers as well as cooperated with all business partners to provide the value proposition of the fullest spectrum of technology empowerment to the existing and potential customers.

Currently, the Company holds the Telecommunication Service License Type II and Type III, permitted by Office of The National Broadcasting and Telecommunications Commission (“NBTC”) to provide services for International Private Leased Circuit (IPLC) both terrestrial and submarine coverage and IP-Virtual Private Network (IP-VPN). In addition, the Company has also received the Internet Operation Type I and II to provide internet service and operate International Internet Gateway (IIG) and National Internet Exchange (NIX).

In 2018, the Company has expanded its domestic business to enter into the enterprise market with the launch of “Direct Internet” service and value-added products and services to serve the customer’s requirement.

Under the brand “Symphony” we have committed to continually improve network performance, strategically grow our coverage to increase customer base, support future growth and provide best service for our customers to have **“Excellent Experience”**.

Business Strategy

The Company focuses on building a sustainable platform and creating long-term competitiveness by providing best services and solutions to our valued customers. Therefore, the Company formulates business strategy and policy as follows:

1. Embed Reliable Network and Services as Trusted Brand

The Company has positioned “Symphony” brand to the customers’ perception upon the reliable network connectivity and service quality beyond premium level and being the leader of innovative technology adoptions that differentiate our services from others e.g. development of new services that more advance than the customers’ expectations, the continual improvement of service both in terms of technology and management such as providing the preventive measure; fostering good relationship with customers and partners by organizing seminars, trainings and activities for inter-department e.g. technology, sales, marketing or finance and accounting departments.

Moreover, we also have treated our sub-contractors as our own employees to manage the quality control in the overall process. We ensure that each step of our services shall meet our customers’ and partners’ satisfaction. We believe that the difference of our services has made our customers

and partners trust us and introduced our services to their organization, partners or even their end-users. As a result, our customers have been increased steadily until the present.

2. Ensure Quality of Connectivity and Service as Satisfied

The Company has guaranteed the quality of networks with Service Level Agreement (SLA) at 99.9% to ensure the Company’s high commitment towards superior quality. We have placed high importance on the quality of service by having the experienced engineering staff to provide the best service to the customers. Our Network Operation Center has operated continuously for 24 hours and 7 days with our efficiently computerized network monitoring system. If any irregular issues on the network arise, we can promptly detect and immediately notify the issues to our customers to solve the problems for them.

To maintain the Company’s service standard and after-sale service, the Company has strictly improved the standard of its hi-speed communication network service to ensure stability and smooth communication for customers. We have offered service customization to meet different customers’ requirements and welcome customers’ opinion in customized circuit design process. Furthermore, the Company has provided the preventive measure, for instance, our expert team and technicians have a regular schedule to check, monitor, maintain the cabling, the equipment and the

back-up system to ensure readiness for use at all the time. Aside from that, we have provided after-sale services including one-stop call center that our experts and technicians are available 24-7 to assist or give consultations when needed.

3. Expand Market Presence with Strong Coverage

As for network coverage expansion, the Company has expanded and developed network service by considering priority in strategic areas. As the demand for data connectivity has been growing along with the development of telecommunication technology and cross-borders trade and investment within ASEAN, Thailand's geographic location has high potential to be a hub of telecommunication. Therefore, the Company has expanded network coverage to catch up with increasing demand in the high potential areas that justify customers' needs and investment returns, especially the routes that connect neighboring countries which also cover major cities nationwide, e.g., Bangkok and vicinity, 50 major provinces, 113 leading office buildings, 46 Industrial estates, 18 service centers nationwide and 6 international gateways to connect international networks that better support rapid telecommunication traffic growth.

4. Elevate Value-added Services and Solution as Required

The Company has continuously provided consultation and profound analysis, including organizing the technical seminar for customers' technicians. We have focused on fostering valued relationship and serving the highest customers' satisfaction. The Company has constantly reviewed the customers' concern and suggestion by conducting satisfaction surveys, interview and other channels to improve its service quality.

5. Endeavor Relentlessly to Serve Digital World

The Company has relentlessly monitored and studied the advanced innovation and the development of telecommunication technologies as well as market trend in the direction of growing in data connectivity demand and technology support for digital transformation including Big Data Analytics, upcoming 5G network deployment, Artificial Intelligence (AI) and Internet of Things (IoT). In order to capture this trend in the long run, the Company has developed its innovative products and services from understanding the in-depth requirement of our existing and searching for the new market development to serve potential customers such as international connectivity, internet service and etc.

"Symphony" Products and Services

1. Domestic Network Connectivity

- a) Access Network to connect the end-users to their service providers. The customers in this segment are all service providers who offer ICT services to the

enterprise end-users. They have intended to lease hi-speed communication network from the Company to manage their investment cost. Symphony as a network provider can serve the good quality of services to all the providers in Thailand with open access policy. At present, the Company has the core network and the redundant connectivity, connecting to all the data center service providers in Bangkok. In addition, the Company has partnered with the other providers to continuously provide the best support to their end-users.

- b) Private Network to connect the private network, e.g. head office and its branches. The customers in this segment, for example, are in telecommunication who has leased hi-speed communication network from the Company to be their backbone networks or to provide telecommunication service to their end-users. Also, there are end-user customers who has operated their corporations that need massive and rapid data transmission for their business operation, e.g. the communication network between headquarters and its branches of large organizations such as banks, or modern-trade retailers, etc.

2. International Network Connectivity to connect international communication networks or connect between local offices and oversea offices of local or multinational corporations. Such customers are also other Telecommunication e.g. the international carriers, local telecom operators who lease hi-speed communication network from the Company to be their backbone network or to connect between local and international networks in various countries for their customers. Our international connectivity is running on both of terrestrial gateways to all borders of Thailand and submarine cable, "MCT" is our own submarine cable system, co-invested with the consortium parties in Malaysia and Cambodia.

3. Internet Service to connect the end customers to the Company's internet gateway, "Symphony" internet service is the direct internet which is especially built for each business purpose. Because the Company owns its network connectivity to international gateways both or terrestrial and submarine, the customers can be ensured that their business's internet seamless is connected. Moreover, our internet service has been end-to-end monitored from our professional network operation center for 24 hours and 7 days as one stop service. With many years of experience in providing the network services for enterprise customers in Thailand, the Company has recognized all the customers' requirement in order to design the best services to serve the enterprise customers in all aspects of the reliability, the quality, the speed or the bandwidth and the data security.

4. Managed Service to provide the managed service on the ICT solution with bundled service to the customers on top of the network service. Presently, the customers have options not to manage their internal ICT solution in their daily operation for cost management by outsourcing to the providers. The Company has provided the managed service as end-to-end service with its professional network operation center to safeguard the customers' operation for 24 hours 7 days as same as its own network management.

“
We are fully committed to continuously improving the network efficiency and increasing the coverage area, covering our customer base and future expansion
”



Current Coverage Area

Focus on high-potential business density areas

- Bangkok and vicinity
- 50 Major provinces nationwide
- 113 Leading office buildings
- 46 Industrial estates
- 18 Service centers nationwide

International Gateways

- Songkla (Hat Yai)
 - Sakaeo
 - Nongkhai
 - Tak (Maesot)
 - Chiangrai (Maesai)
 - Malaysia- Cambodia-Thailand Submarine Cable System (MCT)
- connect Malaysia
connect Cambodia
connect Lao
connect Myanmar
connect Myanmar
connect Malaysia and Cambodia and interconnect with other global Submarine Cables

“We can provide international high-speed interconnection through the submarine cable system of the Company which is connected among 3 countries, Malaysia-Cambodia-Thailand (MCT Submarine Cable System) that helps the inter-communication among Thailand Malaysia and Cambodia connect to other submarine cable systems to cover services around the world as well”



Industry Outlook

Overview of the market situation for Thailand's telecommunications business is growing rapidly due to the increasing demand for communication and data transmission. A lot of service providers have to make themselves ready to compete in all aspects in order to be able to support the latest services to keep pace with the fast-moving technology. There are also many new service providers who have entered the market because of the increasing demand in high speed communication service.

From these factors, causing competition in many dimensions between service providers, especially in terms of price competition. When comparing current market situation with the previous time, while there were still only a few service providers, it is obviously noticed that the selling price is the main factor driving high competition between both existing and new service providers in the market because they want their own market share. At the same time, they have to maintain standard of service and increase efficiency and additional services to keep the customers' base including offering different solutions in accordance with customers' business by introducing other value-added services with the core network service to facilitate customers such as Data Center Service, Cloud Service, ICT Solutions and the rental or supply of equipment which are relating to customers' business. Therefore, telecommunication service providers must adjust themselves to the change of technology, not just only provide the network service but also must become a one-stop telecommunication service provider as well.

This makes the telecommunication business nowadays have a wide range of services as Total Solutions which is different from the past whereby service providers focused on telecommunication network rental as the main service for connection, either between the head office and branch offices or connecting to foreign countries only but nowadays customers can choose other additional services that can be added in because there are more options due to the number of service providers in the market. This is beneficial to customers in choosing services that meet the needs from a wide range of service providers who respond to business operations and budget according to the company's objectives.

In addition to telecommunication industry, it is one of an important factors that supports growth and expansion in the business sector and also contribute to the development of Thailand to keep pace with the world because it is a major infrastructure in opening the country into the Digital Era and also promote the government's policy of Digital Economy to be concrete due to the effective telecommunication network system will help to communicate various policies from the government to its people thoroughly. It helps driving the country into Thailand 4.0 to achieve the goal. Moreover, Thailand is located in the center of the ASEAN region, so it is an advantage in geographic location as it is able to effectively become the hub of telecommunications in ASEAN because it can be a way to connect communication to many countries in ASEAN and other continents around the world.



Mail Hosting



Web Hosting



Wifi



Router



Securities



Application



Firewall

Symphony Communication Public Company Limited sees the importance and trend of the market expansion of telecommunication services to meet the needs of customers, in the past from our core service by being a service provider of communication circuits for corporate customers, both domestic and international, we set the service proportion primarily for Wholesale customers and secondary for Enterprise customers. Today we have adjusted our strategy to match the market situation and the needs of our customers as well as a strategic partnership with TIME dotCom, a leading telecommunication service provider from Malaysia in 2017. It makes Symphony Communication adjust new strategy by concentrating the new service proportion for Enterprise customers as our main target customer while we need to implement proactive marketing strategy by launching Direct Internet Service for Enterprise customers with existing demand. In the past they had to get services through other Internet Service Providers (ISPs), but presently, with the new business strategy, the company is ready to become one of the Internet Service Providers by extending from the existing network communication service the company has and can also offer ICT Solutions to customers in a one-stop service solution such as Mail Hosting, Web Hosting, Wifi, Router, Firewall, Securities, and Application which are

added to extend our core network service of the company as well as enhancing the potential for customer service and supporting the needs of the modern world where every business needs to rely on technology by applying it to the management of the organization for maximum benefits in order to increase the efficiency of business development to progress quickly. For Wholesale customers, although the proportion of marketing has been adjusted lower, it is still considered important to the company. Even with an aggressive strategy focuses primarily on Enterprise customers but the Wholesale customers have helped to create a good business relationship between Thai Service Providers and International Carriers to create new services together to meet the needs of customers for mutual success as well.

Symphony Communication continues to maintain and keep its position as the leading service provider of telecommunications service in Thailand by focusing on the quality and standard of service continuously and enhancing the strength with more additional services to be able to serve customers according to the strategic plan to be the leader in providing one-stop-service for telecommunications in Thailand.



Management Discussion and Analysis

Business Overview

In 2018, the Thailand telecommunication market have undergone significant positive development with increasing data consumption from both mobile and fixed line segments and digital technology transformation of Thailand 4.0 era. Whilst the telecom market was highly competitive in various ways, all service providers remained focus to deliver different offerings, quality network and services experience to their customers, notwithstanding the price competition amongst all. Indeed, 2018 was a challenging year for SYMC to adapt and maintain its position in this highly competitive market.

Part of SYMC's long-term ambition to strengthen its core business, the Company has placed more importance to focus growing its new presence in Enterprise market. SYMC expects to accelerate and execute expansion strategy to:

- ▶ enhance offerings through a comprehensive new innovative services and solutions aimed at fulfilling customer's demand going forward; and
- ▶ consistently provide superior telecommunication networks, value-driven services and improving service experience.

SYMC continue to deliver core earnings improvement in 4Q2018, with EBITDA and Net Profit closed at Baht 161.1 million and Baht 15.6 million respectively. The improvement was driven by the Company's continuously strategy on cost control and optimisation initiatives, albeit at lower revenue contribution year-on-year (YoY).

For FY2018, the EBITDA improved by 48.5% to Baht 657.1 million from Baht 442.6 million in FY2017 and Net Profit in 2018 closed at Baht 64.8 million, mainly due to significant lower operating cost despite with lower revenue. Excluding the one-off adjustment items in 2017, the core earnings still reflect the improved overall financial performance.

2018 Performance Overview

Revenue

In 4Q2018, Service Income was Baht 329.3 million, higher by 0.7% QoQ resulted from increase in sales from Domestic Services. However, Services Income declined by 4.2% YoY due to lower revenue contribution from International Service segment

In 2018, Service Income was Baht 1,321.8 million, lower by 6.1% compared with the same period in previous year, mainly due to lower contribution from international service segment, set-off with higher revenue from domestic service segment.

Other Income was Baht 17.5 million, increased significantly from comparative periods in previous year, mainly due to a significant increase in interest income and a gain on both network and company assets sold.

Income statement (Unit : Million Baht)	Amount			Change				Amount		Change	
	Q4/17	Q3/18	Q4/18	Amount	(%) QoQ	Amount	(%) YoY	2017	2018	Amount	(%) YoY
Revenue											
Service Income	343.9	327.1	329.3	2.2	0.7%	(14.6)	-4.2%	1,408.3	1,321.8	-86.5	-6.1%
Other income	1.6	0.4	5.4	5.0	1350.0%	3.8	235.2%	4.7	17.5	12.7	268.5%
Total Revenue	345.5	327.5	334.8	7.3	2.2%	(10.8)	-3.1%	1,413.0	1,339.2	-73.8	-5.2%
Costs of Services and Sales (excl.D&A)	(113.0)	(106.5)	(109.4)	(3.0)	2.8%	3.6	-3.2%	(483.6)	(436.5)	47.1	-9.7%
Depreciation & Amortization (D&A)	(109.3)	(108.4)	(106.4)	2.0	-1.9%	2.9	-2.7%	(413.1)	(427.4)	-14.3	3.5%
Total Cost of Services and Sales	(222.4)	(214.9)	(215.8)	(0.9)	0.4%	6.5	-2.9%	(896.6)	(863.9)	32.8	-3.7%
Service & Administrative Expenses (excl.D&A)	(260.6)	(58.2)	(64.2)	(6.0)	10.2%	196.4	-75.4%	(486.8)	(245.6)	241.2	-49.5%
Depreciation & Amortization (D&A)	(14.9)	(12.8)	(12.6)	0.2	-1.5%	2.3	-15.3%	(57.7)	(52.1)	5.6	-9.7%
Total Service & Administrative Expenses	(275.5)	(71.0)	(76.8)	(5.8)	8.1%	198.7	-72.1%	(544.5)	(297.7)	246.8	-45.3%
Operating Profit / (Loss)	(152.3)	41.6	42.1	0.6	1.4%	194.4	-127.7%	(28.1)	177.7	205.8	731.7%
Financial Cost	(27.4)	(23.9)	(22.6)	1.2	-5.2%	4.8	-17.4%	(94.2)	(96.7)	-2.5	2.7%
Income Tax Expenses	39.8	(2.1)	(3.9)	(1.8)	82.5%	(43.7)	-109.8%	33.6	(16.2)	-49.8	-148.1%
Net Profit / (Loss) for the year	(139.9)	15.6	15.6	0.0	0.2%	155.5	111.2%	(88.7)	64.8	153.5	173.1%
Net Profit / (Loss) Margin	-40.5%	4.8%	4.7%					-6.3%	4.8%		
EBITDA (Unit : Million Baht)											
Operating Profit / (Loss)	(152.3)	41.6	42.1	0.6	1.4%	194.4	127.7%	(28.1)	177.7	205.8	731.7%
Depreciation & Amortization (D&A)	124.2	121.2	119.0	(2.2)	-1.8%	(5.2)	-4.2%	470.8	479.5	8.7	1.8%
EBITDA	(28.1)	162.8	161.1	(1.7)	-1.0%	189.2	672.8%	442.6	657.1	214.5	48.5%
EBITDA Margin	-8.1%	49.7%	48.1%					31.3%	49.1%		
one - off items	189.0	-	-	0.0	0.0%	(189.0)	0.0%	190.8	-	-190.8	0.0%
Adjusted EBITDA	160.9	162.8	161.1	(1.7)	-1.0%	0.2	0.1%	633.4	657.1	23.7	3.7%
Adjusted EBITDA Margin								44.8%	49.1%		

Costs of Services and Sales (COSS)

In 4Q2018, Costs of Services and Sales closed at Baht 215.8 million, lower by 2.9% from same quarter in 2017 due to cost reduction and lower depreciation on network assets. On QoQ comparison, the cost increased due to higher connectivity fee in line with new revenue.

For 2018, Costs of Services and Sales were Baht 863.9 million, decreased by 3.7% compared with the same period in previous year, contributed by lower network connectivity fee and cost reduction/control initiatives, set-off with higher depreciation on network assets for new expansion.

Service & Administrative (S&A) Expenses

Excluding the one-off adjustments in 2017, S&A expenses were lower in following periods:

- a) In 4Q2018, S&A expenses were Baht 76.8 million, lower by 11.2% compared to same quarter in 2017. However, S&A expenses increased QoQ by 8.1% due

to additional cost on marketing and company events.

- b) For FY2018, S&A expenses declined to Baht 297.7 million by Baht 56.0 million or 15.8% from 2017.

The lower expenses were attributable to significant cost reductions and cost optimisation initiatives, executed since the beginning of 2018.

EBITDA and Net Profit

In 2018, EBITDA was Baht 657.1 million or increased by 48.5% compared with the same period in previous year. Excluding one-off items in 2017, EBITDA in 2018 increased by 3.7%, contributed by lower operational cost on the back of lower revenue.

Excluding one-off items in year 2017, net profit in 2018 decreased by Baht 0.6 million, due to higher EBITDA but set-off with higher financing cost and tax expense on comparative periods.

Statement of Financial Position and Cashflows

Unit : Million Baht	31-Dec-17		31-Dec-18		Change	
	Amount	(%)	Amount	(%)	Amount	(%) YoY
Assets						
Cash and cash equivalents	969.3	19.7%	819.9	18.3%	-149.4	-15.4%
Trade and other account receivables	197.5	4.0%	215.8	4.8%	18.4	9.3%
Other current assets	110.2	2.2%	112.0	2.5%	1.8	1.6%
Total current assets	1,277.0	25.9%	1,147.8	25.7%	-129.3	-10.1%
Network equipment and PPE	3,529.5	71.6%	3,210.9	71.8%	-318.5	-9.0%
Other non-current assets	123.0	2.5%	110.8	2.5%	-12.2	-9.9%
Total non-current assets	3,652.4	74.1%	3,321.7	74.3%	-330.7	-9.1%
Total assets	4,929.4	100.0%	4,469.5	100.0%	-459.9	-9.3%
Liabilities and shareholders' equity						
Trade payables	321.7	6.5%	215.4	4.8%	-106.3	-33.0%
Current portion of long-term / short-term loans	384.7	7.8%	966.7	21.6%	582.0	151.3%
Other current liabilities	46.8	0.9%	35.5	0.8%	-11.2	-24.0%
Total Current Liabilities	753.2	15.3%	1,217.7	27.2%	464.5	61.7%
Long-term loans	1,205.8	24.5%	896.9	20.1%	-309.0	-25.6%
Debenture	658.2	13.4%	0.0	0.0%	-658.2	-100.0%
Other non-current liabilities	60.2	1.2%	35.5	0.8%	-24.7	-41.0%
Total non-current liabilities	1,924.3	39.0%	932.4	20.9%	-991.9	-51.5%
Total liabilities	2,677.5	54.3%	2,150.1	48.1%	-527.4	-19.7%
Shareholders' Equities	2,252.0	45.7%	2,319.4	51.9%	67.4	3.0%
Total liabilities and shareholders' equity	4,929.4	100.0%	4,469.5	100.0%	-459.9	-9.3%

Unit : Million Baht	31-Dec-17	31-Dec-18
Cash flows from operating activities	488.7	477.9
Cash flows used in investing activities	(522.3)	(240.1)
Free cash flows	(33.6)	237.8
Cash flows from financial activities	921.5	(387.2)
Net change in cash	887.9	(149.4)
Beginning Cash and Cash Equivalents	81.4	969.3
Ending Cash and Cash Equivalents	969.3	819.9

As of 31 December 2018, total assets were Baht 4,469.5 million, decreased by 9.3% from 31 December 2017, mainly from lower cash and cash equivalents and lower non-current assets.

Cash and cash equivalents were Baht 819.9 million, decreased by 15.4%, due to higher loan repayment during the year.

Network equipment and PPE were Baht 3,210.9 million, decreased by 9.0% from 31 December 2017 mainly due

to the recognition of depreciation and lower net addition during the year.

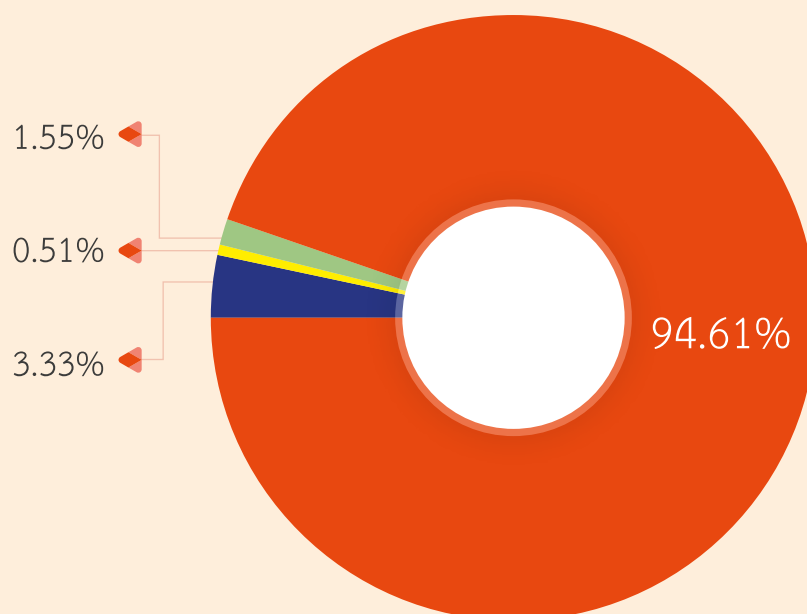
Total liabilities were Baht 2,150.1 million, decreased by 19.7% from 31 December 2017 mainly due to lower trade payables and higher loan repayment during the year.

Total shareholders' equity was Baht 2,319.4 million, increased by 3.0% from 31 December 2017 due to the positive net operating result of the period.

As of 31 December 2018, Debt to Equity (D/E) ratio was 0.93x.

Revenue Structure

The revenue of the Company can be classified by service type in to 3 main categories as follows:



- Connectivity Services
- Managed Services and Solution
- Colocation Services
- Other Services

Unit: Million Baht	2016		2017		2018	
	Amount	total (%)	Amount	total (%)	Amount	total (%)
Connectivity Services	1,347	97.45	1,364	97.16	1,232	94.61
Managed Services and Solution	0	0.01	4	0.30	20	1.55
Colocation Services	9	0.63	9	0.64	7	0.51
Other Services	26	1.91	27	1.90	43	3.33
Total Service Income	1,382	100.00	1,404	100.00	1,302	100.00

Remark: In 2018, the Company has provided new products and services; therefore, the service income is divided in new categories

Risk Factors

1. Risks from Competition in Hi-Speed data Communications Network Market

The Office of National Broadcasting and Telecommunication Commission (“NBTC”) has the authority to issue telecommunications business licenses to new operators based on the principle of free and fair competition. The Company cannot foresee the number of new operators that will be granted telecommunication business licenses. More operators will result in stronger competition. However, the telecommunications business requires expertise and experience of management and employees as well as intensive capital. Hence, large business operators have competitive advantages over small, medium and new operators. At present, price competition is stronger in some markets segment that customers are more price conscious due to difficult economic situations.

Therefore, the Company strategically prepared for such competition by emphasizing on its businesses strength and focus on the markets that the Company has competitiveness, especially in current service coverage areas or corporate markets that has high service loyalty for years. In addition, the Company also extend service scopes by providing related services e.g. Direct Internet, Broadband Internet service to support small and medium broadband operators, international network service to inter carriers.

In the midst of market dynamics and changing business models driven by the other operators, the Company has shifted its business operation from neutral practice or not competing with its partners as Internet Service Provider (ISP) to providing direct internet service to the customers. Because of own network infrastructure, the Company can manage the full scope of network and provide the facilities’ readiness for services

2. Risks from Legal Regulations and Government Policy regarding Telecommunication Business

(a) Review of Contracts or Agreements between the Company and Foreign Governments, International Organizations or Persons Residing Overseas.

Under the stipulation of section 54 of the Telecommunication Business Act and Notification of the NBTC Re: Approval of Contracts relating to Telecommunications Business to be Made with Foreign Governments, International Organizations or Persons Residing Overseas B.E. 2549, the Company is

obligated to submit any drafted contracts or drafted agreements concerning the operation and servicing of telecommunication with foreign governments, international organizations or persons residing overseas, including amendment or annulment of contracts or agreements for the approval of NBTC. There is an exemption if such contracts or agreements relate with normal procedures that comply with guidelines and conditions that NBTC stipulates. However, the NBTC may request the Company to amend any such contracts or agreements in accordance with the conditions that NBTC stipulates. At present, the Company has a contract to provide circuit lease services to customers who are foreign companies and the Company still has plans to expand such business to providing services to international carriers located overseas. Hence, the stipulation of section 54 of the Telecommunication Business Act may place constraints in entering such contracts and therefore affect the business expansion plan and revenue that the Company may receive from the expansion of such customer base to foreign carriers locate overseas in the future.

(b) The Government’s implementation of Digital Economy Policy

In 2015, Government launched the Digital Economy policy. The Ministry of Information and Communication Technology (MICT) has drafted the digital economy plan (Year 2016 - 2020) and preparing to revise the laws relating to the mobilization of digital economy to be proposed to National Legislative Assembly for approval such as draft amendment of Organization for Allocating Broadcasting Frequency and Supervising Radio/Television Broadcasting and Telecommunication Businesses, Cyber Security Act, and Commission of an Offence relating to Computer Crime Act, Digital Economy Development Act and etc. The Company has considered that the Digital Economy (Year 2016 - 2020) will create the positive impact to the Company because it will support and stimulate demand on the digital infrastructure usage. At present, the Computer Crimes Act (No.2) B.E.2560 has been announced. The Company has studied the amendment laws but does not assume possible adverse impact to the Company business at the moment. In addition, the Ministry of Digital Economy and Society issued the impending ministerial regulations, criteria and practices regarding investigations or confiscation of computer systems, computer data, or equipment for storing computer data by government officers or operators dated July 22, 2017. After reviewing the mentioned regulation carefully, it is ensured that the Company has complied with the regulation.

However, other revised laws have not been officially finalized and enforced.

3. Risks from Networks, Equipment, Working Systems, Computer Systems and Other Assets used in the Company's Operations

(a) Risk from Networks

Under the stipulation of section 39, paragraph 1 of the Telecommunication Business Act 2001 states that, if the licensee needs to set up the post or wiring, piping or install other equipment necessary for the operations of telecommunication business and need to apply the right according to the section 39. The licensee shall propose NBTC for approval before any execution. Once NBTC approve, the licensee will entitle to the Right of Way of the proposed route. At present, the Company continually obtains Right of Way from NBTC for the constructed networks. For those owners of properties who had been unaware the right and duty of the licensee who obtained the Right of Way from NBTC, that licensee is legitimate to provide services in areas of such owners of the Right of Way and caused an impediment to the network expansion in certain areas such as some industrial estates. Nowadays, the Company and owner of the properties has reached more mutual understanding, the problems has been relieved, and the Company can expand to more industrial estates.

At present, The Company has encountered that Metropolitan Electricity Authority (MEA) and the ASEAN Metropolis project started demolishing the power poles and laying power lines and cables underground, affecting the cabling of the Company that has been laid on electricity poles. Therefore, the Company has planned to reroute the networks to avoid service interruption and also invest for the core and redundant network protection to stabilize our network efficiency in the long term and lower maintenance cost.

In addition, Provincial Electricity Authority (PEA) and Metropolitan Electricity Authority (MEA) have announced to all operators the critical routes which do not allow for additional communication wiring for lowering accidental risk, unsafe condition to the public commuters. This announcement has caused the delayed installation for the Company on critical routes, however, the Company has taken this issue into account and continued to provide service as in normal operation. In this regard, the Company has co-operated well with PEA, MEA as well as with other operators to reorganize the network wiring for better safe condition and corporate image. Furthermore, the Company has networks, which was

approved by NBTC and been already installed. Some were in approval process from property owners e.g. government agents, utility providers according to their criteria. Thus the Company may be subjected to pay for installation fee, maintenance fee or any additional processing fee that may increase the cost of business and affect profitability.

(b) Risk from Equipment, Working Systems, Computer Systems and Other Assets used in the Company's Operation

As the Company's business has specific characteristics that relate with complex technology, business operations which requires superior network management system, such system must be stable at all the time to serve customers' needs. If there is any hold up in the working system especially in the provision of hi-speed communication network or core network, there could be a wide-spread impact on other systems.

For this reason, the Company preemptively created a contingency plan by setting up a Disaster Recovery Operation Center (DROC) which has been operated since Q2 2013 to ensure uninterrupted servicing. The Company also implement Business Continuity Plan (BCP) and regularly emergency exercise. For the Company's internal working system, the Company minimizes operational risks from human errors by having access control system in all operation rooms of the Company that allow access only for trained and certified employees with specified qualifications.

The Company strongly emphasizes the importance of equipment selection by selecting only fine optical fiber cables and adhering to international standards to ensure efficiency of servicing. In regard to essential equipment for the core network such as power supply, Controller, Switching and trunk modules, the Company has prepared reserved sets of equipment ready to be installed as soon as any malfunction to existing equipment occurs. As for the installation of optical fiber cable, the Company will install optical fiber cable in at least 2 non-replicated routes for core network in case any optical fiber cable malfunction occurred. Moreover, for systems related with end-users, the Company has a preventive policy to identify any flaws and promptly mend them before any errors occurred. Technical expert team will check cable nets, main equipment and other support equipment to ensure that all are in good working conditions. For the core network, the Company install DWDM as standard network equipment for supporting other service networks e.g. Metro Ethernet, MPLS, SDH, IP Core and etc. This not only save cost in the long run but also enhance network stability, reduce network faults and support bandwidth expansion in accordance with current high

bandwidth growth. In addition, the Company has implement 3-Year IT Master Plan (Year 2015-2017) in accordance with the Company's business plan. The main purposes are to gain more efficiency in each business activity, to create the data integration, and also to maintain data security within the well-organized budget.

4. Risk regarding Key Management Reliance

According to nature of business, the Company requires experts that specialized in complicated technology and regulations, with different experiences and skills to operate the business. The Company recruits various telecom experts to serve the Company's growth. The Company gives emphasis on the succession plan and Talent Management System. With Talent Management System, company will get the strategic movement on how to recruit, develop and maintain the high-performance employees who are the high potential to be future management team. Consequently, key management reliance risk will be lowered by succession with the high competency management. Presently, the Company has recruited the new management with expertise to drive the Company's growth and cover the future expansion. The Company has also allocated the budget for development and training to all level of employees by offering employees an opportunity to be trained with institutions of good reputations in terms of professional skills and development of other working skills. The employees have continued to improve from such developments and trainings to prepare themselves for future business expansions. Moreover, the Company places emphasis on teams to work professionally both within business functions and across business functions to competently resolve any issues that might be occurred.

5. Risks from influences of major shareholders over the determination of policy and management of the Company

TIME dotcom International Sdn Bhd is the major shareholder, holding 46.84% of total shares. As a result, the major shareholders have enough voting rights to affect the agenda requiring approval by a majority of votes in excess of 75% of the total voting shares, such as the approval of increase or decrease of capital, amendment of the Company's Article of Association etc.

6. Risk from natural disaster, riot and terrorism

The global climate change has resulted in many natural disasters. Moreover, the economic and political uncertainties triggered the civilian unrest, riots and terrorism. These events may have an impact on business operation of the Company. Therefore, the Company includes these possible matters into the Enterprise Risk Management and develop the Business Continuity Plan as a principle for employees at every levels and departments to perform in case of emergency to ensure the smoothest service for customers. The Company's standard network design also provides redundant route to enhance stability of communication networks. Moreover, the Company has insurance policies cover against the risk of damage to network equipment and nodes. That comprises node equipment and optical fiber cable that installed in private properties. However, the equipment that installed in public areas (mainly optical fiber cable) is uninsurable.



Board of Directors



► Mr. Woodtipong Moleechad

Chairman of the Board of Directors / Independent Director / Chairman of the Nomination, Compensation and Corporate Governance Committee / Audit Committee Member



► Mr. Prasitt Hemwarapornchai

Deputy Chairman of the Board of Directors / Independent Director / Audit Committee Member / Nomination, Compensation and Corporate Governance Committee Member



► Mr. Akarat Na Ranong

Chairman of the Audit Committee / Independent Director / Nomination, Compensation and Corporate Governance Committee Member



► Mr. Kranphol Asawasuwana

Director / Chairman of the Executive Committee / Chairman of the Risk Management Committee / Nomination, Compensation and Corporate Governance Committee Member / Authorized Director



► Mr. Teerarat Pantarasutra

Director / Executive Committee Member / Nomination, Compensation and Corporate Governance Committee Member / Deputy Chairman of the Risk Management Committee / President / Authorized Director



► **Mr.Loh Chi Kwan, Alex**

Director / Executive Committee Member / Chief Operating Officer/Acting Chief Financial Officer / Authorized Director



► **Mr.Afzal Bin Abdul Rahim**

Director / Executive Committee Member



► **Mr.Patrick Corso**

Director / Nomination, Compensation and Corporate Governance Committee Member / Authorized Director

Management



► **Mr.Pongthep Thanakijstorn**

Executive Vice President – Sale & Marketing



► **Mr.Supornchai Chotputtikul**

Executive Vice President – Service Operation

Summary Profile of Board of Directors and Management

Mr. Woodtipong Moleechad

Age : 70 years

Chairman of the Board of Directors / Independent Director/ Chairman of the Nomination, Compensation and Corporate Governance Committee / Audit Committee Member

Appointed Date: 4 December 2009

Education

▶ Bachelor of Art (Economics), Thammasat University	2012-2018	Chairman of the Board
▶ Director Certification Program (DCP 130/2010)		International Research Corporation Public Company Limited
▶ Anti-Corruption for Executive Program (ACEP 15/2015)		Director, Audit Committee Member, Business Relations Committee Member
▶ Director Certification Program Update (DCPU 3/2015)	2010- 2013	Sukhumvit Asset Management Company Limited

Shareholding (%) -

Personal Relationship with the Management -	2009-2015	Director Council Member, King Mongkut's Institute of Technology Ladkrabang
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Work Experience (Over the Past 5 Years)

2009-present	Chairman of the Board of Directors / Chairman of the Independent Director Committee / Chairman of the Nomination, Compensation and Corporate Governance Committee / Audit Committee Member	2008-2014	Director Banknote Management Committee, Bank of Thailand
	Symphony Communication Public Company Limited	2003-2009	Senior Executive Vice President (Operations), Thailand Post Company Limited
2016-present	Chairman of the Audit Committee / Independent Director		
	Triple i logistics Public Company Limited		
2015-present	Chairman of the Board / Independent Director		
	Business Alignment Public Company Limited		

Mr.Prasitt Hemwarapornchai

Age : 70 years

Deputy Chairman of the Board of Directors / Independent Director / Audit Committee Member / Nomination, Compensation and Corporate Governance Committee Member

Appointed Date: 4 December 2009

Education

▶ Advanced Certificate of Electrical Engineering, Chulalongkorn University	2016-present	Advisory of the Board Building Safety inspectors association
▶ Bachelor of Engineering (Communication, Electrical Power), Chulalongkorn University	2015-present	Specialist of the Assessment for the profession of Electrical Adjunct Engineer Subcommittee
▶ Practical Training Certificate “Electrical System for Modern Buildings and Associated Codes of Practice in United Kingdom of Great Britain and Northern Ireland” by Confederation of British Industry (CBI)	2011-2016	Council of Engineer Member of the Board of Directors, Chairman of Senior Engineer Committee, Senior advisor of Electrical Engineering Committee, Chairman of Data Center Standard Subcommittee
▶ Director Certification Program (DCP 129/2010)		The Engineering Institute of Thailand, Under H.M. the King’s Patronage
▶ Audit Committee Program (ACP 32/2010)		
▶ Role of Compensation Committee (RCC 11/2010)		
▶ Role of the Chairman Program (RCP 25/2011)		
▶ Monitoring the Quality of Financial Reporting (MFR 15/2012)		
▶ Role of Nomination and Governance Committee (RNG 3/2012)	2011-present	Member of the Assessment for the profession of Electrical Engineer Subcommittee
▶ Anti-Corruption for Executive Program (ACEP 8/2013)		Council of Engineer
Shareholding (%) -	2009-present	Advisor, Electrical System Rose Garden Hotel (2511) Company Limited
Personal Relationship with the Management -		

Work Experience (Over the Past 5 Years)

2009-present	Deputy Chairman of the Board of Directors / Independent Director / Audit Committee Member / Nomination, Compensation and Corporate Governance Committee Member Symphony Communication Public Company Limited
2017-present	Chairman of Data Center Standard-Technical Committee The Engineering Institute of Thailand, Under H.M. the King’s Patronage

Mr.Akarat Na Ranong

Age : 65 years

Chairman of the Audit Committee / Independent Director / Nomination, Compensation and Corporate Governance Committee Member

Appointed Date: 9 November 2017

Education

▶ Master of Business Administration (Management)	2010-present	Independent Director /
Marshall University, United States of America		Chairman of the Audit Committee
▶ Bachelor of Economics, Chulalongkorn University		Matching Maximize Solution Public
▶ Audit Committee Program (ACP /2004)		Company Limited
▶ Director Accreditation Program (DAP /2007)	Non-listed Companies:	
▶ Role of the Compensation Committee (RCC /2007)	May 2018-present	Director / Executive Director
▶ Leader Program, Capital Market Academy		Wind Energy Holding
(Class 6 /2008)		Company Limited
▶ Role of the Director Certification Program (DCP /2013)	Jul 2017-present	Audit Committee / Risk
▶ Role of the Chairman Program (RCP /2017)		Management Committee /
		Investment Committee

Shareholding (%) -

Personal Relationship with the Management -	2015-present	Independent Director /
		Chairman of the Board of Director /
		Chairman of Audit Committee
		KPN Academy Company Limited

Work Experience (Over the Past 5 Years)

Listed Companies:

Nov 2017-present	Chairman of the Audit Committee / Independent Director / Nomination, Compensation and Corporate Governance Committee Member	2011-present	Independent Director /
	Symphony Communication Public Company Limited		Audit Committee
2011-present	Independent Director /		FINANSA Securities Limited
	Audit Committee Member /		
	Nomination and Compensation Committee Member		
2011-present	FINANSA Public Company Limited		
	Independent Director / Audit Committee Member		
	FINANSA Public Company Limited		

Mr.Kranphol Asawasuwana

Age : 54 years

Director / Chairman of the Executive Committee / Chairman of the Risk Management Committee/ Nomination, Compensation and Corporate Governance Committee Member / Authorized Director

Appointed Date: 29 March 2007

Education

▶ Master of Business Administration, Bangkok University	2015-present	Vice Chairman
▶ Bachelor of Engineering (Electrical) with second class honor, Kasetsart University	2017-present	Thai Internet Service Provider Association
▶ Director Certification Program (DCP 129/2010)		Audit Committee Member
▶ Successful Formulation & Execution of Strategy (SFE 6/2010)	2006-present	Thai Listed Companies Association
▶ Executive Development Program (EDP 7/2011)	2000-present	Director
▶ Capital Market Academy (CMA 13/2011)		Synergy Net Holding Company Limited
▶ ASEAN Economic Community (AEC 3/2013)		Director
▶ Anti-Corruption For Executive Program (ACEP 13/2014)	2015-2017	Global Crossing System Company Limited
▶ Director Certification Program Update (DCPU 3/2015)	2000-2008	Chairman of Audit Committee
▶ Thammasat Leadership Program (TLP 7/2015)		Thai Listed Companies Association
▶ Financial and Fiscal Management Program For Senior Executive (FME 3/2016)		Director
▶ Thailand Insurance Leadership Program (TILP 6/2016)		Global Crossing Services Company Limited
▶ Top Executive Program in Commerce and Trade (TEPCoT 10/2017)		

Shareholding (%) 9.37

Personal Relationship with the Management -

Work Experience (Over the Past 5 Years)

2007-present	Director / Chairman of the Executive Committee / Chairman of the Risk Management Committee/ Nomination, Compensation and Corporate Governance Committee Member Symphony Communication Public Company Limited
2007-2014	President Symphony Communication Public Company Limited

Mr. Teerarat Pantarasutra

Age : 58 years

Director / Executive Committee Member / Nomination, Compensation and Corporate Governance Committee Member / Deputy Chairman of the Risk Management Committee / President / Authorized Director

Appointed Date: 24 November 2005

Education

- ▶ M.A. (Public Affairs), Thammasat University
- ▶ Bachelor of Law, Ramkhamhaeng University
- ▶ Director Accreditation Program (DAP 81/2009)
- ▶ Director Certification Program (DCP 137/2010)
- ▶ Fundamental Practice for Corporate Secretary (FPCS 23/2011)
- ▶ Anti-Corruption For Executive Program (ACEP 13/2014)
- ▶ Administrative Law for Executive Program (ALEP 2/2015)
- ▶ Capital Market Academy (24/2017)

Shareholding (%) 9.15

Personal Relationship with the Management -

Work Experience (Over the Past 5 Years)

2014-present	President Symphony Communication Public Company Limited
2005-present	Director / Executive Committee Member / Nomination, Compensation and Corporate Governance Committee Member / Deputy Chairman of the Risk Management Committee Symphony Communication Public Company Limited
2005-2014	Senior Executive Vice President Symphony Communication Public Company Limited
2013-present	Chairman of the Board Diamond Line Services Company Limited
2006-present	Director / Managing Director Global Crossing System Company Limited
2006-present	Director Synergy Net Holding Company Limited
2001-2006	Director, Legal Advisor Global Crossing Services Company Limited

Mr. Loh Chi Kwan, Alex

Age : 40 years

Director / Executive Committee Member / Chief Operating Officer / Acting Chief Financial Officer / Authorized Director

Appointed Date: 2 July 2018

Education

- ▶ Bachelor of Commerce (Accounting and Finance),
Murdoch University

Shareholding (%) -

Personal Relationship with the Management -

Work Experience (Over the Past 5 Years)

present	Director / Executive Committee Member / Chief Operating Officer / Acting Chief Financial Officer Symphony Communication Public Company Limited
2017-2018	Chief Financial Officer Symphony Communication Public Company Limited
2011-2017	Financial Controller TIME dotCom Berhad

Mr.Afzal Bin Abdul Rahim

Age : 40 years

Director / Executive Committee Member

Appointed Date: 9 November 2017

Education

- ▶ Degree in Mechanical Engineering with Electronics, specializing in Acoustic Wave Theory, University of Sussex, United Kingdom

Shareholding (%) -

Personal Relationship with the Management -

Work Experience (Over the Past 5 Years)

2017-present	Director / Executive Committee Member Symphony Communication Public Company Limited
2010-present	Executive Director / Chief Executive Officer TIME dotCom Berhad
present	Director TIME dotCom International Sdn Bhd
2016-present	Independent Director CIMB Bank Bhd, Malaysia
present	Director Pulau Kapas Ventures Sdn Bhd Megawisra Investments Limited Megawisra Sdn Bhd Global Transit International Sdn Bhd

Mr.Patrick Corso

Age : 45 years

Director / Nomination, Compensation and
Corporate Governance Committee Member,
Authorized Director

Appointed Date: 9 November 2017

Education

- ▶ BA (Hons), Degree in European Business Administration, European Business School, London, United Kingdom
- ▶ Bursatra Sdn Bhd “Mandatory Accreditation Programme for Directors of Public Listed Companies” (March 2016)
- ▶ Securities Industry Development Corporation “Boards in the Digital Economy” (July 2017)
- ▶ Bursa Malaysia “Fraud Risk Management Workshop” (September 2017)

Shareholding (%) -

Personal Relationship with the Management -

Work Experience (Over the Past 5 Years)

2017-present	Director / Nomination, Compensation and Corporate Governance Committee Member Symphony Communication Public Company Limited
present	Executive Director TIME dotCom Berhad
present	Director Megawisra Investments Limited Megawisra Sdn Bhd Global Transit International Sdn Bhd Pulau Kapas Ventures Sdn Bhd OST Capital Limited

Mr.Pongthep Thanakijuntorn

Age : 50 years

Executive Vice President – Sale & Marketing

Mr.Supornchai Chotputtikul

Age : 52 years

Executive Vice President – Service Operation

Education

- ▶ Master of Business Administration (MBA) in Marketing Management, National Institute of Development Administration (NIDA)
- ▶ Bachelor of Engineering in Computer Engineering, King Mongkut's Institute of Technology Ladkrabang (KMITL)
- ▶ Director Certification Program (DCP 129/2010)
- ▶ Executive Development Program (EDP 8/2011)
- ▶ Anti-Corruption for Executive Program (ACEP 15/2015)
- ▶ FTTH APAC Conference 2016

Shareholding (%) 4.49

Personal Relationship with the Management -

Work Experience (Over the Past 5 Years)

2005-present	Executive Vice President - Sale & Marketing Symphony Communication Public Company Limited
2005-2017	Director Symphony Communication Public Company Limited
2006-present	Director Global Crossing System Company Limited
2006-present	Director Synergy Net Holding Company Limited

Education

- ▶ Master of Business Administration, Thammasat University
- ▶ Bachelor of Engineering, King Mongkut's Institute of Technology Ladkrabang (KMITL)
- ▶ Director Accreditation Program (DAP 89/2011)
- ▶ Director Certification Program (DCP 162/2012)
- ▶ Successful Formulation & Execution of Strategy (SFE 15/2012)
- ▶ Ethical Leadership Program (ELP 1/2015)
- ▶ Digital Economy For Management (DE4M 3/2016)

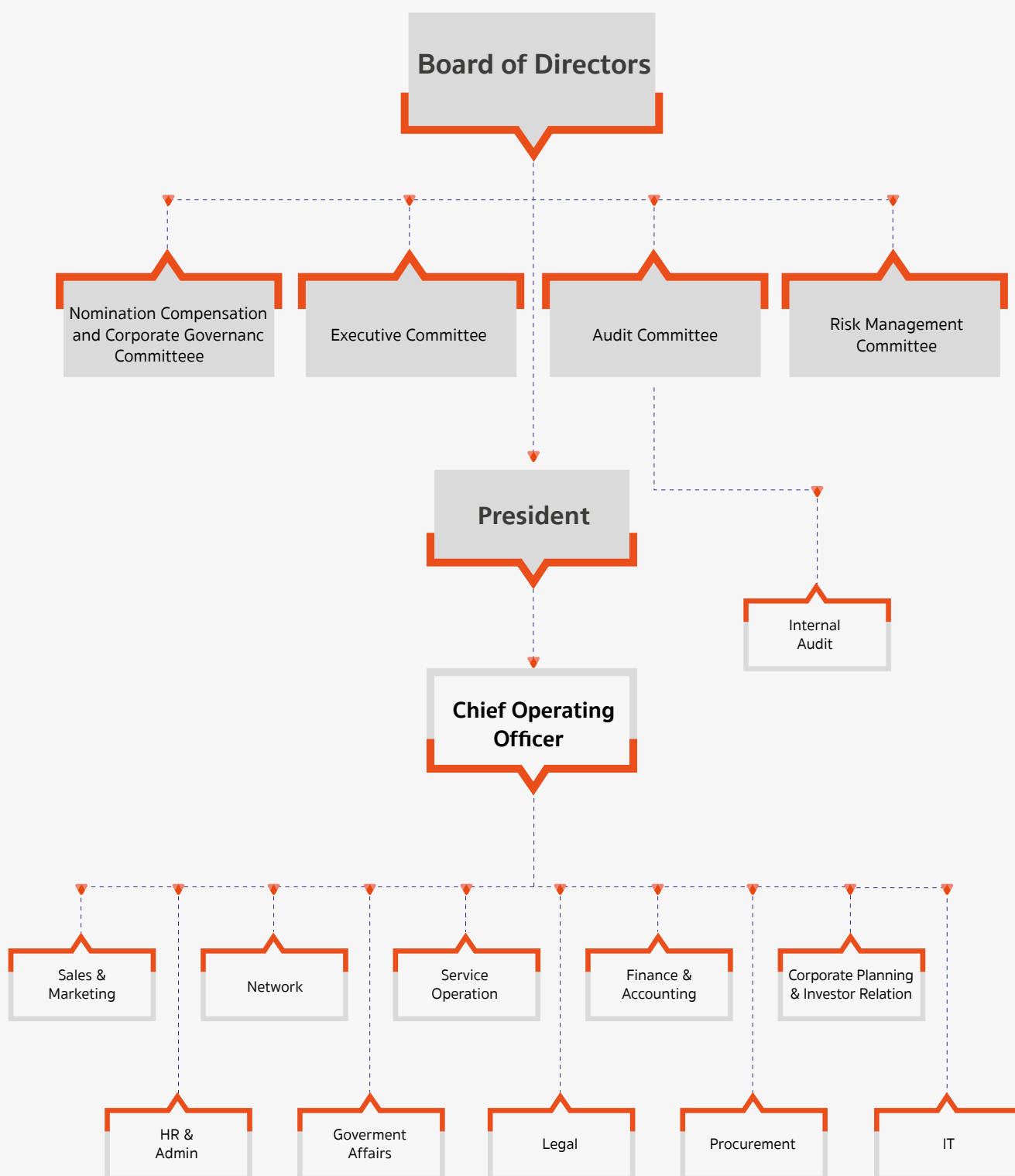
Shareholding (%) 0.007

Personal Relationship with the Management -

Work Experience (Over the Past 5 Years)

2010-present	Executive Vice President – Service Operation Symphony Communication Public Company Limited
2010-2017	Director Symphony Communication Public Company Limited
2013-present	Director Diamond Line Services Company Limited
2002-2010	Project Director Alcatel-Lucent (Thailand) Limited

Management Structure



Board of Directors

The Board of Directors consists of 8 directors, 3 of them are independent directors which equate to more than one-third (1/3) of total directors, thus, can adequately exercise check-and-balance power in the deliberation and voting of agenda. Chairman of the Board and President are two distinct persons with clear distinctions of roles and responsibilities. Aside from that, the Company appointed 4 sub-committees, namely 1) Audit Committee, 2) Nomination, Compensation and Corporate Governance Committee, 3) Risk Management Committee and 4) Executive Committee. The Company also clearly defined the scope of power and responsibility of these Sub-committees in the Board of Directors' Charter. At 31 December 2018, the members of Board of Directors and Sub-committees are as follows:

N0.	Name	Positions
1.	Mr. Woodtipong Moleechad	Chairman of the Board of Directors / Chairman of the Independent Director Committee / Chairman of the Nomination, Compensation and Corporate Governance Committee / Audit Committee Member
2.	Mr. Prasitt Hemwarapornchai	Deputy Chairman of the Board of Directors / Independent Director / Audit Committee Member/ Nomination, Compensation and Corporate Governance Committee Member
3.	Mr. Akarat Na Ranong ¹	Chairman of the Audit Committee / Independent Director / Nomination, Compensation and Corporate Governance Committee Member
4.	Mr. Kranphol Asawasuvan	Director / Chairman of the Executive Committee / Chairman of the Risk Management Committee / Nomination, Compensation and Corporate Governance Committee Member
5.	Mr. Teerarat Pantarasutra	Director / Executive Committee Member / Nomination, Compensation and Corporate Governance Committee Member / Deputy Chairman of the Risk Management Committee / President
6.	Mr. Patrick Corso	Director / Nomination, Compensation and Corporate Governance Committee Member
7.	Mr. Afzal Bin Abdul Rahim	Director / Executive Committee Member
8.	Mr. Loh Chi Kwan, Alex ²	Director / Executive Committee Member /Chief Operating Officer / Acting Chief Financial Officer

Note:

1. Mr. Jitkasem Sangsingkeo resigned from Chairman of the Audit Committee / Independent Director at the 2018 Annual general Meeting of Shareholders on April 26, 2018 and Mr. Akarat Na Ranong was appointed as his replacement
2. Mr. Anand Vijayan resigned from Director / Executive Committee Member, effective on June 30, 2018 and Mr. Loh Chi Kwan, Alex was appointed as his replacement the Board of Director Meeting No.5/2018, effective on July 2, 2018
3. Ms. Siritorn Manopjuntaroj was appointed as Secretary of the Board of Directors and Company Secretary at the Board of Director Meeting No.7/2018, effective on November 14, 2018

Authorized Directors

Authorized directors pursuant to the Affidavit of the Company are either one of Mr. Teerarat Pantarasutra or Mr. Kranphol Asawasuwana jointly signs with either one of Mr. Patrick Corso or Mr. Loh Chi Kwan, Alex, with the Company's seal affixed.

Qualification of Board of Directors and Term of office

The Board of Directors shall comprise of at least 5 directors, of which not less than half of total directors must be Thai residents. The Board of Directors must comprise executive directors, non-executive directors and independent directors. The Board of Directors comprises of at least three independent directors or not less than one-third (1/3) of total number of directors. The independent director must possess qualifications in compliance with the law on securities and stock exchange and the regulations of the Stock Exchange of Thailand. The appointment and dismissal of the directors shall be in line with the principles and methods defined in the Company's Articles of Association. The term of office for director is 3 years. At every Annual General Meeting of Shareholders, one-third of the directors shall vacate their offices; if the number is indivisible by three, the nearest number shall be applied. The retiring directors may be reappointed to resume their positions. Independent directors shall not hold position no longer than 9 consecutive years, except being approved by nomination and corporate governance committee due to his/her contribution to the Company and the committee has opinion that additional term of office over 9 years will not impact his/her independency. Moreover, the appointment shall be approved by the Board of Directors and Shareholders.

Qualification of Independent Director

The independent director must possess qualifications in compliance with the law on securities and stock exchange and the regulations of the Stock Exchange of Thailand as following details:

1. Must be appointed by the Board of Directors or at the shareholders' meeting.
2. Must possess qualifications in compliance with the law on securities and stock exchange and the regulations of the Stock Exchange of Thailand.
3. Must hold shares not exceeding one percent of the total number of voting rights of the Company, its parent company, subsidiary, affiliate, principal shareholder or controlling person of the Company, including the shares held by related persons of the independent director.
4. Neither being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the Company, its parent company, subsidiary, affiliate, same-level subsidiary, principal shareholder or controlling person of the Company unless the foregoing status has ended more than two years prior to the date of appointment. Therefore, such prohibition does not include the director who used to be a civil servant or a consultant of the government organization that is the principal shareholder or has controlling power of the Company.
5. Must not have a business relationship with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, in the manner which may interfere with his or her independent judgment, and neither being nor having been a principal shareholder or controlling person of any person having business relationship with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company unless the foregoing relationship has ended more than two years prior to the date of appointment.
6. Neither being nor having been an auditor of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, and not being a principal shareholder or controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company unless the foregoing relationship has ended more than 2 years from the date of appointment.
7. Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding 2 million Baht from the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, and neither being nor having been a principal shareholder, controlling person or partner of the professional advisor unless the foregoing relationship has ended more than 2 years from the date of appointment.

8. Must not be a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling persons of the Company or its subsidiary.
9. Must not be a director who has been appointed (both openly and secretly) as a representative of the Company's director, major shareholder or shareholders who are related to the major shareholder.
10. Must not operate any business which has the same nature as and is in significant competition with the business of the Company or subsidiary, or not being a principal partner in any partnership, or not being an executive director, employee, staff, or advisor who receives salary; or holding shares not exceeding one percent of the total number of voting rights of any other company operating business which has the same nature as and is in significant competition with the business of the Company or subsidiary.
11. Must be a capable person who can express his/her opinion or report his/her duty independently without being controlled by the director or major shareholders of the Company, including their close relatives.
12. Must be respectable and widely accepted person.
13. Must devote sufficient time to their duty of member of Board of Directors.

The scope of power, duties and responsibilities of the Board of Directors

1. Perform duty with honesty, care and with full responsibility for the Company's best interests. Manage the Company according to the law, the Company's objectives, Articles of Association and lawful resolutions of the meeting of shareholders.
2. Determine the Company's vision, policies and direction including supervising the management team to effectively and efficiently conduct the business in accordance with the given business policy and action plan in order to maximize economic value and shareholder's wealth and foster sustainable growth.
3. Manage the Company with accountability to the shareholders and disclose full information in accordance with the Company's transparency policy.
4. The Board of Directors must possess knowledge, capability and experience deemed necessary to the Company's operation and concentrated in the Company's activity of which they are appointed as Directors.
5. Evaluate the performance of top executives and review their remunerations.
6. Set forth the business policies and objective with a clear and measurable monitoring system as an operational guidance that reasonable and possible, also regularly review such policies and the adoption.
7. Promote the publication of the Company's business ethics handbook to help all directors, executives and employees understand and comply with the standard of business ethics.
8. Carefully review all transactions that may lead to conflicts of interest, ensure that they are at the best interest to the Company and shareholders, make sure that those who have conflict of interest are not in a part of decision making process and these transactions are completely disclosed and strictly comply with related laws and the regulations.
9. Recommend the through risk management policy for the entire organization and delegate the management team to execute such policy and regularly report to the Board of Directors as well as having regular evaluation and assessment or whenever the risk level seems deviate from the specified direction and precaution to any warning signal or irregularities.
10. Make decision on important matters such as policies, business plan, large scale investment, management authority, acquisition or disposal of assets or any transaction required by law.
11. Delegate business transaction approval authority to appropriate group or persons in accordance with related laws, establish authority of approval handbook and review it on annual basis.
12. Set the reliable accounting, financial report and audit program, including the evaluation process of internal control. Appoint independent person or organization to perform such audit. Such programs should be reviewed regularly.

13. Consider the auditor appointment and determine the annual auditor fee and propose to the shareholders' meeting for approval.
14. Report the responsibility of the Board of Directors for financial reporting, together with the report of auditor in the annual report, the content of which should cover important matters in accordance with code of conduct of the SET listed company's directors.
15. The Board of Directors may appoint Sub-committee or any person to oversee, follow up, and operate the Company's business that is deemed necessary under directors' control of the Company, and in compliance with the Company's charter, including the evaluation of its performance; or grant the powers to such Sub-committee or person for a certain period of time or as it deems appropriate. The Board of Directors may remove such person or change the scope of power of such person. Such authorization shall not allow the authorized Sub-committee or person to approve transaction that he/she has vested interest in or has conflict of interests. The Company shall propose the shareholder meeting for approval of connected transaction, the requisition or disposition of significant assets as set forth in the Company's Articles of Association and in the regulations of the Securities and Exchange Commission and the Stock exchange of Thailand. The party with conflict of interest shall not eligible to approve or vote for the transaction. The grant of approval authority for normal business transactions must be clearly defined the scope and approval limit for each level. Therefore, there is no authorization in transaction approval that has no approval limit. In the event of authorizing manager or another person to act for and on behalf of the Board of Directors, such authorization must be in written form or clearly recorded in a meeting minute. Furthermore, such authorization should clearly specify a scope of powers, duties and responsibilities of an authorized person.
16. The Board of Directors must perform self-assessment.

Therefore, the scope of power of the Board of Directors has to be under the law, the Company's Articles of Association and the regulations of the concerned agencies such as the Securities and Exchange Commission and the Stock Exchange of Thailand. In accordance with the Company's objectives and regulations and with the shareholders' meeting resolutions, the Directors, authorized person or any other persons who may have vested interest in the transaction being considered or have conflict of interests with the Company or any of the subsidiaries are not entitled to vote on transactions or matters being considered.

Sub-committees and Scope of Duties

1) Audit Committee

The Audit Committee consists of following 3 independent directors.

N0.	Name	Positions
1.	Mr. Akarat Na Ranong*	Chairman of the Audit Committee
2.	Mr. Woodtipong Moleechad	Audit Committee Member
3.	Mr. Prasitt Hemwarapornchai	Audit Committee Member

Ms. Nansinee Chokthienanan is the secretary of the Audit Committee

Note: * The member with experiences in Finance & Accounting.

Qualifications of Audit Committee

The Audit Committee comprises of at least 3 independent directors who are able to devote sufficient time to the duty of Audit Committee, with at least 1 member possess experiences in Finance & Accounting. The term of office of Audit Committee is 3 years, and may be appointed or removed by the Board of Directors or at the shareholders' meeting

The scope of power, duties and responsibilities of Audit Committee

1. Review financial statements to ensure the correctness and completeness thereof. Cooperate with outside auditor and responsible executives to publish financial report quarterly and annually. Disclose sufficient company's information prior to submission to the Board of Directors.
2. Review internal control system and internal audit system to ensure that the Company has a suitable and efficient internal control; to ensure that the internal audit remains independent. Provide opinions on appointment, transfer and removal of the Head of Internal Audit Department or other persons responsible for internal audit. Therefore, the audit committee may suggest the auditor to audit certain transactions that are deemed necessary during the auditing process. It may suggest the Board of Directors any ideas that can improve the Company's internal auditing system or cooperate with outside auditor, internal auditing manager and with internal auditing consultant.
3. Review the compliance with the law on securities and stock exchange and the regulations of the Stock Exchange of Thailand and other applicable laws.
4. Nominate independent persons as the Company's auditor and propose remuneration thereto for approval at the shareholders' meeting; to coordinate with auditors in a matter concerning the objectives, scope, direction and plan of auditing process, including the problems occurring during such process; and to attend meetings with an auditor in the absence of the management, at least once a year.
5. Review connected transactions or transactions with conflict of interests, ensure the disclosure in compliance with laws and the regulations of the Stock Exchange of Thailand; and to ensure the justification and the maximized benefits to the Company.
6. Review the risk management policy to ensure that the Company has appropriate risk management system.
7. Report the audit committee's operation to the Board of Directors at least 4 times a year.
8. Authorize to invite management executives or the Company's employees to share their views, attend the meeting or submit document that deems necessary.
9. Authorize to appoint or outsource consultants according to the Company regulations to provide opinion as deem necessary.
10. Prepare an Audit Committee's report, signed by the Chairman of Audit Committee, which shall comprise, at least, of the following details:
 - Opinions on the correctness, completeness and reliability of the Company's financial reports.
 - Opinions on the efficiency of the Company's internal control system.
 - Opinions on the compliance with the law governing securities and stock exchange and the regulations of the Stock Exchange of Thailand and the other laws applicable to the Company's business.
 - Opinions on the suitability of the auditor.
 - Opinions on transactions that may involve conflict of interests.
 - The number of meetings of the Audit Committee and the attendance of each member.
 - Opinions or remarks on performance of duties pursuant to the Charter.
 - Other transactions that the shareholders or investors should know, subject to the scope of duties and responsibilities as set forth by the Board of Directors.

11. Perform self-assessment and report the result including the problems and obstacles to the Board of Directors on annual basis.
12. Perform other duties assigned by the Board of Directors within the aforementioned scope of power and duties of the Audit Committee. In performing such duty, the Audit Committee is directly responsible for the Board of Directors, while the Board of Directors is responsible for the Company's operation.

2) Nomination, Compensation and Corporate Governance Committee

The Company's Nomination, Compensation and Corporate Governance Committee consists of the following 6 members.

N0.	Name	Positions
1.	Mr. Woodtipong Moleechad	Chairman of the Nomination, Compensation and Corporate Governance Committee
2.	Mr. Prasitt Hemwarapornchai	Nomination, Compensation and Corporate Governance Committee Member
3.	Mr. Akarat Na Ranong	Nomination, Compensation and Corporate Governance Committee Member
4.	Mr. Kranphol Asawasuwana	Nomination, Compensation and Corporate Governance Committee Member
5.	Mr. Teerarat Pantarasutra	Nomination, Compensation and Corporate Governance Committee Member
6.	Mr. Patrick Corso	Nomination, Compensation and Corporate Governance Committee Member

Mr. Teerarat Pantarasutra is the secretary of Nomination, Compensation and Corporate Governance Committee

Qualifications of Nomination, Compensation and Corporate Governance Committee

The Nomination, Compensation and Corporate Governance Committee shall be appointed by the Board of Directors, comprises of at least 3 directors, whereby majority of members shall be independent or non-executive directors, and appoint one of the independent director member to be the Chairman. The term of office of Compensation Committee is 3 years.

The scope and responsibilities of Nomination, Compensation and Corporate Governance Committee

Nomination Roles

1. Set out methodology and procedures in the nomination of the qualified candidates for the Board members by determining the qualifications that align with the Company's business, area of expertise of the members.
2. Nominate the candidates to fill the Board of Directors vacancies as and when they arise and propose to the Board of Directors for consideration. Such nomination could be reappointing any Directors who complete their term of service, encouraging shareholders or Directors to propose in advance the qualified candidates to be nominated for director position, or using external recruiting methods or considering from the list of Directors.
3. Consider the nomination and choose the persons possessing qualifications according to the formulated criteria for nomination.
4. Ensure that the nominated persons possess qualification according to the law and regulations of concerned agencies.
5. Approach the qualified persons and make sure that they are willing to accept the Company's director position after being appointed by the shareholders.
6. Nominate the name to the Board of Directors for consideration and issue the nominated directors in the invitation for the shareholders' meeting for the appointment of such person.

7. Consider and review the appointment of executive in the position of Executive Vice President or higher to propose to the Board of Directors' consent.
8. Monitor the formulation of Succession Plan of the Director, President and Executive Vice President as well as other positions that vital for corporate sustainability.

Compensation Roles

1. Review the structure and criteria of the remuneration for the Board of Directors, managements and employee by reviewing the suitability of the current remuneration package, comparing to the remuneration package of peers in the same industry, and establishing appropriate remuneration that is fair and commensurate to their contribution to the Company's achievement.
2. Review all elements of remuneration such as retainer fee, incentive and attendance fee and set the appropriate payment of each element that in line with the remuneration for directors in other listed companies of the same industry and of similar size, as well as the Company's performance and business environment and commensurate with their duties and scope of responsibility.
3. Consider remuneration package in accordance with the criteria established by concerned government agencies.
4. Formulate criteria for the evaluation of the Company's Directors and President as assigned by the Board of Directors and acknowledge the assessment of executives in the position of Executive Vice President or higher.
5. Establish the guidelines in determining the remuneration package of the Company's Directors and President on the annual basis and submit it to the Board of Directors for approval. As for the remuneration package of the Directors, the Board of Director must propose to the shareholders' meeting for approval.
6. Consider and endorse the issuance of securities under ESOP program to directors and employees of the Company, set out the attractive structure to motivate them to create value added for the shareholders and retain qualified personnel with the Company in the long run. Therefore, such program should be attractive to employees and yet be fair to the shareholders.
7. The Compensation Committee may appoint any consultant to provide opinion as deem necessary.
8. Perform other duties assigned by the Board of Directors

Corporate Governance Roles

1. Consider and draft the Corporate Governance Policy according to the updated framework of rules and regulations of related agencies e.g. the Stock Exchange of Thailand, Security Exchange Commission or other related agencies, set the guidance of Corporate Governance that in line with the universal best practices.
2. Propose the Draft of Corporate Governance Policy to the Board of Directors for consideration and implementation of best practices of Directors and Executives, and to formulate the Corporate Governance Policy Statement.
3. Set out the policy for formulating of strategic plan, monitor the risk management and the internal control that in line with the laws and situation.
4. Monitor and instruct the Directors and Managements regarding their duties and responsibilities under the Corporate Governance Policy to maintain the effective Corporate Governance that meets expectation of all stakeholders.
5. Review the Corporate Governance Policy on annual basis to ensure that the Corporate Governance Policy is update and complies with universal standards and related rules and regulations.
6. Follow up and evaluate the performance of Directors and Management according to the best practices set forth in Corporate Governance Policy on the regular basis.
7. Introduce the best practises and business ethics to Directors, Managements and employees.
8. Appoint the working group to support the tasks of Corporate Governance as necessary.

9. Consider and set out the policy and guidance for Corporate Social Responsibility (CSR)
10. The Nomination and Corporate Governance Committee may appoint any consultant to provide opinion as deem necessary.
11. Perform other duties assigned by the Board of Directors

3) The Risk Management Committee

The Risk Management Committee consists of the following 3 members.

N0.	Name	Positions
1.	Mr. Kranphol Asawasuwana	Chairman of the Risk Management Committee
2.	Mr. Teerarat Pantarasutra	Deputy Chairman of the Risk Management Committee
3.	Mr. Loh Chi Kwan, Alex	Risk Management Committee Member

Ms. Nansinee Chokthienanan is the secretary of the Risk Management Committee

The scope of power, duties and responsibilities of Risk Management Committee

1. Define the policy framework and process for risk management.
2. Identify and analyze risk factors and evaluate the impact of such risks on the Company.
3. Implement the risk strategy and policy to ensure that the Company has sufficient policies and procedures in place to govern and mitigate the risks that might have negative impact on the Company.
4. Communicate the risk management measure across the entire organization and support the efficiency development of the Company's risk management policy.
5. Monitor the risk management plan and report to the Board of Directors.
6. Plan, develop and monitor the internal control process.
7. Risk Management Committee may appoint or outsource consultants to provide professional opinion as deem necessary.

4) Executive Committee

The Executive Committee consists of the following 4 members.

N0.	Name	Positions
1.	Mr. Kranphol Asawasuwana	Chairman of the Executive Committee
2.	Mr. Teerarat Pantarasutra	Executive Committee Member
3.	Mr. Loh Chi Kwan, Alex	Executive Committee Member
4.	Mr. Afzal Bin Abdul Rahim	Executive Committee Member

Ms. Siritorn Manopjuntaroj is the secretary of Executive Committee

The scope of power, duties and responsibilities of Executive Committee

1. Manage the Company's business operation in line with targets set by the Board of Directors and report the company's performance to the Board of Directors. The quorum of Executive Committee meeting shall have at least half of its members present and its resolution should be in accordance with the majority vote.
2. Set policies, guidelines, strategies and principles for business operation, including the management structure in line with targets set by the Board of Directors and submit it to the Board for consideration.
3. Set appropriate delegation of authority to approve such transactions for each level of management with proper segregation of duties to prevent fraud. Define the business transaction guidelines and procedures for major shareholders, directors, management or connected persons in order to safeguard the interests of the Company. These guideline and procedures will be submitted to the Board of Directors for approval in principle. To ensure such approved policies/principles set forth are duly put into practice.
4. Review annual budget allocation as well as budget control procedure, propose to the Board of Directors for approval and monitor the budget utilization after the approval.
5. Review and approve investment budget in accordance with the authority as defined in authorization handbook.
6. Ensure any agreement or contracted that abide the Company signed by authorized person in accordance with the authority as defined in authorization handbook.
7. Set employee remuneration structure and policy to propose the compensation committee for consideration prior to propose for the approval from the Board of Directors.
8. Be responsible for providing sufficient information for the Board of Directors and shareholders for their decision making as well as reliable and transparent financial reports according to the generally accepted standard.
9. Consider the Company's profit or loss and propose the dividend payment to the Board of Directors.
10. Consider the new business venture or the closure of some business and submit to the Board of Directors for approval.
11. Set the reporting procedure of the irregularity or wrongdoing for operating officers to report the events to Executive Committee in due time. In the event that such incident has significant impact on the Company's operation, it must be reported to the Board of Directors so the remedial procedure shall be established in due time.
12. Take any actions to support the aforementioned activities according to the opinion or authority granted by the Board of Directors.
13. The resolution and/or approval of the Executive Committee must be reported to the Board of Directors in the next Board of Directors' meeting.
14. Propose to assign the consultants to provide the opinion for performing the duties as necessary.
15. Perform other duties assigned by the Board of Directors

Such authorization grant to the Executive Committee as mentioned earlier, must be complied with the laws and the Company's Articles of Association and shall not allow the Executive Committee to approve any transaction that they or other persons have vested interests in or have conflict of interests with the Company or any of the subsidiaries. Any connected transactions or the acquisition or disposition of significant assets of the Company or any of the subsidiaries must be complied with the regulations set forth by the Securities and Exchange Commission and the Stock Exchange of Thailand.

Management Team

The Company's managements comprise of the following 5 members.

N0.	Name	Positions
1.	Mr. Kranphol Asawasuwana	Chairman of the Executive Committee
2.	Mr. Teerarat Pantarasutra	President
3.	Mr. Loh Chi Kwan, Alex	Chief Operating Officer and Acting Chief Financial Officer
4.	Mr. Pongthep Thanakijsumton	Executive Vice President, Sale and Marketing
5.	Mr. Supornchai Chotputtikul	Executive Vice President, Service Operation

The scope of power, duties and responsibilities of President

1. Operate, plan and manage day-to-day business.
2. Make decision on important matters. Set missions, objectives, guidelines and policies for the Company's business operation and control the management of each department.
3. Be Authorized to supervise, contact, command, sign agreements, orders or announcements as defined in authorization handbook.
4. Be Authorized to hire, appoint, transfer, as well as define scope of duties and appropriate remuneration including salary, bonus, fringe benefits for employees, take disciplinary action against employees as well as dismiss the employees as defined in authorization handbook.
5. Be Authorized to set the trade condition for the Company's benefit.
6. Consider signing agreement related to the Company's normal business, new business venture or the closure of some business for submission to Executive Committee and/or the Board of Directors.
7. Approve and appoint the consultant in the area that is deemed necessary.
8. Act according to the assignment from Executive Committee and/or the Board of Directors.
9. Be Authorized to manage the Company's business in accordance with objectives, regulations, policies, Articles of Association, order and the resolution of the shareholders' meeting and/or Executive Committee and the Board of Directors.
10. Be Authorized to appoint and manage working groups for efficient management and transparency and to assign the power of attorney and/or delegate specific tasks to other persons, provided that it complies with the document concerning the power of attorney and/or rules approved by the Board of Directors.
11. Be Authorized to order, regulate, issue announcement to ensure that overall operation is done according to the policy and best benefit of the Company.

Such authorizations shall not allow the President or any person who has been assigned the power of attorney to be his representative to approve the transactions that he has vested interests in (as set forth be related agencies), or has conflict of interests with the Company or any subsidiary, except an approval of a normal business transaction that has been clearly defined its limit.

Company Secretary

Board of Directors has appointed Ms. Siritorn Manopjuntaroj to be the Company Secretary to support activities of the Board of Directors and assist the Board of Directors and the Company for compliance matters in accordance with Good Corporate Governance Guidance set forth by the Stock Exchange of Thailand. The duties and responsibilities of Company Secretary are as follows:

1. Prepare and keep following documents:
 - a. Director registration
 - b. Invitation letters and minutes of the Board of Directors meetings and Annual Reports
 - c. Invitation letters and minutes of the Shareholders meetings
2. Keep the report of vest interests reported by the directors and managements
3. Submit the copy of vest interest information reported by the directors and managements or connected persons as defined by Section 89/14 of the Securities and Exchange Act B.E. 2551 to Chairman of the Board of Directors and Chairman of Audit Committee within 7 working days from received date and keep all disclosure documents that disclosed to shareholders or public for at least 5 years.
4. Perform other activities as defined by the Security Exchange Commission

Background and qualification of Company Secretary

Ms. Siritorn Manopjuntaroj

Education Master of Chemical Engineering, Lehigh University, USA
Bachelor of Chemical Engineering, Chulalongkorn University

Position Senior Vice President, Corporate Planning and Investor Relation, and Company Secretary

Qualification Having a knowledge and understanding of the Company's business, SEC and SET rules, regulations and related laws regarding responsibilities of Company Secretary.

Attended training courses relating to roles and responsibilities e.g. Fundamental Practice for Corporate Secretary (FPCS) Class. 28/2013, Company Secretary Program (CSP Class. 68/2016) from Thai Institution of Directors, Strategic CFO in Capital Markets Class. 3/2016 and other required programs organized by SEC and SET such as Smart Disclosure Program and etc.



Directors and Management Compensation

1) Compensation in cash

1.1) Directors Compensation

The directors' compensation has been reviewed and considered by various factors that appropriate for the business, roles and responsibilities of directors, amount of payment comparing with other listed companies in Stock Exchange of Thailand, operating performance, achievement of the strategic execution and corporate objective including business growth and also external factors such as business competition, market trend as well as economic environment and etc. The director compensation must be approved by the shareholders' meeting. The Annual General Meeting of Shareholders 2018, held on 26 April 2018, resolved to approve the Board of Directors and Sub-committees Compensation for the year 2018, in the amount not over Baht 7.0 million per year and the directors' bonus in the amount not exceeding Baht 3 million per year to be payable in proportion of 1% of total dividend payment (if paid).

1.1.1) Meeting allowance

Meeting allowance rate for the Board of Directors meeting and Sub-committee meeting are as follows:

Position	Meeting Allowance (Baht/time)			Remarks
	Board of Directors	Nomination, Compensation and Corporate Governance Committee	Audit Committee	
Chairman	40,000	40,000	40,000	- Payable to participated members - Meeting allowance for Sub-committee only paid to non-executive members - No meeting allowance for Executive Committee and Risk Management Committee as all members are executives
Deputy Chairman	40,000	-	-	
Member	30,000	30,000	30,000	

1.1.2) Retainer fee

Retainer fee for Board of Directors and Sub-committees are as follows:

- Board of Directors 20,000 per person per month (paid to only non-executive members)
- Sub-committee 20,000 per person per month per Sub-committee (paid to only non-executive members)

In 2018, the compensation paid to directors according to above criteria are as follows:

Name	Meeting Allowance (Baht/time)			Retainer Fee	Total
	Board of Directors	Nomination Compensation and Corporate Governance Committee	Audit Committee		
1. Mr. Woodtipong Moleechad Chairman of the Board of Directors / Chairman of the Independent Director Committee / Chairman of the Nomination, Compensation and Corporate Governance Committee / Audit Committee Member	320,000	200,000	150,000	720,000	1,390,000

Name	Meeting Allowance (Baht/time)			Retainer Fee	Total
	Board of Directors	Nomination Compensation and Corporate Governance Committee	Audit Committee		
2. Mr. Prasitt Hemwarapornchai Deputy Chairman of the Board of Directors / Independent Director / Audit Committee Member / Nomination, Compensation and Corporate Governance Committee Member	320,000	150,000	150,000	720,000	1,340,000
3. Mr. Jitkasem Sangsingkeo¹ Chairman of the Audit Committee / Independent Director	60,000	0	40,000	160,000	260,000
4. Mr. Akarat Na Ranong¹ Chairman of the Audit Committee / Independent Director/ Nomination, Compensation and Corporate Governance Committee Member	240,000	150,000	190,000	720,000	1,300,000
5. Mr. Kranphol Asawasuwon Director / Chairman of the Executive Committee / Chairman of the Risk Management Committee / Nomination, Compensation and Corporate Governance Committee Member	0	0	0	0	0
6. Mr. Teerarat Pantarasutra Director / Executive Committee Member / Nomination, Compensation and Corporate Governance Committee Member / Deputy Chairman of the Risk Management Committee / President	0	0	0	0	0
7. Mr. Anand Vijayan² Director / Executive Committee Member	0	0	0	0	0
8. Mr. Patrick Corso Director / Nomination, Compensation and Corporate Governance Committee Member	0	0	0	0	0
9. Mr. Afzal Bin Abdul Rahim Director / Executive Committee Member	0	0	0	0	0
10. Mr. Loh Chi Kwan, Alex² Director / Executive Committee Member	0	0	0	0	0
Total	940,000	500,000	530,000	2,320,000	4,290,000

Note:

1. Mr. Jitkasem Sangsingkeo resigned from Chairman of the Audit Committee / Independent Director at the 2018 Annual general Meeting of Shareholders on April 26, 2018 and Mr. Akarat Na Ranong was appointed as his replacement
2. Mr. Anand Vijayan resigned from Director / Executive Committee Member, effective on June 30, 2018 and Mr. Loh Chi Kwan, Alex was appointed as his replacement at the Board of Director Meeting No.5/2018, effective on July 2, 2018

The meeting attendance record of each director in 2018

Name	Number of attendances		
	Board of Directors	Audit Committee	Nomination, Compensation and Corporate Governance Committee
1. Mr. Woodtipong Moleechad Chairman of the Board of Directors / Chairman of the Independent Director Committee / Chairman of the Nomination, Compensation and Corporate Governance Committee / Audit Committee Member	8/8	5/5	5/5
2. Mr. Prasitt Hemwarapornchai Deputy Chairman of the Board of Directors / Independent Director / Audit Committee Member / Nomination, Compensation and Corporate Governance Committee Member	8/8	5/5	5/5
3. Mr. Jitkasem Sangsingkeo¹ Chairman of the Audit Committee / Independent Director	2/2	1/1	-
4. Mr. Akarat Na Ranong¹ Chairman of the Audit Committee / Independent Director / Nomination, Compensation and Corporate Governance Committee Member	8/8	5/5	5/5
5. Mr. Kranphol Asawasuwon Director / Chairman of the Executive Committee / Chairman of the Risk Management Committee / Nomination, Compensation and Corporate Governance Committee Member	8/8	-	5/5
6. Mr. Teerarat Pantarasutra Director / Executive Committee Member / Nomination, Compensation and Corporate Governance Committee Member / Deputy Chairman of the Risk Management Committee / President	8/8	-	5/5
7. Mr. Anand Vijayan² Director / Executive Committee Member	4/4	-	-
8. Mr. Patrick Corso Director / Nomination, Compensation and Corporate Governance Committee Member	8/8	-	5/5
9. Mr. Afzal Bin Abdul Rahim Director / Executive Committee Member	7/8	-	-
10. Mr. Loh Chi Kwan, Alex² Director / Executive Committee Member	3/3	-	-

Note:

1. Mr. Jitkasem Sangsingkeo resigned from Chairman of the Audit Committee / Independent Director at the 2018 Annual general Meeting of Shareholders on April 26, 2018 and Mr. Akarat Na Ranong was appointed as his replacement
2. Mr. Anand Vijayan resigned from Director / Executive Committee Member, effective on June 30, 2018 and Mr. Loh Chi Kwan, Alex was appointed as his replacement at the Board of Director Meeting No.5/2018, effective on July 2, 2018

1.2) Management Compensation

In 2017 and 2018, the Company paid for management compensations as follows:

Name	2017		2018	
	Number of executives	Amount (Baht)	Number of executives	Amount (Baht)
Salary and Bonus	6	21,336,066	5	15,389,880
Other remunerations such as contribution to social security fund, provident funds, etc.	6	1,210,257	5	1,287,289
Total	6	22,546,323	5	16,677,169

2) Other benefits

None

Personnel

1) Number of Employees and Compensation

As of 31 December 2018, the total number of employees (exclude Directors and Management) was 392, which can be classified functions as follows:

Department	No. of Employees
Office of Managing Director	3
Consultant	2
Marketing and Information Technology	71
Engineering	235
Government Affair	8
Procurement	19
Finance and Accounting	24
Human Resources	10
Legal	2
Operation System Development	18
Total	392

The Company has a compensation policy which provides fair and attractive compensation to employees by considering the compensation policy of other companies in the same industries to motivate and retained qualified personnel in the long run. In 2017 and 2018, the compensation which the Company provided for its employees are as follows:

Employees' Compensation (Baht)	2017	2018
Salary and bonus	180,984,533	189,499,321
Other benefits such as commission, bonus, contribution to social security fund, contribution to provident fund, living expenses and other fringe benefits	67,947,834	54,099,369
Total	248,932,367	243,598,690

2) Human Resource Development Policies

The Company realizes the importance of human resource development to enhance capability of employees so the Company has set fundamental policies for human resources development and training plans, as follows:

The human resource development strategies need to be aligned with our visions, missions, goals, strategic plans, and fulfill the desired employee competencies.

In addition, the nature of our business as a telecommunications network service provider requires specialized skills of employees, which varies depending on an individual's major responsibility, typically in engineering, accountancy and management. The company also adopts the leadership competency model in order to develop managerial skills for employees engaging in supervising or coaching roles. There are 3 crucial skills including: Analytical skills, Coaching skills, Problem solving & Decision-making skills. The mentioned competency management system will lead to implementation of individual development plan, career path development plan and succession plan in the near future.

Human Resource Training

In 2018, the Company properly provided for training courses for employees of the Company and its subsidiary, both in-house training and external training with professional training houses and accredited organizations. Most employees had total training hour over 18 hours per person per year which is higher than training hours required by the standard of the Department of Skill Development which required average minimum 6 hours per person per year.

Total training hours	6 hours	12 hours	More than 18 hours	Total
Number of employees	45 employees	112 employees	185 employees	342 employees

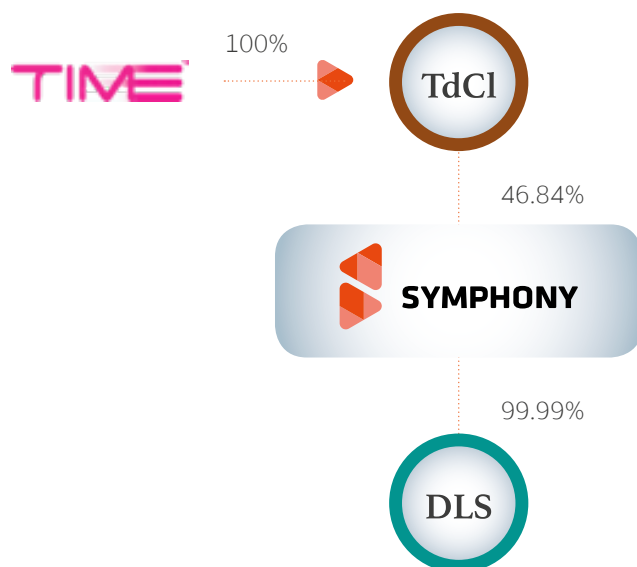
Regarding moral and virtue development, employees are encouraged to take part in various activities such as, religious ceremonies and CSR activities e.g. donation to natural disaster victims, to develop the recognition of merit making, sharing and ethic. The Company also cultivates employees to develop a service mind with customer centric approach in the corporate culture and servicing process. For instance, the staff is encouraged to assist customers to solve technical glitch, even though the problem was due to the customer's equipment malfunctioning, or not caused by the Company.

Regarding to other human resource development activities, we promote employees' creativity through many idea contests, involving areas of engineering and operational process improvement. In addition, we adopt the Bottom-up management style by which our top executives are widely open to all opinions on management process. The Company also provides training programs in the areas related to the business and invite some experts to share their useful working experiences with staff. Moreover, many other activities are arranged as the tools to improve relationship between staff, such as, employee team party, banquets, sport day and travel programs, in order to create team spirit in parallel with positive attitude toward the Company.

Shareholding in Subsidiaries and Affiliates

Symphony Communication Public Company Limited (“SYMC”) is held 46.84% by the major shareholder, TIME dotCom International Sdn Bhd (“TdCI”). Currently, SYMC has fully owned one subsidiary with operational offices and facilities in Thailand. The corporate structure is shown as follows:

Corporate Structure of the Company and its Subsidiaries 31 December 2018



▶ TIME dotCom International Sdn Bhd (“TdCI”)

TdCI is a wholly-owned subsidiary of TIME dotCom Berhad (TIME) to manage international business. TIME, listed on the Stock Exchange of Malaysia since 2001, is a Malaysian-based telecommunication provider that has evolved over the years to provide a full range of telecommunication solutions, including global connectivity, data center and managed service solutions to the customers in the wholesale, enterprise and retail segments. TIME has conducted its business in ASEAN region and expanded its customer base around the world.

In 2017, TdCI acquired SYMC in proportion of 46.84% of the total subscribed shares of the Company.

▶ Symphony Communication Public Company Limited (“SYMC”)

SYMC was founded on 24 November 2005 and listed on the Stock Exchange of Thailand since 2010, the Company has provided a high-speed telecommunication network service using fiber optics both terrestrial and submarine cables to serve domestic and international linkages including other value-added services to serve the customers’ requirement especially in the wholesale and enterprise markets under the brand “Symphony”.

In 2013, SYMC has incorporated DLS and held 99.99%.

Subsidiaries

▶ Diamond Line Services Company Limited (“DLS”)

DLS was founded on 8 November 2013 with registered capital of Baht 5 million, providing installation, repair and maintenance service of external interconnected networks and telecommunication equipment and may conduct joint investment with other companies.

Major Shareholding Structure and Dividend Policy

Ordinary shares

At 31 December 2018, the Company has registered capital of Baht 433,654,887 which comprises 433,654,887 shares at par value of 1 Baht each. Paid-up capital was Baht 433,654,887 which comprises 433,654,887 paid-up shares at par value of 1 Baht each.

Major Shareholders

Top 10 major shareholders as of the book closing date on 31 December 2018 are as follows:

No.	Name	Number of shares	% of paid-up capital
1	TIME dotCom International Sdn Bhd*	203,143,797	46.84%
2	Asawasuwan Group	40,641,667	9.37%
	Mr. Kranphol Asawasuwan	40,533,334	9.35%
	Ms. Kwandarin Asawasuwan	108,333	0.02%
3	Pantarasutra Group	39,687,023	9.15%
	Mr. Teerarat Pantarasutra	39,687,013	9.15%
	Ms. Toungporn Pantarasutra	10	0.00%
4	Thanakijsumton Group	19,463,430	4.49%
	Mr. Pongthep Thanakijsumton	19,355,478	4.46%
	Ms. Srisamorn Threepetchsomkhun	107,952	0.03%
5	Phatra Capital Public Company Limited	13,789,185	3.18%
6	Mr. Niphol Suwannachet	13,337,551	3.08%
7	Mr. Wanchai Somboonphon	10,581,122	2.44%
8	Mr. Pathomkrit Srisuphakhanin	7,422,451	1.71%
9	Bualuang Long-Term Equity Fund	6,917,949	1.60%
10	Bualuang Thanakom Open-end Fund	4,893,085	1.13%

Note:

Investors can check the updated major shareholders before the Annual General Meeting of Shareholders at the Company's website (www.symphony.net.th)

*TIME dotCom International Sdn Bhd is a wholly-owned subsidiary of TIME dotCom Berhad (TIME). Mr. Afzal Bin Abdul Rahim and Mr. Patrick Corso, directors of the Company are also directors of TIME and major shareholders of Megawisra Investments Limited (MIL). MIL holds 100.00% in Megawisra Sdn Bhd, which in turn holds direct shareholding of 0.49% and indirect shareholding of 30.47% in TIME.

Dividend Policy

The Company has a dividend payout policy of at least 40% of its net profit after deducting of all reserves as per the Company's Articles of Association and governing law. This dividend payment is subject to changes based on the Company performance, business plan, liquidity, necessity and other suitability in the future. However, annual dividend payments of the Company must have been approved from shareholders, except interim dividend payment which can be approved by the Board of Directors and will be reported to shareholders in the forthcoming shareholders meeting.

The historical dividend payment is shown as below

Year	Total dividend payment (Baht per share)			Net Profit (Baht per share)	Dividend payout ratio (%)
	First half	Second half	Full year		
2018 ⁽¹⁾	0.03	0	0.03	0.15	20
2017	0	0	0	(0.27)	0
2016	0	0	0	0.31	0

Note: (1) The Board of Directors Meeting No.1/2019 on February 25, 2019 deemed it appropriate to propose that the 2019 Annual General Meeting of Shareholders approve dividend payment from the operational results for the year 2018

Dividend policy for the subsidiary

Diamond Line Services Co.,Ltd, the subsidiary that the Company hold 99.99% of total shares, has not determined its dividend policy. The dividend payment will be subject to its performance, business plan, liquidity, necessity and other suitability in the future.



Shareholding of Directors and Management

The shareholding of directors and management include shareholding of related person (s) as defined by Section 258 of Securities and Exchange Act B.E. 2535 are as follows

Name	Title	31 December 2017 (Shares)	Change (Shares)	31 December 2018 (Shares)
1. Mr. Woodtipong Moleechad	Chairman of the Board of Directors / Chairman of the Independent Director Committee / Chairman of the Nomination, Compensation and Corporate Governance Committee / Audit Committee Member	-	-	-
2. Mr. Prasitt Hemwarapornchai	Deputy Chairman of the Board of Directors / Independent Director / Audit Committee Member / Nomination, Compensation and Corporate Governance Committee Member	-	-	-
3. Mr. Akarat Na Ranong	Chairman of the Audit Committee / Independent Director / Nomination, Compensation and Corporate Governance Committee Member	-	-	-
4. Mr. Kranphol Asawasuwat	Director / Chairman of the Executive Committee / Chairman of the Risk Management Committee / Nomination, Compensation and Corporate Governance Committee Member	40,533,334	-	40,533,334
Ms. Kwandarin Asawasuwat	Spouse	108,333	-	108,333
5. Mr. Teerarat Pantarasutra	Director / Executive Committee Member / Nomination, Compensation and Corporate Governance Committee Member / Deputy Chairman of the Risk Management Committee / President	39,587,013	100,000	39,687,013
Ms. Toungporn Pantarasutra	Spouse	-	-	-
6. Mr. Patrick Corso ¹	Director / Nomination, Compensation and Corporate Governance Committee Member	10	-	10
7. Mr. Afzal Bin Abdul Rahim ¹	Director / Executive Committee Member	-	-	-
8. Mr. Loh Chi Kwan, Alex	Director / Executive Committee Member / Chief Operating Officer/Acting Chief Financial Officer	-	-	-
9. Mr. Pongthep Thanakijsumton	Executive Vice President, Sale and Marketing	19,355,478	-	19,355,478
Ms. Srisamorn Threepetchsomkhun	Mother-in-law	107,952	-	107,952
10. Mr. Supornchai Chotputtikul	Executive Vice President, Service Operation	11,000	18,000	29,000

Note : 1. Mr.Afzal Bin Abdul Rahim and Mr.Patrick Corso, directors of the Company are also directors of TIME and major shareholders of Megawisra Investments Limited (MIL). MIL holds 100.00% in Megawisra Sdn Bhd, which in turn holds direct shareholding of 0.49% and indirect shareholding of 30.47% in TIME..

Corporate Governance



The Company was awarded for “Very Good” Corporate Governance Rating of Thai Listed Companies in 2018, which was assessed by the Thai Institute of Directors Association (IOD)

Corporate Governance Policy

The Company has realized the importance of good corporate governance and its contribution to achieving excellent performance, sustainable growth, and gaining confidence amongst the shareholders, investors and all concerned parties. As such, the Company is determined to strictly conduct business in accordance with the principles of good corporate governance, laws and regulations of Securities and Exchange Commission (SEC) and Securities Exchange of Thailand. Therefore, the Company has continuously encouraged its management and employees to acknowledge the Company’s Code of Conduct and strictly put into practice.

The Company has announced Corporate Governance Policy to all directors, managements and employees to put into practice in order to foster strong corporate governance culture among managements and employees. The Company also educate good governance practices as well as code of conducts to employees and include corporate governance development in annual action plan so its business practice should be in line with the good corporate governance set by The Stock Exchange of Thailand. Its main content can be divided into 5 sections as follows:

Section 1 Shareholders’ Rights

The Company realizes and gives importance on the rights of shareholders by giving equitable treatment to the shareholders and encourages the shareholders to fully exercise their rights such as rights to buy, sell and transfer shares that the person is holding, rights to receive the information of the Company or operating performance, right to receive dividend from the Company, rights to attend the shareholders’ meeting, rights to express opinion, rights to make decision on the Company’s important matters or assign the proxy in case that they cannot attend the meeting by themselves.

Shareholder Meeting

► Delivering meeting notices prior to the meeting in compliance with the related laws or regulations of Securities and Exchange Commission (SEC) and Security Exchange of Thailand (SET). The notices are available in Thai and English, together with details of agenda, objective of each agenda, Board of Directors’ opinion and accompanying documents supplementary detailing rights of the shareholders to attend the meeting, and rights to vote for resolution of the shareholders’ meeting, the documents required to present for meeting registration that use bar-code scanning. Posting such information on company’s website at least 30 days prior to the mailing and advertising the notice in daily newspaper for 3 consecutive days prior to the meeting at least 14 days.

► For those shareholders who cannot attend the meeting in person, they can appoint proxies or delegate their votes to any company’s independent director in attendance by filling in the proxy form which is attached along with the meeting notices.

► Prior to the meeting, the shareholders can send their views, opinions, recommendations or questions to the Company. Moreover, the Company gives opportunity to shareholders to propose the additional agenda and nominate candidates for the election of directors prior to the meeting. The Company also set the communication channels for investor contact via the Stock Exchange of Thailand and the Company’s Investor Relations Website.

► During the meeting, the Company will provide adequate time for all attendants to express opinions or recommendations and ask questions freely before voting. The Chairman and

the management are to address and answer all questions clearly and precisely. All these will be recorded with written summary in the minutes of the meeting.

► After the meeting the Company will provide the complete and accurate minutes of the meeting in both Thai and English, include full information of directors attending the meeting, details of question-and-answer session, voting method, detailed results of the votes in each agenda. The Company will disclose such minutes of the meetings via the Stock Exchange of Thailand and the Company's Investor Relations Websites within 14 days after the meeting.

Section 2 Equitable Treatment of Shareholders

The Company has a policy to treat every shareholder equally and fairly especially minority shareholders, for example, they are entitled to propose or add meeting agenda items prior to the meetings and nominate directors. The Company delegates independent directors to take responsibility for them; therefore, they can express opinion or recommendations through those directors to deliberate agenda items that could be useful to the Company. As for the agenda, the Company should not add an agenda item without notifying the shareholders in advance, especially the one that the shareholders need special time to deliberate.

The Company has policy for the equal access to the information and set the policy regards the Use of Internal Information which describes in this annual report, section "Supervision on the Use of Internal Information".

Section 3 Roles of the Stakeholders

The Company has placed importance on the stakeholders' rights and interests, both inside and outside the Company that are customers, business partners, competitors, creditors, government, community and other concerned agencies. We also realized that the support we've received from our stakeholders will help boost our competitive potential and bolster our profits, thus fostering long term success to the Company. The Company has set Corporate Governance Policy and Code of Conducts for managements and employees to strictly put into practice.

Shareholders

The Company is committed to be a qualified representative in running commercial business for the long-term profits and sound returns for the shareholders. We are committed to transparently disclose reliable information to the public. The Company should prudently manage risks and regularly review the risk mitigation measures.

Customers

The Company is committed to create highest customers' satisfaction and foster healthy relationship based on mutual benefits through offering value added services at fair prices. We are committed to promptly respond to customers' complaint, as defined in the Company's Code of Conduct. Aside from that, we fully and adequately disclose our product and service information and provide consultation service so the customers would understand and utilize them effectively. We also fully cooperate with our customers in problem solving process to minimize negative impact and in product development procedure to foster sustainable business. Moreover, we regularly conduct customer's satisfaction survey and provide convenient communicating channel for customers to send inquiries or submit suggestions and complaints, as well as provide proper security for data records.

Business partners

The Company considers fairness and committed to agreements, term of payments and mutual benefit between business partners. Therefore, the Company treats business partners on the same footing, based on regulated laws and business agreement and fairly select business partners by forbidding all employees from accepting benefits or gifts that may influence unfair business treat to any business partners.

Competitors

The Company supports fair and free competition policy within the scope of laws and business ethics. The company prohibit employees to disclose confidential information of competitors that violate laws, contract or any confidentiality agreements.

Creditors

The Company strictly complies with all terms and conditions of financial obligations and properly manage financial risks to ensure good financial position and ability to repay debt to creditors throughout the contracts.

Employees

The Company fully supports its personnel's potential development and provides fair employment term as well as good and safe work environment.

Government

The Company strictly complies with the laws and regulations of the concerned agencies.

Community, social, environment, occupational health and safety

The Company attached utmost importance to natural resources, energy conservation and preserve the environment and be responsible for the community as a whole. Not only that, the Company also gives full support to the community's activities, including those living in the neighborhood of the Company's office. We train employees to be responsible to community, social and environment and set the policy on safety, occupational health, safety and environment that we put importance to the prevention of accident related to company's activities and services. The Company also mapped out the efficient plan to deal with emergency matters and participate in the drills frequently.

Mechanism of Participation for Stakeholders

The Company provides a channel for all stakeholders e.g. shareholders, customers, community to express ideas, recommendations or ask questions. The stakeholders can submit their concerned issues by mail to :

Symphony Communication Public Company Limited
123 Sun Towers Building B, 35th - 37th Floor,
Vibhavadee Rangsit Road., Chomphon, Chatuchak, Bangkok
10900 or

Telephone : 66-(0)-2101-1111, Fax : 66-(0)-2101-1133 or
through the Company's website, www.symphony.net.th in
which the contact person for each department and
communication channels have already been specified.

In case the stakeholders would like to report misconduct or complaint over illegal acts, fraud, negligence of directors, managements, staff, incorrect financial disclosure, or deficiency of internal control, they can directly submit their concerns to Board of Directors or Audit Committee by above mailing address or email ac@symphony.net.th The Board of Directors will treat such information seriously and will maintain utmost confidentiality. If the misconduct is founded, the Board will prudently resolve in due time.

Section 4 Disclosure of Information and Transparency

The Company's Board of Directors has placed importance on correct, accurate, transparent and timely disclosure of information, both in terms of financial report and general information, in compliance with the regulations set by Securities and Exchange Commission and Securities Exchange of Thailand. This includes other crucial information that might affect the Company's share price and the decision of investors and stakeholders. Therefore, the Company's Board of Director has assigned the Audit Committee to audit the quality of our financial report and internal control system and disclose adequate information in the notice

attached with the Company's financial statement and report it to the Board of Directors. The Company disseminates information to shareholders, investors and public through numerous channels such as SET and the Company's website, in order that all shareholders can get equal access to such information

Investor Relations

The Company realizes the importance of communication with investors, analysts and other concerned parties. Therefore, the Company has assigned the investor relations department to be responsible for investor relations activities. Such responsibilities concern the disclosure of information in accordance with the regulations set by Securities and Exchange Commission and the Security Exchange of Thailand. The department will act as company's representative to communicate and publicize other information that useful for investors, analysts and other concerned people. The Company will provide opportunities for investors to ask questions and receive information through various channels such as the Company's website, investor and analyst meetings which attended by senior executives. The interested persons may contact the Company directly at 02-101-1111 ext. 36101 or at email: ir@symphony.net.th

Section 5 Responsibilities of the Board of Directors

Board of Directors has complete authority to set corporate vision, direction, policy, importance action plan and monitor the business management to achieve target as well as align with long-term benefits to shareholders under framework of regulations and code of conducts. The Company also consider benefits of all stakeholders. Therefore, the Company has practices to achieve sustainable growth as follows:

1) The Structure of the Board of Directors

The Company's Board of Directors consists of qualified and capable personnel with various experiences that useful for the Company's business operation. The Board of Directors plays an important role in defining policies, targets, business plan and financial budget of the Company, including governing the management team to observe such policies efficiently and effectively.

At present, the Board of Directors consists of 8 directors, of which 3 of them are independent directors, which is amounted to one-third (1/3) of the total directors, thus, can adequately exercise check-and-balance power in the deliberation and voting of agenda. Aside from that, the Company appointed 4 subcommittees, namely 1) Audit Committee, 2) Nomination, Compensation and Corporate Governance Committee, 3) Risk Management Committee

and 4) Executive Committee. The Company also clearly defined the scope of power and responsibility of these sub-committees in the Board of Directors' Charter.

The Company has required that the Chairman of the Board of Directors and the Chairman of the Executive Committee are two distinct persons, in order to segregate policy-making and governing duties from those of day-to-day management. Moreover, the Company appointed the secretary of the Board of Directors to be responsible for the Company's Board of Directors meeting and shareholders' meeting. The Company also appointed corporate secretary whose main duty is to provide information on the Company's laws and regulations that the Board of Directors is supposed to know and oversee the Board of Directors' activities, to ensure that all resolutions of the Board of Directors will be strictly observed.

2) Roles, Duties and Responsibilities of the Board of Directors

Major roles and duties of Board of Director have been mentioned in management structure section. Moreover, Board of Directors take key roles to review important policies and guidance as follows:

► Corporate Governance Policy

The Company has defined Corporate Governance Policy in written form and issue the Corporate Governance handbook to publish as a guideline for the directors, management and employees and review it on annual basis.

► Business Code of Conduct

Board of Directors must promote and develop corporate governance and set code of conduct in written form for the Board of Directors, management and all employees to strictly observe, compile and set standard as a guidance to control and monitor actions of directors, managements and employees as well as define to punishment for those who misconduct.

► Respect to laws, human rights and intellectual properties

Business of the Company is to providing service to public, therefore, the Company shall conduct the business in compliance with laws, regulations, order and resolution of Board of Directors as well as respect to principle of human rights by avoiding any violation to human rights. The Company also set policy for employees at all level to hold on to code of conduct relating to human rights and respect to intellectual properties and use only legalized standard softwares.

► Anti - corruption Policy

The Company has "Anti-Corruption Policy" in written form in order to prudently make a decision on any course of action

that could possibly lead to corruption and to serve as an apparent guideline in performing business and effectively developing to sustainable organization. Director, managements, and staff are disallowed to involve or accept every type of corruption both in direct or indirect manners covering every business activities. The Anti-Corruption Policy must be reviewed regularly, including with a possible revision of such policy and implementation provision in order to accord with business changes, regulation, standard, and laws. The Company provide fairness and safeguard to staff who denies or informs corruption cases relating to the Company by applying Protection Policy for appellant or persons who incorporate with Anti-Corruption information as stated in the Whistleblower Policy.

► Conflict of Interests

The Company is determined to restrict the conflict of interests within an organization at high level of integrity and independency, considering the framework of business ethics and for the Company's best interests. Any party having conflict of interests to the Company's concerning matter must disclose their relationship and define possible conflict of interest to the Company. Such person, will be refrained from the concerned decision making and not authorized for the approval of such transactions.

Such policy for the related transaction or the transactions having conflict of interests has been issued in compliance with the laws and regulations of SEC and SET. The Company has disclosed such information in the Company's annual report and annual disclosure (form 56-1).

► Internal Control

The Company places importance on setting up an effective internal control system. The internal control regulations handbook has been published as a guideline for this matter, the contents of which clearly segregate the responsibilities and operating power of operating team from those of management in the matters concerning the Company's assets, the approval of transactions, the documentation of accounting and financial information. Moreover, they clearly segregate the duties of operating team, monitoring team and evaluation team to enhance an adequate check-and-balance system.

► Risk Management

The Company places supreme importance on the risk management of the entire organization. Therefore, the Company appointed the risk management team to directly oversee and manage such risks that are financial risk, operating risk and business risk. The risk management team will report to the Audit Committee on quarterly basis or whenever necessary for deliberation before submission to the Board of Directors.



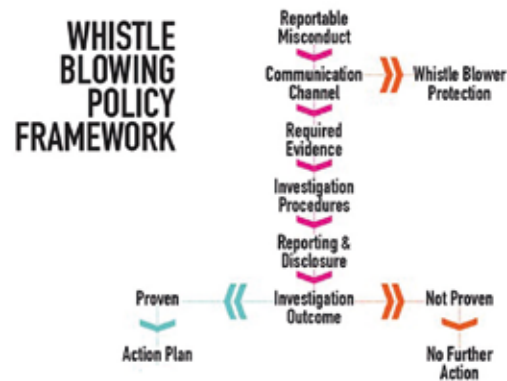
SYMPHONY WHISTLE BLOWING POLICY

VERSION 2018

Dear All,

In line with the Code of Corporate Governance, all employees under the Symphony group of companies, including contractors, consultants and customers are subjected and protected by the **Symphony Whistle Blowing Policy**.

This policy outlines the Group's commitment to promote a Transparent and Open Culture, encourage employees to disclose any malpractice or misconduct (whistle blowing) which they are aware of and protect them against adverse employment actions while ensuring their anonymity.



Reportable Misconducts

Failure to comply with any legal obligations	Suspected or actual misconduct which violates any law or regulation	Breach of internal control, fraud or corruption	Violation of Company's procedures, policies or other rules of conduct	Damage to the environment, health & safety of any individual	Serious non-professional or non-ethical behaviour

Communication Channel

The Whistle Blower may communicate directly to the **Internal Audit** on any Reportable Misconduct. Alternatively, employees, vendors or contractors are encouraged to use the following contact details to report allegations of wrongdoing or unethical business behaviour, with the details as follows:

TELEPHONE	+66 2101 1111 Ext: 36207
E-MAIL	ec@symphony.net.th
MAILING ADDRESS	Internal Audit Symphony Communication Public Company Limited 123 Sun Towers Building B, 36 th Floor, Vibhavadee Rangsit Road, Chomphon, Chatuchak, Bangkok 10900

In the event the whistle blower suspects the Internal Audit is involved in any misconduct, please communicate your concerns to the following persons within the Company:

Chief Operating Officer
(COO)

President

Thank you

3) Board of Directors meetings

Board of Directors meetings are planned for the entire year on quarterly basis, with additional meetings called to discuss special agenda items if necessary. Prior to the meeting, the meeting notice along with the meeting agenda must be issued to each director to deliberate it in advance, except only in the case of emergency. The Company stipulates that the directors have duty to attend every Board of Directors meeting, except in the case of necessity. The minutes of each meeting are properly documented and are filed for auditing purposes and for reference by directors and related persons.

In deliberation of each agenda item, the Chairman of the board, in which case the Chairman of the Meeting shall allow all directors to express their view freely and openly. In some cases, the concerned high-level executives might attend the meeting to provide more necessary information and acknowledge the policy themselves in order to execute it effectively.

Furthermore, the non-executive directors will convene the meeting without the attendance of management at least once a year to consider the business operation and performance of executive directors.

4) Director positions in other listed companies

Policy for directors to hold director positions in other listed companies

Board of directors set policy that directors shall not hold director positions in other listed companies more than 5 companies, in order that the director can dedicate and provide efficiency to the duties of directors. At present, none of 8 directors hold director positions in other listed companies more than 5 companies, therefore, they can really contribute to the duties of directors.

Policy for the president regarding director positions in other companies

Board of directors set policy for the president regarding director positions in other companies. For the subsidiary, board of directors may appoint the president and/or senior managements of the Company to be directors of subsidiary in order to govern and set business direction in line with the Company. For other companies, the president need inform and get approval from board of directors before taking any director positions in other companies.

5) Performance Evaluation of Directors

The board of directors conducted the self-assessment on their scope of duties on annual basis, whereby each director is free to evaluate and express his/her opinions to

board of directors in order to improve efficiency of board of directors. The evaluation measures including qualifications, roles of regulating and monitoring, leadership, strategic direction and duties.

In 2018, evaluation performance of board of directors and sub-committees were in “Good” level. All Director also evaluate themselves by individual evaluation including assessment of knowledge, competence, duties and responsibilities. Evaluation performance of all directors were also in “Good” level.

Board of directors has analyzed the assessment results in all aspects for further efficiency improvement. For subcommittee assessment, there were both self-assessment by individual director and subcommittee assessment, the evaluation results have been reported to Board of Directors.

Board of directors also set annual evaluation for the president, the evaluation includes vision, leadership, change management and target achievement for various aspects. Compensation committee then take the evaluation results to consider the appropriate compensation to the president.

6) Director and Executive Development

The Company values and fully supports the enrolment of its directors and executives in the development training courses or seminars relevant to their scope of duties. In the case of change in directors or executives, the Company will provide necessary document useful for the scope of duties of the new ones, including enrolling them in the useful and relevant training courses.

In 2018, the directors have attended the training and seminar as follows:

1. Mr. Kranphol Asawasuwat,

- ▶ Entire Business Innovative Transformation (EBIT) /2018
- ▶ Executive Program in “Energy Literacy for Sustainable Future”, Thailand Energy Academy TEA Class. 12/2018
- ▶ Intermediate Certificate Courses-Good Governance for Medical Executives No.6/2018

2. Mr. Patrick Corso,

- ▶ Credit Suisse 9th Annual ASEAN Conference in January 2018
- ▶ 15th CLSA ASEAN FORUM 2018 in March 2018
- ▶ Bursa Malaysia “Sustainability Report - Setting the Agenda for Value Creation” in November 2018

Nomination of Directors and Top Executives

The Appointment of Director

The Board of Directors has appointed Nominating, Compensation and Corporate Governance Committee to select, and nominate suitable candidates for the position of Directors and Managements and must consider the composition of board of directors in accordance with Public Company Act B.E.2535, qualification, variety of experiences and contribution to the Company. The Nominating and Corporate Governance Committee also considers if there are qualified persons nominated from minority shareholders. Then, Nominating and Corporate Governance Committee nominate to board of directors to propose the annual general shareholders meeting to appoint director by votes according to the Company's regulations. The Company allow shareholders to vote for directors individually one by one. The appointment and dismissal of the Directors shall be in line with the principles and methods defined in the Company's Articles of Association, the important contents of which are as follows:

1. The shareholders' meeting shall appoint Directors in accordance with these methods and principles

- a) For an election of one Director, the number of votes that each shareholder may cast shall be equal to the number of shares that he holds.
- b) Each shareholder may cast all of his votes according to Item (a) to elect one person or many persons as the Director, but he may not cast his vote more or less for anyone.
- c) The persons who have received the highest votes in descending order shall be appointed the Directors in the number that the Meeting of Shareholders has to choose at that time. In the event of a tie between or among the persons in the next order exceeding the number of the persons to be chosen at the meeting, the Chairman of the Meeting shall cast a ruling vote.

2. At every Annual General Meeting of Shareholders, one-third of the Directors shall vacate their office; if the number is indivisible by three, the nearest number shall apply. In the first and second years subsequent to the Company registration, which the Directors shall vacate their office shall be decided by a draw. In the subsequent years, the Directors who remained in office for the longest time shall vacate their office. The Director whose office term has ended may be reappointed.

3. Aside from leaving the office when his/her term ends as defined in this regulation, the Directors shall leave their office when

- a) Die
- b) Resign
- c) Being dismissed by the resolution of shareholders' meeting in accordance with the Company's Articles of Association.
- d) Being deprived of quality or having possessed prohibition, as defined by law or the Company's regulation.
- e) The court orders him/her to leave the office.

4. Any director wishing to resign may submit a resignation letter to the Company. The resignation is to be effective on the date that the Company receives the letter, according to the content in the first paragraph. Such Director shall notify his/her resignation to the registrar.

5. In the event that the whole office of the Board of Directors is vacant, the Board of Directors who have left the office shall stay on duty to operate the Company's business as necessary until the new office takes position, except the court orders otherwise.

The vacating Board of Directors shall organize the shareholders' meeting to elect the new Board of Directors within one (1) month after their term ends. The invitation for the meeting should be sent out at least fourteen (14) days prior to the meeting.

6. Under the article 20 of the Company's Articles of Association, in the event that an office of the Directors is vacant for reasons other than end of office term, the Board of Directors, shall, at the next Board Meeting, appoint as a Director a person who has no undesirable qualities as set forth in the Public Company Act, Securities and Exchange Act, Telecommunications Business Act and other concerning Act, unless the remaining office term is less than two (2) months. The resolution of the Directors as defined in the first paragraph must consist of at least three quarters (3/4) of all the votes of the remaining Directors.

The newly appointed Director shall be in office for the remaining office term of the person he/she replaces.

7. In the event that the number of vacating Directors is outnumbered that of current Directors to be ineligible to form a quorum, the remaining Directors shall act on behalf of the whole office only to hold the shareholders' meeting to select the Directors to replace the vacating ones.

Such meeting according to the first paragraph shall be held within one (1) month after the number of the remaining Directors is less than that to be eligible to hold the meeting. The newly appointed Director shall be in office for the remaining office term of the person he/she replaces.

8. A shareholder meeting may pass a resolution removing any director from office prior to retirement as a result of the expiration of the director's term of office, by a vote of not less than three quarters (3/4) of the number of shareholders attending the meeting and having the right to vote and the total number of shares being not less than half (1/2) of the number of shares held by the shareholders attending the meeting and having the right to vote.

Appointment of the President and Succession Plan

Nomination and Corporate Governance Committee has the duty to consider and review the appointment of executive in the position of Executive Vice President or higher to propose to the Board of Directors' consent and monitor the formulation of Succession Plan of the Director, President and Executive Vice President as well as other positions that vital for corporate sustainability by developing and preparing successors to boost confidence of shareholders, investors and staff that the Company business will be sustainable.

Governance and Control of Subsidiary

The Company has policy to appoint top executives of the Company to be the directors of subsidiary in order to drive the common objective and best interest of the Company. Board of directors of subsidiary is reported to board of directors of the Company on quarterly basis. The importance matters that required approval from board of directors of the Company, board of directors of subsidiary must seek approval from board of directors of the Company before any implementation. However, the number of board seats in subsidiary will be in the same proportion of shareholding.

Moreover, the Company has policy that executives of subsidiary must monitor and set regulations for related parties transactions, asset acquisition and disposition and importance transaction completely, correctly and in line with the Company. Management of subsidiary shall set the internal control and filing systems, as well as transparent and timely accounting procedure in order to consolidate with the Company.

The Control of Inside Information Usage

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:

► 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 be transferred 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.

► The directors, executives and employees who are aware of inside information that has not been disclosed to the public must not use such information and must avoid or refrain from buying, selling, transferring or being transfers company's shares within 1 month before the disclosure of the quarterly financial statement and annual financial statement to the public.

► 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.

Auditor's Fee

The Company and its subsidiary's financial statement have been reviewed and audited by the certified accountant according to the general accepted accounting standard to ensure that the financial statements are fairly presented. In 2018, the Company and its subsidiary's financial statements have been audited by EY Office Limited. The auditor's fee is shown as detailed below.

No.	Items	Amount (Baht)
1	Auditor's fee according to the contract (for quarterly and annual financial statements)	1,290,000
2	Fee for additional report review	230,000
3	Other expenses (e.g. papers and transportation)	13,000
	Total	1,533,000

Corporate Social Responsibility

The Company has realized that steering towards an effective organization with excellent management to achieve a sustainable growth is its key objective. In this regard, the Company has a long-term commitment towards corporate social responsibility, integrity, transparency, accountability and compliance with the laws to ensure that interests of all stakeholders are addressed and safeguarded for the long-term success of the Company.

CSR-in-process

Operating the business with righteousness

The Company has provided telecommunications service with operating license from the government and regulated by government agencies which considered as public service. Therefore, the Company must operate its business in compliance with the laws, regulations, rules, orders, notifications and resolutions of related committees. Moreover, the Company must also respect human rights as well as promote this understanding amongst all employees to respect and adhere to the laws, regulations, rules, orders, notifications and resolutions of related committees in performing their duties.

Responsibility to all stakeholder groups

The Company has continually safeguarded interests of all stakeholder groups to recognize their supports and their contribution to the Company's competitiveness, which is a key to the Company's long-term success. The Company has endorsed the Code of Conduct as part of its corporate governance policy that enforces all employees and executives to respect interest of all stakeholder groups not only internal stakeholders such as the Company's employees and executives, but also external stakeholders such as customers, business partners, competitors, creditors, the government, communities, environment, and other related organizations. The Code of Conduct is announced on the Company's website <http://www.symphony.net.th/csr/conduct.aspx>

Anti-corruption

The Company has signed the Declaration of Intent to join Thailand's Private Sector Collective Action Coalition against Corruption and has a written "**Anti-Corruption Policy**" as a clear guideline in operating the business and developing the Company into a sustainable organization. The Anti-Corruption Policy covers scope of responsibility, regulations, and principles for appropriate action in order to prevent corruption in all of the Company's business activities and ensure that decisions and business transactions which may have risks related to corruption are prudently considered and implemented.

Responsibility to communities, society and the environment

The Company has served public service and considered itself as an integral part of society. Therefore, the Company has encouraged employees to preserve the environment, efficiently use natural resources and energy as well as continually support for social development. Throughout many years, the Company has continued to support the work of various foundations and organizations in improving community and society e.g. providing financial aids, donations for elderly, underprivileged schools, students and humanitarian relieves.



SAFETY for SCHOOL 2018

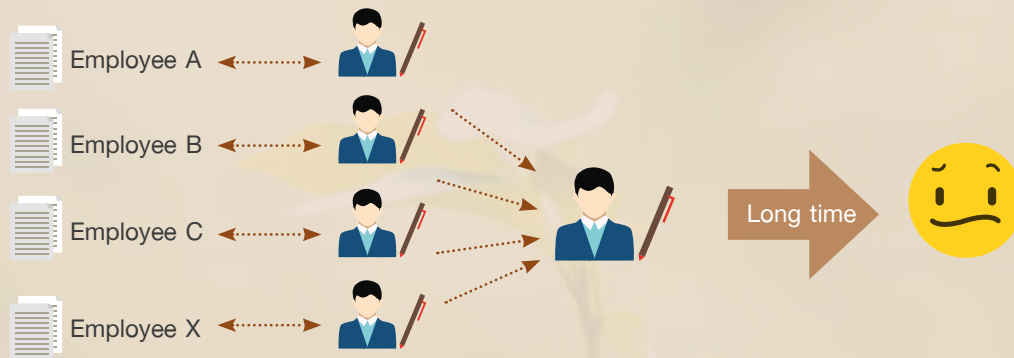


The Company has recognized the importance of risk and hazard that could cause accidents in school as well as find ways to do appropriate modifications. On December 1st - 3rd, the executives and employees participated in CSR activity at Ban Sa Ma Kha school, Nakhon Ratchasima province to provide an assistance in many activities to improve the unsafe and unhygienic environment and educate the basic safety necessary for everyday life and firefighting to the students and school personnel.

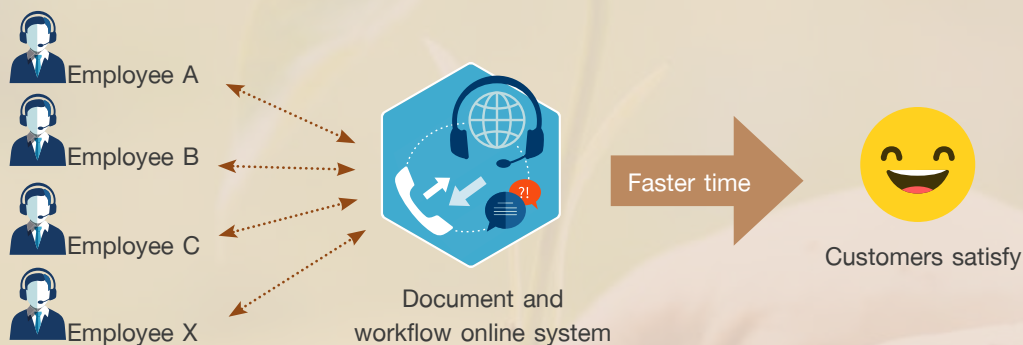


Document and Workflow Online System

In the past



At Present



Through many years, the Company has grown its business by expanding more services, resulting in more tasks, complexing procedures and generating documents respectively. Therefore, the Company has applied IT tools to manage the document system and improve internal workflow to increase overall work efficiency. The IT application can facilitate searching documents and reduce working hours for routine works. Therefore, it helps improving the work quality for the employees to have more time left for creating more valuable works. The Company has developed the application to serve the employees and executives in presenting the electronic reports and managing approval workflow through the computers or smart phones by efficient utilization of paper works. Importantly, this application can help us to provide faster services to our value customers. Also, the Company can reduce its expenses for spending paper and conserve our environment.

Internal Control and Risk Management

The Company realizes the importance of internal control system at an operational level to ensure that the Company has efficient operation at the acceptable level of risks and suitable for working environment. Therefore, the Company has established an Internal Audit function as a part of the Audit Committee's accountability to consistently monitor internal control in order to improve internal control measures appropriate to the changing situation, environment and risks. The Company also manages an internal control system to be in line with the standards of COSO (The Committee of Sponsoring Organizations of the Treadway Commission). The detail of 5 elements of the internal control system is as follows:

1) Organization Control and Environment

The Company set up the organizational structure that defines policy, scope of responsibilities as well as remuneration in relation to its business goals. The action and budget plans have been set and reviewed periodically to control the company's operation.

2) Risk Management

The Company has continuously considered both external and internal risk factors, while setting a risk mitigation approach to control risks, potentially occurring in the future. The Company set up the Risk Management Committee with a defined scope of responsibility in formulating and monitoring the risk management plan and reports it to the Audit Committee for consideration before proposing it to the Board of Directors.

3) Management Control Activities

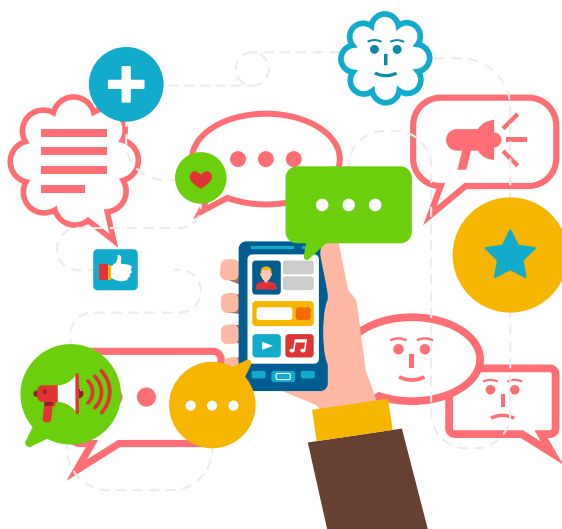
The Company has defined the clear scope of responsibilities and the approval limit for the management in by preparing the Delegation of Authority and the Code of Conduct manuals in written form to serve as the company's standard and for operational transparency.

4) Information and Communication

The Company has a proper data management system and sufficient data to support decision made by the management. It also has a data storage system that is organized and verifiable.

5) Monitoring System

The management has held periodic meetings to evaluate the company's performance, and update its objectives and policy to match with the current situation. Such process is achieved by considering the causes and improvement measures. The audit is also performed by Internal Audit function before reporting to the Audit Committee and the Board of Directors.



Related Party Transactions

The Board of Directors carefully considers the conflict of interests and related party transactions and set forth in the policies, guidelines and practices in compliance with the Company's Articles of Association, laws, the principles of good governance and regulations of SEC and SET. Those with conflict of interests or related businesses must report their relationship and interest with a possible conflict of interests to the Company. The connected persons will be refrained from exercising their authority for and involvement in such transactions. Moreover, the approval of such transactions must be done solely for the Company's best interests and the information must be disclosed in the note of financial statement. The consolidated annual financial statements ending on 31 December 2018 published the related transaction in the note No.6.

Company/Nature of Business/Relationship	Characteristics of transactions	Value of transactions (Million Baht) From Consolidated Financial Statement		Opinion of the Audit Committee/ Necessity and Reasonableness
		Audited 31 December 2017	Audited 31 December 2018	
1. KIRZ Company Limited	1.1 The Company and its subsidiary provided the lease line service to KIRZ under the Service Agreement.	5.68	6.53	The said transaction was reasonable and beneficial to the business operation of the Company and its subsidiary because the said revenue was for the services, providing to KIRZ under the Service Agreement. In addition, the terms and conditions of the Service Agreement are fair and equitable, comparing to the Service Agreement of the Company and its subsidiary with other affiliated companies.
	1.2 KIRZ is the debtor of the Company, arose from the accrued lease line service revenue.	0.97	2.12	The said transaction was reasonable and considered as a normal transaction.
2. TIME dotCom (Cambodia) Co., Ltd.	2.1 The Company and its subsidiary provided the rental space to TIME dotcom (Cambodia) under the Rental Agreement.	0.00	0.82	The said transaction was reasonable and beneficial to the business operation of the Company and its subsidiary because the said revenue was for the services, providing to TIME dotCom (Cambodia) under the Rental Agreement. In addition, the terms and conditions of the Rental Agreement are fair and equitable, comparing to the Rental Agreement of the Company and its subsidiary with other affiliated companies.
	2.2 TIME dotCom (Cambodia) is the debtor of the Company, arose from the accrued rental space.	0.00	0.82	The said transaction was reasonable and considered as a normal transaction.
3. CMC Telecommunication Infrastructure Corporation	3.1 The Company and its subsidiary provided the Lease line service to CMC under the Service Agreement.	0.17	1.18	The said transaction was reasonable and beneficial to the business operation of the Company and its subsidiary because the said revenue was for the services, providing to CMC under the Service Agreement. In addition, the terms and conditions of the Service Agreement are fair and equitable, comparing to the Service Agreement of the Company and its subsidiary with other affiliated companies.
	3.2 CMC is the debtor of the Company, arose from the accrued lease line service revenue.	0.17	0.43	The said transaction was reasonable and considered as a normal transaction.

Company/Nature of Business/Relationship	Characteristics of transactions	Value of transactions (Million Baht) From Consolidated Financial Statement		Opinion of the Audit Committee/ Necessity and Reasonableness
		Audited 31 December 2017	Audited 31 December 2018	
4. TIME DOTCOM INTERNATIONAL SDN. BHD.	4.1 The Company and its subsidiary provided the lease line service to TIME DOTCOM INTERNATIONAL under the Service Agreement.	0.00	0.11	The said transaction was reasonable and beneficial to the business operation of the Company and its subsidiary because the said revenue was for the services, providing to TIME DOTCOM INTERNATIONAL under the Service Agreement. In addition, the terms and conditions of the Service Agreement are fair and equitable, comparing to the Service Agreement of the Company and its subsidiary with other affiliated companies.
	4.2 TIME DOTCOM INTERNATIONAL is the debtor of the Company, arose from the accrued lease line service revenue.	0.00	0.01	The said transaction was reasonable and considered as a normal transaction.
5. TT dotCom Sdn Bhd	5.1 The Company and its subsidiary used the lease line service from TT dotCom under the Service Agreement.	0.00	6.38	The said transaction was reasonable and beneficial to the business operation of the Company and its subsidiary because the said expense was for the services, provided by TT dotCom under the Service Agreement. In addition, the terms and conditions of the Service Agreement and Sale Agreement are fair and equitable, comparing to the Service Agreement and Sale Agreement of the Company and its subsidiary with other affiliated companies.
	5.2 The Company and its subsidiary had acquisition of IP address and first time fee for network connectivity to TT dotCom under the Sale Agreement and Service Agreement.	0.00	5.53	The said transaction was reasonable and beneficial to the business operation of the Company and its subsidiary because IP address and first- time fee that paid to TT dotCom under Sale Agreement and Service Agreement. In addition, the terms and conditions of the Sale Agreement and Service Agreement are fair and equitable, comparing to the Sale Agreement and Service Agreement of the Company and its subsidiary with other affiliated companies.
	5.3 TT dotCom is the creditor of the Company, arose from the accrued lease line service expense.	0.00	2.50	The said transaction was reasonable and considered as a normal transaction.

Company/Nature of Business/Relationship	Characteristics of transactions	Value of transactions (Million Baht) From Consolidated Financial Statement		Opinion of the Audit Committee/ Necessity and Reasonableness
		Audited 31 December 2017	Audited 31 December 2018	
6. Global Transit Communications Sdn Bhd	6.1 The Company and its subsidiary used the lease line service from Global Transit under the Service Agreement.	2.75	1.59	The said transaction was reasonable and beneficial to the business operation of the Company and its subsidiary because the said expense was for the services, provided by Global Transit under the Service Agreement. In addition, the terms and conditions of the Service Agreement are fair and equitable, comparing to the Service Agreement of the Company and its subsidiary with other affiliated companies.
	6.2 The Company and its subsidiary paid first time fee for network connectivity to Global transit under the Service Agreement.	0.00	0.18	The said transaction was reasonable and beneficial to the business operation of the Company and its subsidiary because the said first-time fee was related with lease line expense, provided by Global Transit under the Service Agreement. In addition, the terms and conditions of the Service Agreement are fair and equitable, comparing to the Service Agreement of the Company and its subsidiary with other affiliated companies.
	6.3 Global Transit is the creditor of the Company, arose from the accrued lease line expense.	0.00	0.54	The said transaction was reasonable and considered as a normal transaction.
7. Diamond Line Services Co., Ltd. (DLS)	The Company and its subsidiary purchased equipment from DLS under agreed price.	0.00	0.08	The said transaction was reasonable and beneficial to the business operation of the Company and its subsidiary because equipment purchased from DLS by agreed price. In addition, the terms and conditions of the agreed price are fair and equitable, comparing of the Company and its subsidiary with other affiliated companies.

Policy and Future Related Party Transaction

The Company may have related party transactions in the future as appropriate based on normal business operation. If the transaction is not the normal business operation, the Company must propose the Audit Committee for the consideration of appropriateness and must comply with the step of approval for related transactions. The Company will consider the necessity and soundness of such transaction. The prices and conditions shall be set on arm's length basis for the best interest of all stakeholders and complied with the regulations set by the Stock Exchange of Thailand (SET) and Security and Exchange Commission (SEC). Meanwhile, the directors, management and the stakeholders who have conflict of interests shall not participate in the approval of transactions.

Report of the Audit Committee

The Audit Committee of Symphony Communication Public Company Limited comprises three independent directors whose qualifications fully comply with requirements of the Securities and Exchange Commission, namely Mr. Akarat Na Ranong, Chairman of the Audit Committee, Mr. Woodtipong Moleechad and Mr. Prasitt Hemwarapomchai, members of the Audit Committee. Ms. Nansinee Chokthienanan, Internal Audit Assistant Manager serves as the secretary of Audit Committee.

In 2018, the Audit Committee performed its duties in compliance with the Audit Committee Charter approved by the Board of Directors. The Audit Committee held at least once every quarter, total 5 meetings held in 2018, in which Audit Committee members have attended the meetings, together with executives, auditors and internal audit department as appropriated, which is summarized as follows:

1. Reviewed quarterly and annual financial statements for the year 2018 prior to proposing to the Board of Directors for approval. The Audit Committee has inquired the management and the auditor for the accuracy, the completeness of the financial statements and the adequacy of disclosures. The Audit Committee is of the opinion that the Company's financial statements were prepared in accordance with legal requirements and generally accepted accounting principles.
2. Reviewed the internal control system to evaluate suitability and efficiency of current internal control system. The Audit Committee reviewed the planned quarterly audit reports from internal audit department. There was no significant deficiency and the Company has proper asset control. The Audit Committee is of the opinion that the Company has efficient, adequate and suitable internal controls in the acceptable risk management criteria. Its internal control system is regularly reviewed and evaluated.
3. Reviewed the compliance with the law. The Audit Committee has assigned Corporate Secretary to monitor the compliance to the rules and regulations of Securities and Exchange Commission and the Stock Exchange of Thailand or and Legal department to monitor other laws relating to its business as well as corporate agreement with external parties, which has an opinion that the Company has complied with the Securities and Exchange Law, regulations of the Stock Exchange of Thailand, or other laws relating to its business and its agreement to external parties.
4. Reviewed the risk management system. The Audit Committee had reviewed the risk management system, considering its linkage to internal control, risk management policy and guidance as well as risk management progress. The Audit Committee is of the opinion that the Company has efficient risk management system that is constantly reviewed in accordance with the Company's risk management guidance handbook at acceptable risk level.
5. Reviewed the connected transactions and its disclosure in audited financial statements and the notes of audited financial

statements. The Audit Committee has common opinion with the independent auditor that the connected transactions were done on normal course of business and of the Company's interest, and completely disclosed.

6. Nominated external auditor and recommended their compensation for the year 2019 and presented to the Board of Directors to propose the 2019 Annual General Meeting of Shareholders for final approval. The Audit Committee has considered independency and service quality of the nominated auditor. The auditors as proposed have no relationship or interest in the Company the management/ major shareholders or related person of the Company/ the management/major shareholders
7. Conducted the self-assessment on their scope of duties in the year 2018 using the assessment form recommended by Thai Institute of Directors (IOD) which has assessment criterion according to the Audit Committee Charter and the good practice. For 2018, the assessment result was in good level. The Committee has performed its duties in accordance with the Audit Committee Charter and the good practice.
8. Assessed the adequacy of the internal control system. The Audit Committee proposed the Board of Directors committee meeting 1/2019 to assess the internal control of the Company by asking information from management and reviewing an evaluation report from the audit committee.

The report has concluded the assessment in five different elements; Organization Control and Environment, Risk Management, Management Control Activities, Information and Communication and Monitoring System. The Board of Directors committee has agreed that the Company's internal control system is adequate and appropriate. The Company has provided adequate personnel to operate the system effectively which can protect the assets of the Company and its subsidiary, also including transactions with persons who may have conflicts of interest and related party

9. Reviewed the Audit Committee Charter in order to develop and revise the composition, term of office, scope of duty and responsibility and the self-assessment, in accordance to the good corporate governance principles and regulations of the Stock Exchange of Thailand and the Security Exchange Commission.

In conclusion, the Audit Committee has performed its complete duties set forth in the Audit Committee Charter approved by the Board of Directors and viewed that the Company has reviewed aforementioned activities that are consistent with the Good Corporate Governance Practice.

On behalf of the Audit Committee



(Mr. Akarat Na Ranong)

Chairman of the Audit Committee

Symphony Communication Public Company Limited

Report of the Board of Directors' Accountability to Financial Statements

The Board of Directors is responsible for Symphony Communication Public Company Limited's financial statements, including the financial information presented in this annual report. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles, using careful judgment and the best estimation. Important information is adequately and transparency disclosed in the notes to financial statements for the Company shareholders and investors.

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

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

The financial statements of the Company have been audited by an external auditor, EY OFFICE LIMITED. The Board of Directors facilitated all the Company's records and related data as the auditor requested. The auditor's opinion is presented in the auditor's report as part of this annual report.

In this regard, the Board of Directors is of the opinion that the Company's internal control system is proven satisfactory and contributes the credibility of the Company's financial statements as of 31 December 2018 that all these financial statements have been prepared in accordance with generally accepted accounting principles and related regulations.



Mr. Woodtipong Moleechad
Chairman of the Board



Mr. Teerarat Pantarasutra
President

Report of Independent Certified Public Accountants

To the Shareholders of Symphony Communication Public Company Limited

Opinion

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Symphony Communication Public Company Limited and its subsidiary and of Symphony Communication Public Company Limited as at 31 December 2018, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

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

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

Because the amount of service income that the Company recognises in each period forms a significant portion of the Company's total revenues. In addition, the Company has entered into agreements with a large number of customers and there are a variety of conditions in these agreements. As a result, the Company's recognition of revenue from service income is complex. I have therefore focused on the audit of occurrence and timing of revenue recognition of service income.

I have examined the revenue recognition of the Company by

- ▶ Assessed and tested the Company's IT system and its significant internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- ▶ Applied a sampling method to select supporting documents for service income to assess whether revenue recognition was consistent with the conditions, and in compliance with the Company's policy.
- ▶ On a sampling basis, examined supporting documents for actual service transactions occurring near the end of the accounting period.
- ▶ Reviewed credit notes that the Company issued after the period-end.
- ▶ Performed analytical procedures on disaggregated data to detect possible irregularities in service income throughout the period, particularly for accounting entries made through journal vouchers.

Litigation

As discussed in Note 27.6 to the consolidated financial statements, the Company had contingent liabilities arising from litigation claims and commercial disputes resulting from rental of optic fiber conduit. As the cases are not yet finalised, the management needs to exercise significant judgement and take into account related laws and regulations in assessing the effects of the litigation and disputes, in order to determine the corresponding liabilities. However, the actual outcomes of the litigation and disputes may differ from the estimates. There are therefore risks with respect to the recognition of provision or disclosure of contingent liabilities with respect to the litigation and disputes.

I inquired with the Company's management and legal department regarding the procedures followed to collate and monitor lawsuits filed and pending as at the date of the financial statements, reviewed legal consultation fees to check the completeness of the litigation notified by the Company, inquired about the details and progress of cases and the methods applied by the management in estimating liabilities from litigation, and assessed the judgement exercised by the management in estimating these liabilities. To carry out these procedures, I performed the following.

- ▶ Reviewed relevant conditions from related regulator that the Company referred to in determination of disputes, together with the claims and objections submitted by the Company and counterparties to the court for the purpose of providing background into the disputes.
- ▶ Reviewed correspondence between the Company and the legal consultant involved in the litigation, and relevant supporting documentation used by management and prepared by external experts, and sent confirmation letters to the legal consultant whose services were used by the Company requesting written reports on case details and status, and legal opinions on the possible effects of the litigation on the Company. I also assessed the legal consultant's competence, experiences, independence and objectivity in accordance with relevant auditing standards.

In addition, I reviewed the disclosure of information relating to litigation and commercial disputes in the notes to the financial statements.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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

Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 25 February 2019

Financial Statements

Symphony Communication Public Company Limited and its subsidiary

Statement of financial position

As at 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Assets					
Current assets					
Cash and cash equivalents	7	819,908,032	969,348,144	818,437,954	967,975,725
Trade and other receivables	6, 8	215,823,000	197,457,343	215,823,000	197,457,343
Inventories		7,719,181	9,989,865	7,719,181	9,989,865
Prepaid expenses		22,345,732	18,847,828	22,345,732	18,847,828
Input VAT refundable		102,836	8,420,734	102,836	8,420,734
Other current assets		81,868,884	72,962,108	81,851,915	72,962,108
Total current assets		1,147,767,665	1,277,026,022	1,146,280,618	1,275,653,603
Non-current assets					
Investment in subsidiary	9	-	-	-	-
Network equipment	10	2,920,698,940	3,200,467,596	2,920,698,940	3,200,467,596
Property, building and equipment	11	290,314,376	328,989,651	290,314,376	328,711,031
Intangible assets	12	21,248,810	26,420,290	21,248,810	26,414,271
Network equipment guarantees		21,639,341	20,059,086	21,639,341	20,059,086
Other guarantees and deposits		16,116,157	18,309,159	16,116,157	18,294,359
Deferred tax assets	23	38,578,413	46,329,773	38,578,413	46,228,193
Other non-current assets		13,149,338	11,839,320	12,936,411	11,661,968
Total non-current assets		3,321,745,375	3,652,414,875	3,321,532,448	3,651,836,504
Total assets		4,469,513,040	4,929,440,897	4,467,813,066	4,927,490,107

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

Statement of financial position (continued)

As at 31 December 2018

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
Liabilities and shareholders' equity					
Current liabilities					
Short-term loan from financial institution	13	-	30,000,000	-	30,000,000
Trade and other payables	14	215,413,799	321,730,326	215,352,799	321,685,626
Current portion of deferred income and advance received from customers		13,734,514	28,397,222	13,734,514	28,397,222
Current portion of long-term loans	15	307,299,066	354,691,758	307,299,066	354,691,758
Current portion of debentures	16	659,435,516	-	659,435,516	-
Other current liabilities		21,804,945	18,376,248	21,797,812	18,371,847
Total current liabilities		1,217,687,840	753,195,554	1,217,619,707	753,146,453
Non-current liabilities					
Deferred income and advance received from customers, net of current portion		5,976,590	33,292,411	5,976,590	33,292,411
Long-term loans, net of current portion	15	896,876,590	1,205,833,156	896,876,590	1,205,833,156
Debentures - net of current portion	16	-	658,247,174	-	658,247,174
Provision for long-term employee benefits	17	29,552,699	26,887,641	29,552,699	26,887,641
Total non-current liabilities		932,405,879	1,924,260,382	932,405,879	1,924,260,382
Total liabilities		2,150,093,719	2,677,455,936	2,150,025,586	2,677,406,835
Shareholders' equity					
Share capital	18				
Registered					
433,654,887 ordinary shares of Baht 1 each (2017: 444,977,028 ordinary shares of Baht 1 each)		433,654,887	444,977,028	433,654,887	444,977,028
Issued and paid-up					
433,654,887 ordinary shares of Baht 1 each		433,654,887	433,654,887	433,654,887	433,654,887
Share premium		1,384,395,054	1,384,395,054	1,384,395,054	1,384,395,054
Capital reserve for share-based payment transactions	19	26,348,514	26,348,514	26,348,514	26,348,514
Retained earnings					
Appropriated - statutory reserve	20	43,365,489	33,146,335	43,365,489	33,146,335
Unappropriated		431,655,377	374,440,171	430,023,536	372,538,482
Total shareholders' equity		2,319,419,321	2,251,984,961	2,317,787,480	2,250,083,272
Total liabilities and shareholders' equity		4,469,513,040	4,929,440,897	4,467,813,066	4,927,490,107

The accompanying notes are an integral part of the financial statements

Statement of comprehensive income

For the year ended 31 December 2018

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
Profit or loss:					
Revenues					
Lease line service income	6	1,286,291,144	1,388,728,612	1,286,291,144	1,388,728,612
Management and maintenance service income - network		15,442,800	15,442,800	15,442,800	15,442,800
Revenue from sales of network equipment		20,041,331	4,113,668	20,041,331	4,113,668
Other income		17,544,097	4,739,680	17,538,915	4,735,072
Total revenues		1,339,319,372	1,413,024,760	1,339,314,190	1,413,020,152
Expenses					
Cost of services and sales	6	863,873,541	896,647,449	863,873,541	896,647,449
Services and selling expenses		65,087,537	86,696,465	65,087,537	86,696,465
Administrative expenses		232,641,765	457,804,133	232,426,249	459,605,497
Total expenses		1,161,602,843	1,441,148,047	1,161,387,327	1,442,949,411
Profit (loss) before finance cost and income tax expenses		177,716,529	(28,123,287)	177,926,863	(29,929,259)
Finance cost	22	(96,688,516)	(94,151,576)	(96,688,516)	(94,151,576)
Profit (loss) before income tax expenses		81,028,013	(122,274,863)	81,238,347	(124,080,835)
Income tax revenues (expenses)	23	(16,218,426)	33,623,143	(16,158,912)	33,521,563
Profit (loss) for the year		64,809,587	(88,651,720)	65,079,435	(90,559,272)
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent period					
Actuarial gains		3,280,966	-	3,280,966	-
Less: Income tax effect		(656,193)	-	(656,193)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax					
		2,624,773	-	2,624,773	-
Other comprehensive income for the year		2,624,773	-	2,624,773	-
Total comprehensive income for the year		67,434,360	(88,651,720)	67,704,208	(90,559,272)
Earnings per share					
Basic earnings per share	24				
Profit (loss) attributable to equity holders of the Company		0.15	(0.27)	0.15	(0.28)

The accompanying notes are an integral part of the financial statements

Statement of changes in shareholders' equity

For the year ended 31 December 2018

(Unit: Baht)

Consolidated financial statements						
Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Total
				Appropriated - Statutory reserve	Unappropriated	
Balance as at 1 January 2017	325,393,681	555,545,269	22,843,610	33,146,335	463,091,891	1,400,020,786
Loss for the year	-	-	-	-	(88,651,720)	(88,651,720)
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(88,651,720)	(88,651,720)
Increase in issuance new ordinary shares	108,261,206	828,849,785	-	-	-	937,110,991
Capital reserve for share-based payment transactions 19	-	-	3,504,904	-	-	3,504,904
Balance as at 31 December 2017	433,654,887	1,384,395,054	26,348,514	33,146,335	374,440,171	2,251,984,961
Balance as at 1 January 2018	433,654,887	1,384,395,054	26,348,514	33,146,335	374,440,171	2,251,984,961
Profit for the year	-	-	-	-	64,809,587	64,809,587
Other comprehensive income for the year	-	-	-	-	2,624,773	2,624,773
Total comprehensive income for the year	-	-	-	-	67,434,360	67,434,360
Unappropriated retained earnings transferred to statutory reserve 20	-	-	-	10,219,154	(10,219,154)	-
Balance as at 31 December 2018	433,654,887	1,384,395,054	26,348,514	43,365,489	431,655,377	2,319,419,321

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

Statement of changes in shareholders' equity

For the year ended 31 December 2018

(Unit: Baht)

Separate financial statements						
Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Total
				Appropriated-Statutory reserve	Unappropriated	
Balance as at 1 January 2017	325,393,681	555,545,269	22,843,610	33,146,335	463,097,754	1,400,026,649
Loss for the year	-	-	-	-	(90,559,272)	(90,559,272)
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(90,559,272)	(90,559,272)
Increase in issuance new ordinary shares	108,261,206	828,849,785	-	-	-	937,110,991
Capital reserve for share-based payment transactions	19	-	3,504,904	-	-	3,504,904
Balance as at 31 December 2017	433,654,887	1,384,395,054	26,348,514	33,146,335	372,538,482	2,250,083,272
Balance as at 1 January 2018	433,654,887	1,384,395,054	26,348,514	33,146,335	372,538,482	2,250,083,272
Profit for the year	-	-	-	-	65,079,435	65,079,435
Other comprehensive income for the year	-	-	-	-	2,624,773	2,624,773
Total comprehensive income for the year	-	-	-	-	67,704,208	67,704,208
Unappropriated retained earnings transferred to statutory reserve	20	-	-	10,219,154	(10,219,154)	-
Balance as at 31 December 2018	433,654,887	1,384,395,054	26,348,514	43,365,489	430,023,536	2,317,787,480

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

Cash flow statement

For the year ended 31 December 2018

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit (loss) before tax	81,028,013	(122,274,863)	81,238,347	(124,080,835)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation	470,821,046	462,883,809	470,748,604	462,730,499
Amortisation of intangible assets	8,639,444	7,876,101	8,637,797	7,872,121
Write-off of equipment and network equipment and intangible assets	4,249,587	4,746,020	4,217,207	4,690,912
Unrealised (gain) loss on exchange	(93,473)	5,547,236	(93,473)	5,547,236
Profit on sales of equipment and network equipment	(1,393,433)	(1,194,330)	(1,393,433)	(1,194,330)
Profit on sales of equipment	(1,587,255)	(679,844)	(1,596,813)	(679,833)
Allowance for doubtful accounts (reversal)	(92,733)	3,425,507	(92,733)	3,364,348
Allowance for impairment loss on network equipment	235,567	173,074,250	235,567	173,074,250
Allowance for obsolete inventories (reversal)	(466,911)	1,756,304	(466,911)	1,756,304
Allowance for impairment loss on investment in subsidiary	-	-	-	2,313,871
Expense for share-based payment transactions	-	3,504,904	-	3,504,904
Provision for long-term employee benefits	5,946,024	1,181,346	5,946,024	1,181,346
Interest income	(9,895,925)	(455,106)	(9,891,418)	(450,574)
Interest expenses	93,703,217	90,632,422	93,703,217	90,632,422
Profit from operating activities before changes in operating assets and liabilities	651,093,168	630,023,756	651,191,982	630,262,641
Operating assets decrease (increase)				
Trade and other receivables	(17,327,029)	1,446,301	(17,327,029)	1,446,301
Inventories	2,737,595	782,484	2,737,595	782,484
Prepaid expenses	(3,497,904)	(2,667,515)	(3,497,904)	(2,667,515)
Input VAT refundable	8,317,898	24,179,072	8,317,898	24,179,072
Other current assets	15,346,099	(12,301,939)	15,363,068	(12,479,659)
Network equipment guarantees	(1,580,255)	(1,058,745)	(1,580,255)	(1,058,745)
Other guarantees and deposits	2,193,002	(677,327)	2,178,202	(789,328)
Other non-current assets	(1,310,019)	1,694,012	(1,274,443)	1,871,364
Operating liabilities increase (decrease)				
Trade and other payables	(14,478,516)	36,730,542	(14,494,816)	36,765,542
Deferred income and advance received from customers	(41,978,530)	(18,677,372)	(41,978,530)	(18,677,372)
Other current liabilities	3,671,470	(33,619,477)	3,668,736	(33,616,181)
Cash flows from operating activities	603,186,979	625,853,792	603,304,504	626,018,604
Cash paid for interest expenses	(91,888,660)	(102,952,788)	(91,888,660)	(102,952,788)
Cash paid for corporate income tax	(33,376,134)	(34,158,830)	(33,418,202)	(34,183,555)
Net cash flows from operating activities	477,922,185	488,742,174	477,997,642	488,882,261

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

Cash flow statement (continued)

For the year ended 31 December 2018

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from investing activities				
Cash paid for purchase of network equipment	(243,103,075)	(481,713,053)	(243,103,075)	(481,713,053)
Cash paid for purchase of property, building and equipment	(6,699,748)	(39,709,398)	(6,699,743)	(39,709,398)
Cash paid for purchase of intangible assets	(3,416,031)	(6,629,054)	(3,416,036)	(6,629,054)
Interest income	8,972,963	257,059	8,968,458	252,529
Proceed from sales of network equipment	1,867,504	4,548,193	1,867,504	4,548,193
Proceeds from sales of property, building and equipment	2,236,090	923,513	2,067,479	913,713
Net cash flows used in investing activities	(240,142,297)	(522,322,740)	(240,315,413)	(522,337,070)
Cash flows from financing activities				
Decrease in short-term loans from financial institutions	(30,000,000)	(80,000,000)	(30,000,000)	(80,000,000)
Cash receipt from long-term loans	-	212,460,000	-	212,460,000
Cash paid for long-term loans	(357,220,000)	(144,164,400)	(357,220,000)	(144,164,400)
Cash receipt from issuance of new ordinary shares	-	952,698,613	-	952,698,613
Fee for issuance of new ordinary shares	-	(19,484,528)	-	(19,484,528)
Net cash flows from (used in) financing activities	(387,220,000)	921,509,685	(387,220,000)	921,509,685
Net increase (decrease) in cash and cash equivalents	(149,440,112)	887,929,119	(149,537,771)	888,054,876
Cash and cash equivalents at beginning of year	969,348,144	81,419,025	967,975,725	79,920,849
Cash and cash equivalents at end of year (Note 7)	819,908,032	969,348,144	818,437,954	967,975,725
Supplement cash flows information:				
Non-cash item consist of				
Increase (decrease) in accounts payable - purchases and construction of network equipment	(90,578,822)	66,040,339	(90,578,822)	66,040,339
Decrease in accounts payable - purchases of property, building and equipment	(1,243,194)	(1,948,940)	(1,243,194)	(1,948,940)
Increase (decrease) in accounts payable - purchases of intangible assets	56,300	(284,253)	56,300	(284,253)
Actuarial gains	3,280,966	-	3,280,966	-
Amortised deferred financial fee of debenture	(1,188,342)	(1,149,353)	(1,188,342)	(1,149,353)
Tax effect on issuance of new shares fee	-	3,896,906	-	3,896,906

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

Notes to the Financial Statements

Symphony Communication Public Company Limited and its subsidiary

For the year ended 31 December 2018

1. General information

Symphony Communication Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is TIME dotcom International Sdn. Bhd., which was incorporated in Malaysia. The parent company of major shareholder is TIME dotcom Berhad. The Company is principally engaged in the render of communication high speed circuit services. The registered office of the Company is at 123 Suntowers Building B, 35th-37th Floor, Vibhavadee Rangsit Road, Chomphon, Chatuchak, Bangkok.

The Company was awarded Licenses from the National Broadcasting and Telecommunications Commission (NBTC) to provide telecommunication services as follows:

Type of license	Issue date	Expiry date
Telecom Operation License Type 2	15 June 2006	17 October 2032
Telecom Operation License Type 3	10 August 2011	9 August 2026
Internet Operation License Type 2	10 June 2011	9 June 2021
Internet Operation License Type 1*	2 May 2013	1 May 2023

* The Company obtained approval of renewed the Internet Operation License Type 1 on 2 May 2018.

The Company is committed to comply with conditions stipulated under the licenses and pay fees in compliance with the Notifications of NBTC re Temporary Telecommunication Business Licensing Fees and re Criteria and Procedure for the Provision of Universal Basic Telecommunications and Social Services.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Symphony Communication Public Company Limited (“the Company”) and the subsidiary company (“the subsidiary”) which has detail as follow:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2018	2017
			(%)	(%)
Diamond Line Services Company Limited	Network equipment service (Currently dormant company)	Thailand	100	100

- b) The Company is deemed to have control over an investee or subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its return.
- c) Subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiary is prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiary company have been eliminated from the consolidated financial statements.

2.3 The separate financial statements present investment in subsidiary under the cost method.

3. New financial reporting standards

(a) Financial reporting standards that became effective in the current year

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

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

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

The management of the Company and its subsidiaries believe that most of the revised financial reporting standards will not

have any significant impact on the financial statements when they are initially applied. However, the new standard involves changes to key principles, as summarised below.

TFRS 15 Revenue from Contracts with Customers

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

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

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

The management of the Company and its subsidiaries expects the adoption of this accounting standard to result in the following adjustments.

► Revenue from first installation fee - The Company considers that the first installation fee is a part of the customer contract should be recorded as a liabilities and amortised to revenue in accordance with the period that the customer has used the service with the company. Therefore, the first installation fee is to be recognised as deferred installation income. Under the previous accounting policy, the Company immediately recognised such fee revenue when installation services have been rendered.

► Commission paid to obtain a contract - The Company has determined that commission paid to obtain a customer contract should be recorded as an asset and amortised to expenses in accordance with the period that the customer has used the service with the company. Therefore, commission paid to obtain customer contract is to be recognised as prepaid expenses. Under the previous accounting policy, the Company immediately recorded commission as selling expenses when the transaction occurred.

(c) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020

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

Financial reporting standards:

- TFRS 7 Financial Instruments: Disclosures
- TFRS 9 Financial Instruments

Accounting standard:

- TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

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

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

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

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

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

Rendering of services

Lease line services income, management and maintenance service income - network are recognised when services have been rendered.

Interest income

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

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade and other receivables

Trade and other receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

4.4 Inventories

Inventories consist of supply and network equipment are value at the lower of cost (under the first-in, first-out method) and net realisable value.

4.5 Investments

Investment in subsidiary is accounted for in the separate financial statements using the cost method less allowance for loss on impairment (if any).

4.6 Network equipment

Network equipment is stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any). Depreciation is calculated by reference to their costs on the straight-line basis, over the estimated useful lives of 5 - 20 years.

Depreciation is included in determining income. No depreciation is provided on assets under installation.

An item of network equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal (the Company periodically assesses the future economic benefits from assets). Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.7 Property, building and equipment and depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any). Depreciation is calculated by reference to their costs on the straight-line basis, over the following estimated useful lives:

Buildings	20	years
Leasehold improvement	5 and 9	years
Furniture, fixtures and office equipment	5	years
Vehicles	5	years

Depreciation is included in determining income.

No depreciation is provided on land, assets under construction and assets under installation.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.8 Borrowing costs

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

4.9 Intangible assets and amortisation

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

The intangible assets with finite useful lives is as follows.

	Useful lives
Computer software	5 years

4.10 Deferred financial fees

Financial expenses related to borrowings that are typically incurred on or before signing facility agreements and before actual draw down of the loans are recorded as deferred financial fees. A portion of deferred financial fees proportionate to the amount of the loan facility already drawn is presented

as a deduction against the related loan account and amortised using the effective interest rate method over the term of the loans.

The amortisation of deferred financial fees is included in profit or loss.

4.11 Related party transactions

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

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's and its subsidiary's operations.

4.12 Long-term leases

Leases of equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the useful life of the assets.

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

4.13 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period, with the exception of those covered by forward exchange contracts, which are translated at the contracted rates.

Gains and losses on exchange are included in determining income.

4.14 Impairment of assets

At the end of each reporting period, the Company and its subsidiary performs impairment reviews in respect of the network equipment, property, building and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiary could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment losses is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and its subsidiary estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.15 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

4.16 Provisions

Provisions are recognised when the Company and its subsidiary have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.17 Income tax

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

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiary recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiary review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiary record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.18 Derivatives

Forward exchange contracts

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrecognised gains and losses from the translation are included in determining income. Premiums or discounts on forward exchange contracts are amortised on a straight-line basis over the contract periods.

Interest rate swap contracts

The net amount of interest to be received from or paid to the counterparty under an interest rate swap contract is recognised as income or expenses on an accrual basis.

4.19 Equity-settled share-based payment transactions

The Company recognises share-based payment transactions when services from employees are rendered, based on the fair value of the share options on the grant date. The expenses are recorded over the vesting period, in accordance with the conditions regarding length of service rendered by employees stipulated in the share-based payment plan, together with a corresponding increase in “Capital reserve for share-based payment transactions” in shareholders’ equity.

Estimating fair value for share-based payment transactions requires management to exercise judgement, and to apply assumptions, including as to the expected life of the share options, share price volatility and dividend yield.

4.20 Fair value measurement

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

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

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follow:

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Network equipment, property, building and equipment

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

In determining amortisation of intangible assets, the management is required to make estimates of the useful lives of the intangible assets and to review estimate useful lives when there are any changes.

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

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The Company has contingent liabilities as a result of litigation. The Company’s management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore, no contingent liabilities are recorded as at the end of reporting period.

6. Related party transactions

6.1 Business transactions incurred during the years

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

The relationships between the Company and related parties

Related parties	Relationship
Diamond Line Services Company Limited	Subsidiary
TIME DOTCOM INTERNATIONAL SDN BHD	Major Shareholder
TIME DOTCOM BERHAD	Parent company of major shareholder
TT dotCom Sdn Bhd	Common shareholders and directors
TIME dotCom (Cambodia) Co., Ltd	Common shareholders and directors
CMC Telecommunication Infrastructure Corporation	Common shareholders and directors
Global Transit Communications Sdn Bhd	Common shareholders and directors
KIRZ CO., LTD	Common shareholders and directors

During the year, the transaction between the Company, its subsidiary and those related parties which are summarised below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2018	2017	2018	2017	
<u>Transactions with subsidiary</u>					
Acquisition of fixed assets	(0.1)	-	(0.1)	-	Market price
<u>Transactions with major shareholder</u>					
Lease line service income	0.1	-	0.1	-	Market price
<u>Transactions with related companies</u>					
Lease line service income	8.5	5.8	8.5	5.8	Contract price
Network connectivity fee	(8.0)	(2.8)	(8.0)	(2.8)	Contract price
Purchase of IP Address	(5.5)	-	(5.5)	-	Market price
First-time fee for network connectivity	(0.2)	-	(0.2)	-	Market price

6.2 Outstanding balances at the end of the years

As at 31 December 2018 and 2017, the outstanding balances of the accounts between the Company and those related parties and persons can be summarised as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<u>Trade and other receivables - related party (Note 8)</u>				
Major shareholder	10	-	10	-
Related companies	3,373	1,148	3,373	1,148
Total trade and other receivables - related company	3,383	1,148	3,383	1,148
<u>Trade account payable - related parties (Note 14)</u>				
Related companies	1,224	-	1,224	-
Total trade account payable - related companies	1,224	-	1,224	-
<u>Accrued expenses - related parties (Note 14)</u>				
Related companies	1,814	-	1,814	-
Accrued expenses - related companies	1,814	-	1,814	-

6.3 Directors and management's benefits

During the years ended 31 December 2018 and 2017, the Company and its subsidiary had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Short-term employee benefits	14,973	28,270	14,973	28,270
Post-employment benefits	1,287	318	1,287	318
Share-based payment (Note 19)	-	175	-	175
Total	16,260	28,763	16,260	28,763

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash	110	112	110	110
Bank deposits	459,049	769,236	457,579	767,866
Fixed deposit	360,749	200,000	360,749	200,000
Total	819,908	969,348	818,438	967,976

As at 31 December 2018, bank deposits in saving accounts and fixed deposit account carried interests between 0.10% and 1.50% per annum (2017: between 0.10% and 1.35% per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<u>Trade accounts receivable</u>				
Aged on the basis of due dates				
Not yet due	126,342	129,060	126,342	129,060
Past due				
Up to 3 months	59,323	36,800	59,323	36,800
3 - 6 months	9,988	7,356	9,988	7,356
6 - 12 months	1,909	1,320	1,909	1,320
Over 12 months	21,000	14,865	20,939	14,804
Total trade accounts receivable	218,562	189,401	218,501	189,340
Less: Allowance for doubtful debts	(14,758)	(14,851)	(14,697)	(14,790)
Total trade accounts receivable - net	203,804	174,550	203,804	174,550
<u>Other receivables</u>				
Other receivables	1,139	198	1,139	198
Accrued income	10,880	22,709	10,880	22,709
Total other receivables	12,019	22,907	12,019	22,907
Total trade and other receivables - net	215,823	197,457	215,823	197,457

9. Investment in subsidiary

Details of investment in subsidiary as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Separate financial statements										
Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment of investment		Carrying amounts based on cost method - net	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
			(%)	(%)						
Diamond Line Services Company Limited	5,000	5,000	100	100	5,000	5,000	(5,000)	(5,000)	-	-

10. Network equipment

(Unit: Thousand Baht)

Consolidated and separate financial statements			
	Network equipment	Network equipment under installation	Total
Cost			
1 January 2017	3,970,377	707,304	4,677,681
Additions	148,135	399,619	547,754
Disposals / write-off	(32,396)	(5,207)	(37,603)
Transfer in (out)	877,223	(877,223)	-
Capitalised interest during the year	-	14,713	14,713
31 December 2017	4,963,339	239,206	5,202,545
Additions	99,030	53,264	152,294
Disposal / write-off	(21,762)	(1,840)	(23,602)
Transfer in (out)	93,272	(93,272)	-
31 December 2018	5,133,879	197,358	5,331,237
Accumulated depreciation			
1 January 2017	1,435,365	-	1,435,365
Depreciation for the year	412,989	-	412,989
Depreciation on disposal / write-off	(29,563)	-	(29,563)
31 December 2017	1,818,791	-	1,818,791
Depreciation for the year	427,390	-	427,390
Depreciation on disposal / write-off	(16,369)	-	(16,369)
31 December 2018	2,229,812	-	2,229,812
Allowance for impairment			
1 January 2017	3,337	6,875	10,212
Increase during the year	155,926	17,148	173,074
31 December 2017	159,263	24,023	183,286
Increase during the year	-	235	235
Decrease during the year	(1,210)	(1,585)	(2,795)
31 December 2018	158,053	22,673	180,726
Net book value			
31 December 2017	2,985,285	215,183	3,200,468
31 December 2018	2,746,014	174,685	2,920,699
Depreciation for the year			
2017 (included in cost of services and sales)			412,989
2018 (included in cost of services and sales)			427,390

During the fourth quarter of 2017, the Company identified that part of network equipment; comprise of equipment related to Digital Broadcast which management plans that it will no longer operated, and fiber optic which no longer be used, totalled of Baht 173.1 million (including some physical damaged assets of Baht 1.7 million), will not generate future economic benefits. The Company therefore set up a full provision for impairment loss and recorded as part of administrative expenses in the statement of comprehensive income of 2017.

As at 31 December 2018, the Company has network equipment with a net book value of Baht 10 million (2017: Baht 11 million) that is installed on the premises of a counterparty. The ownership of the network equipment will be transferred to the counterparty at the end of the agreement. Moreover, the Company has granted the right to use the equipment to the counterparty and has committed to share revenue generated from some of the equipment at a rate stipulated in the agreement annually, for the term of the agreement. The

Company also agrees to provide to the counterparty the minimum guaranteed shared revenue amount stated in the agreement.

During the year 2018, the Company and the counterparty agreed to cancel some services prescribed in the Memorandum of Understanding (MOU) concerning joint construction and management of network equipment. The ownership of the network equipment is to be transferred to the counterparty at the end of the term of the MOU at a mutually agreed price which is under negotiation. As at 31 December 2018, the Company has network equipment under MOU with a net book value of Baht 16 million.

As at 31 December 2018, certain items of network equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 537 million (2017: Baht 237 million).

11. Property, building and equipment

(Unit: Thousand Baht)

Consolidated financial statements						
	Land	Buildings and leasehold improvement	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Cost						
1 January 2017	28,292	305,213	197,315	7,899	-	538,719
Additions	3,944	23,390	10,429	-	-	37,763
Disposals / write-off	-	(113)	(10,745)	(1,271)	-	(12,129)
31 December 2017	32,236	328,490	196,999	6,628	-	564,353
Additions	-	122	5,266	-	-	5,388
Disposals / write-off	-	-	(6,775)	(3,184)	-	(9,959)
31 December 2018	32,236	328,612	195,490	3,444	-	559,782
Accumulated depreciation						
1 January 2017	-	58,223	131,780	7,288	-	197,291
Depreciation for the year	-	19,805	29,702	388	-	49,895
Depreciation on disposals/ write-off	-	(58)	(10,494)	(1,271)	-	(11,823)
31 December 2017	-	77,970	150,988	6,405	-	235,363
Depreciation for the year	-	20,232	23,051	148	-	43,431
Depreciation on disposals/ write-off	-	-	(6,145)	(3,181)	-	(9,326)
31 December 2018	-	98,202	167,894	3,372	-	269,468
Net book value						
31 December 2017	32,236	250,520	46,011	223	-	328,990
31 December 2018	32,236	230,410	27,596	72	-	290,251
Depreciation charges for the year						
2017 (included in administrative expenses)						49,895
2018 (included in administrative expenses)						43,431

(Unit: Thousand Baht)

Separate financial statements						
	Land	Buildings and leasehold improvement	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Cost						
1 January 2017	28,292	305,100	196,559	7,887	-	537,838
Additions	3,944	23,390	10,429	-	-	37,763
Disposals / write-off	-	-	(10,723)	(1,271)	-	(11,994)
31 December 2017	32,236	328,490	196,265	6,616	-	563,607
Additions	-	122	5,334	-	-	5,456
Disposals / write-off	-	-	(6,240)	(3,172)	-	(9,412)
31 December 2018	32,236	328,612	195,359	3,444	-	559,651
Accumulated depreciation						
1 January 2017	-	58,168	131,457	7,282	-	196,907
Depreciation for the year	-	19,802	29,554	386	-	49,742
Depreciation on disposals/ write-off	-	-	(10,482)	(1,271)	-	(11,753)
31 December 2017	-	77,970	150,529	6,397	-	234,896
Depreciation for the year	-	20,232	22,980	147	-	43,359
Depreciation on disposals/ write-off	-	-	(5,746)	(3,172)	-	(8,918)
31 December 2018	-	98,202	167,763	3,372	-	269,337
Net book value						
31 December 2017	32,236	250,520	45,736	219	-	328,711
31 December 2018	32,236	230,410	27,596	72	-	290,314
Depreciation charges for the year						
2017 (included in administrative expenses)						49,742
2018 (included in administrative expenses)						43,359

As at 31 December 2018, certain items of equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 107 Million (2017: Baht 72 million).

12. Intangible assets

The net book value of intangible assets as at 31 December 2018 and 2017 is presented below.

(Unit: Thousand Baht)

As at 31 December 2018:

Cost	70,233
Less: Accumulated amortisation	(48,984)
Net book value	21,249

As at 31 December 2017:

Cost	63,584
Less: Accumulated amortisation	(40,360)
Net book value	23,224

Consolidated financial statements		
Computer software	Computer software under installation	Total
70,233	-	70,233
(48,984)	-	(48,984)
21,249	-	21,249
63,584	3,196	66,780
(40,360)	-	(40,360)
23,224	3,196	26,420

(Unit: Thousand Baht)

As at 31 December 2018:

Cost	70,233
Less: Accumulated amortisation	(48,984)
Net book value	21,249

As at 31 December 2017:

Cost	63,564
Less: Accumulated amortisation	(40,346)
Net book value	23,218

Separate financial statements		
Computer software	Computer software under installation	Total
70,233	-	70,233
(48,984)	-	(48,984)
21,249	-	21,249
63,564	3,196	66,760
(40,346)	-	(40,346)
23,218	3,196	26,414

A reconciliation of the net book value of intangible assets for the years 2018 and 2017 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Net book value at beginning of year	26,420	27,952	26,414	27,942
Acquisition during the year	3,473	6,344	3,473	6,344
Write-off during the period - net book value at write-off date	(4)	-	-	-
Amortisation	(8,640)	(7,876)	(8,638)	(7,872)
Net book value at end of year	21,249	26,420	21,249	26,414

As at 31 December 2018, certain items of intangible assets were fully amortised but are still in use. The gross carrying amount before deducting accumulated amortisation of those assets amounted to approximately Baht 27 million (2017: Baht 19 million).

13. Short - term loan from financial institution

(Unit: Thousand Baht)

	Interest rate (% per annum)	Consolidated and separate financial statements	
		2018	2017
Short-term loan from financial institution	2.60	-	30,000

Short-term loan from financial institution is unsecured loan. The loan is to be repaid within January 2018.

14. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Other payables for purchases and construction of network equipment	37,447	128,026	37,447	128,026
Trade accounts payable - related parties (Note 6)	1,224	-	1,224	-
Trade accounts payable - unrelated parties	144,655	121,638	144,655	121,638
Accrued expenses - related parties (Note 6)	1,814	-	1,814	-
Accrued expenses - unrelated parties	20,731	33,597	20,670	33,553
Other payables for purchases of property, building and equipment	30	1,273	30	1,273
Other payables for purchases of intangible assets	181	124	181	124
Other payables	9,332	37,072	9,332	37,072
Total trade and other payables	215,414	321,730	215,353	321,686

15. Long-term loans

(Unit: Thousand Baht)

Loan	Interest rate (% per annum)	Repayment schedule	Consolidated and separate financial statements	
			2018	2017
1	5.82	Quarterly installments as from 31 March 2015 with the last installment on 28 December 2018	-	75,000
2	THBFIX plus certain rates	Monthly installments as from 31 August 2017 with the last installment on 28 February 2022	356,000	440,000
3	3.95 for the year 1-2, MLR minus certain rates for the year 3-7	Quarterly installments as from 31 October 2017 with the last installment on 31 August 2022	262,500	392,500
4	4.5 for the year 1-2, MLR minus certain rates for the year 3-10	Monthly installments as from 31 March 2018 with the last installment on 28 February 2026	586,622	654,842
Total long-term loans			1,205,122	1,562,342
Less: Deferred financial fee			(946)	(1,817)
Net			1,204,176	1,560,525
Less: Current portion			(307,299)	(354,692)
Long-term loans, net of current portion			896,877	1,205,833

Movement of the long-term loan account during the year ended 31 December 2018 are summarised below:

(Unit: Thousand Baht)

	Consolidated and separate financial statements
Balance as at 1 January 2018	1,562,342
Less: Repayment	(357,220)
Balance as at 31 December 2018	1,205,122

The outstanding balance represents unsecured long-term loans from three financial institutions.

The loan agreements contain certain covenants which, among other things, require the Company to maintain certain debt to equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

As at 31 December 2018, the Company and its subsidiary had no unused long-term loan facilities under the loan agreements.

16. Debentures

Details of approval to issue the debenture of the Company are as follows:

Approved by	The Annual General Meeting of the Company's shareholders held on 26 April 2016
Amount	Revolving amount of Baht 1,000 million or the equivalent in any other currencies
Term	As announced in each issuing
Type	Any types of debentures such as unsubordinated and/or subordinated, installment and/or one-time payment, unsecured and/or secured, with and/or without debenture holder representation
Method of issuance	To be issued in Thailand

As at 31 December 2018 and 2017, the Company has unissued debentures under the above mentioned approval totaling Baht 340 million.

The outstanding balance of debentures as at 31 December 2018 and 2017 are detailed below.

					Consolidated and separate financial statements			
					Number of debenture (Shares)		Amount (Thousand Baht)	
No.	Interest rate per annum	Term	Repayment	Maturity	2018	2017	2018	2017
Unsubordinated and unsecured debentures								
No. 1/2017	4.25%	3	20 June 2019	20 June 2019	660,000	660,000	660,000	660,000
Less: Deferred financial fee							(564)	(1,753)
Total debenture - net of deferred financial fee							659,436	658,247
Less: Current portion							(659,436)	-
Debentures - net of current portion							-	658,247

Such debentures contain certain covenants and restrictions regarding the maintenance of debt to equity ratio, restriction on dividend payment and disposal and transfer of assets.

17. Provision for long-term employee benefits

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

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2018	2017
Provision for long-term employee benefits at beginning of year	26,888	25,706
Included in profit or loss:		
Current service cost	5,202	1,030
Interest cost	744	152
Total included in profit or loss	5,946	1,182
Included in other comprehensive income:		
Actuarial (gain) loss arising from demographic assumptions changes	(3,281)	-
Provision for long-term employee benefits at end of year	29,553	26,888

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2018	2017
Cost of services and sales	2,154	342
Service and administrative expenses	3,792	840
Total expenses recognised in profit or loss	5,946	1,182

As at 31 December 2018 and 2017, the Company and its subsidiary expect not to pay long-term employee benefits during the next year.

As at 31 December 2018, the weighted average duration of the liabilities for long-term employee benefits is 16.0 years (2017: 16.2 years)

Significant actuarial assumptions are summarised below:

	Consolidated and separate financial statements	
	2018	2017
	(% per annum)	(% per annum)
Discount rate	3.15	3.15
Salary increase rate	5.00	5.00
Staff turnover rate (depending on age)	0.00 - 13.00	0.00 - 12.00

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

(Unit: Million Baht)

	Consolidated and separate financial statements			
	2018		2017	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(3.9)	4.8	(4.3)	5.2
Salary increase rate	4.9	(4.1)	5.4	(4.5)
Staff turnover rate	(4.2)	2.4	(4.6)	2.4

On 13 December 2018, The National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive not less than 400 days' compensation at the latest wage rate. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional liabilities for long-term employee benefits of Baht 6.7 million (The Company only: Baht 6.7 million). The Company and its subsidiaries will reflect the effect of the change by recognising past services costs as expenses in the income statement of the period in which the law is effective.

18. Share capital/Dividend stock

On 26 April 2018, the Annual General Meeting of the Company's shareholders for the year 2018 approved the decrease in the registered capital of Baht 11,322,141 from Baht 444,977,028 to Baht 433,654,887 by cancelling 5,253,342 shares at a par value of Baht 1 per share remaining from the selling new issued ordinary shares to the existing shareholders (Right Offering) and cancelling 6,068,799 shares at a par value of Baht 1 per share remaining from the exercise of warrants (ESOP). The Company registered the decrease in the registered capital with the Ministry of Commerce on 2 May 2018.

19. Warrants / Capital reserve for share-based payment transactions

On 2 July 2013, the Company issued and allocated of 6,000,000 warrants under the Employee Stock Option Plan (ESOP) to the directors, management and/or employees of the Company. Details are as follows:

Type	:	Named and non-transferable
Offering price per unit	:	Baht 0 ("zero") per unit
Maturity of warrants	:	4 years from the date of issuance of warrants
Exercise price	:	Baht 14.72 per share
Conversion ratio	:	1 unit of warrant : 1 unit of ordinary share (warrant right adjustment is reserved)*

Period and allotment of exercise :	Year 1, Not more than 15% of the allocated units, exercisable on 20 November 2013 and 20 May 2014.
	Year 2, Not more than 25% of the allocated units, exercisable on 20 November 2014 and 20 May 2015.
	Year 3, Not more than 30% of the allocated units, exercisable on 20 November 2015 and 20 May 2016.
	Year 4, Not more than 30% of the allocated units, exercisable on 20 November 2016, 20 May 2017 and 1 July 2017, the 4-year maturity date of these ESOP-Warrants.

The estimated fair value of each share option granted is Baht 4.91 This was calculated using the Black-Scholes Model. The model inputs were the share price at price determination date of Baht 17.50, exercise price of Baht 14.72, expected volatility of 35.83%, expected dividend yield of 3.94%, life of share options of 4 years, average life of share options of 2.08 years, and a risk-free interest rate of 2.88%.

During the year 2017, the Company recorded expenses of the warrants (ESOP) amounting to Baht 4 million as personnel expenses, together with a corresponding increase in capital reserve for share-based payment transactions in shareholders' equity.

The Company cancelled total warrants to purchase ordinary shares of the Company the exercise period on 1 July 2017 due to the expiration of warrants.

In this regard, the number of remaining shares reserve for the exercise of warrants were 6,068,799 shares at par value of Baht 1 per share.

20. Statutory reserve

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

21. Expenses by nature

Significant expenses classified by nature are as follow:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Salaries and wages and other employee benefits	251,906	270,467	251,906	270,467
Depreciation and amortisation expenses	479,460	470,760	479,386	470,603
Service fee for network interconnection	32,169	39,594	32,169	39,594
Rental expenses from operating lease agreements and service expenses	80,552	83,794	80,518	83,693
Rental expenses - network equipment	112,014	155,012	112,014	155,012
Professional fees	8,437	21,587	8,401	21,506

22. Finance cost

(Unit: Thousand Baht)

Consolidated and separate financial statements			
	2018	2017	
Interest expenses	93,703	90,632	93,703
Bank charges related to bank loans	2,082	2,252	2,082
Other bank charges	903	1,268	903
Total finance cost	96,688	94,152	96,688

23. Income tax

Income tax expenses for the years ended 31 December 2018 and 2017 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current income tax:				
Current income tax charge	9,123	-	9,165	-
Deferred tax:				
Relating to origination and reversal of temporary differences	7,095	(37,520)	6,994	(37,419)
Tax effect on issuance of new shares fee	-	3,897	-	3,897
Income tax expenses (revenues) reported in the statement of comprehensive income	16,218	(33,623)	16,159	(33,522)

The reconciliation between accounting profit (loss) and income tax expenses is shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Accounting profit (loss) before tax	81,028	(122,275)	81,238	(124,081)
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	16,206	(24,455)	16,248	(24,816)
Adjustment in respect of income tax of previous year	3,014	-	3,014	-
Tax effect on issuance of new shares fee	-	3,897	-	3,897
Effects of:				
Non-deductible expenses	2,724	1,812	2,623	2,274
Additional expense deductions allowed	(5,726)	(14,877)	(5,726)	(14,877)
Total	(3,002)	(13,065)	(3,103)	(12,603)
Income tax expenses (revenues) reported in the statement of comprehensive income	16,218	(33,623)	16,159	(33,522)

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Deferred tax assets				
Allowance for doubtful accounts	2,918	2,936	2,918	2,936
Allowance for assets impairment	29,492	36,657	29,492	36,657
Provision for long-term employee benefits	5,910	5,378	5,910	5,378
Allowance for obsolete inventories	258	351	258	351
Tax losses carry forward	-	1,007	-	906
Total	38,578	46,329	38,578	46,228

As at 31 December 2018, the subsidiary has unused tax losses totaling Baht 3 million (2017: Baht 3 million), on which deferred tax assets have not been recognised as the subsidiary believes that future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

24. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

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

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

Consolidated financial statements					
Profit (loss) for the year		Weighted average number of ordinary shares		Earnings per share	
2018	2017	2018	2017	2018	2017
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company					
64,809	(88,652)	433,655	327,470	0.15	(0.27)

Separate financial statements					
Profit (loss) for the year		Weighted average number of ordinary shares		Earnings per share	
2018	2017	2018	2017	2018	2017
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company					
65,079	(90,559)	433,655	327,470	0.15	(0.28)

No calculation of diluted earnings per share for the year ended 31 December 2017 was required for warrants (ESOP) due to the expiration of warrants on 1 July 2017 as discussed in Note 19.

25. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company and its subsidiary are organised into business units based on its products and services and have two reportable segments as follows:

- ▶ The render of communication high speed circuit services segment, which renders high speed circuit service via fiber optic cable as approved by NBTC.
- ▶ The network equipment services segment, which render preventive maintenance service and installation of network equipment.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

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

The following tables present revenue, profit and total assets information regarding the Company's and its subsidiary's operating segments for the years ended 31 December 2018 and 2017, respectively.

(Unit: Thousand Baht)

For the year ended 31 December 2018					
	Render of communication high speed circuit services	Network equipment services	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	1,301,734	-	1,301,734	-	1,301,734
Inter - segment revenue	-	-	-	-	-
Interest income	9,891	5	9,896	-	9,896
Interest expense	(93,703)	-	(93,703)	-	(93,703)
Depreciation and amortisation	(479,386)	(74)	(479,460)	-	(479,460)
Loss on disposals / write-off of fixed assets	(4,217)	(32)	(4,249)	-	(4,249)
Loss on assets impairment	(236)	-	(236)	-	(236)
Income tax revenues (expense)	(16,159)	42	(16,117)	(101)	(16,218)
Segment profit (loss)	65,079	(168)	64,911	(101)	64,810
Segment total assets					
Increase (decrease) in non-current assets other than financial instruments and deferred tax assets	(322,654)	(264)	(322,918)	-	(322,918)

(Unit: Thousand Baht)

For the year ended 31 December 2017					
	Render of communication high speed circuit services	Network equipment services	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	1,404,171	-	1,404,171	-	1,404,171
Inter - segment revenue	-	-	-	-	-
Interest income	451	4	455	-	455
Interest expense	(90,632)	-	(90,632)	-	(90,632)
Depreciation and amortisation	(470,603)	(157)	(470,760)	-	(470,760)
Loss on disposals/write-off of fixed assets	(4,691)	(55)	(4,746)	-	(4,746)
Loss on assets impairment	(175,388)	-	(175,388)	2,314	(173,074)
Income tax revenues	33,522	-	33,522	(101)	33,623
Segment profit (loss)	(90,559)	(508)	(91,067)	2,415	(88,652)
Segment total assets					
Increase (decrease) in non-current assets other than financial instruments and deferred tax assets	(47,721)	(157)	(47,878)	2,314	(45,564)

Customer's geographical location

Revenue from external customers identified on the basis of the customer's geographical location.

(Unit: Thousand Baht)

	2018	2017
Revenue from external customers		
Thailand	1,116,185	1,098,239
Others	185,549	305,932
Total	1,301,734	1,404,171

Major customers

For the year 2018, the Company and its subsidiary have revenue from one major customer in amount of Baht 211 million (2017: Baht 231 million), arising from render of communication high speed circuit services segment.

Revenue information from lease line service income by type of license for the years ended 31 December 2018 and 2017 are as follow:

(Unit: Thousand Baht)

	Separate financial statements	
	2018	2017
Telecom Operation License Type 2	1,126,683	1,259,184
Telecom Operation License Type 3	65,917	71,202
Radio or Television Broadcasting Business		
License for the Radio or Television Network		
Services (Not using radio frequency)	-	977
Internet Operation License Type 1	37,819	22,057
Internet Operation License Type 2	22,515	50,751
Total	1,252,934	1,404,171

26. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contributed to the fund monthly at the rate of 3% of basic salary. The fund, which is managed by Bank of Ayudhya Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2018, the contributions amounting to Baht 4 million (2017: Baht 5 million) were recognised as expenses.

27. Commitments and contingent liabilities

27.1 Capital commitments

As at 31 December 2018 and 2017, the Company had capital commitments as following.

(Unit: Million)

Commitments relating to	2018	2017
Acquisition and installation of network equipment	47	59
Acquire of equipment and construction	0.2	-
Acquisition of program computer	3	1

27.2 Lease and service agreement commitments

- a) The Company and its subsidiary have entered into several lease agreements in respect of the lease of office building space and equipment and service agreements. The terms of the agreements are generally between 1 and 4 years.

Future minimum lease and service payments required under these lease and service agreements were as follows:

(Unit: Million Baht)			(Unit: Million Baht)		
	2018	2017		2018	2017
<u>Lease and service agreements presented under cost of service</u>			<u>Lease and service agreements presented under administrative expenses</u>		
Payable:			Payable:		
In up to 1 year	28	27	In up to 1 year	17	32
In over 1 and up to 4 years	33	26	In over 1 and up to 4 years	7	25

- b) The Company has entered into lease agreements in respects of network rental and internet service. The term of agreement is generally 1 year and renewable every 1 year unless terminated by the Company. Total service fee for the years ended 31 December 2018 is approximately Baht 124 million (2017: Baht 165 million).

27.3 Purchase supply and equipment commitments

As at 31 December 2018, the Company has outstanding future payment commitments of approximately Baht 0.02 million (2017: Baht 0.1 million) relating to acquisition of supply and network equipment.

27.4 Bank guarantees

As at 31 December 2018, there were outstanding bank guarantees of approximately Baht 37 million (2017: Baht 44 million) issued by banks on behalf of the Company to guarantee fiber optic network use, space rental and other payables.

27.5 Other commitment

As at 31 December 2018, total credit facilities, both short-term and long-term loans, of the Company that could be drawn down amounted to Baht 573 million (2017: Baht 1,010 million).

27.6 Contingent liabilities

In 2011, a company transferred a quantity of fiber optic cable to the Company. The cable was already installed and in use in an underground cable conduit in Bangkok, belonging to the operator of a telecommunication business. Subsequently, in the first quarter of 2012, the Company received notification of the new rental rate for the underground cable conduit stipulated by the telecom operator, but no invoice has been issued to collect rental. Nevertheless, the Company has recorded a liability in respect of its rental obligations, estimated on the basis of the rental that was previously notified to the transferor of the fiber optic cable, which is lower than the new rental rate stipulated by the telecom operator. The Company's management believes that since the new rental rate for the underground cable conduit is considerably higher

than the former rate, it is a rate stipulated by the telecom operator that is not in line with the principles and methods of determining network usage charges for licensees under the notification of the National Broadcasting and Telecommunications Commission (NBTC) on the use and interconnection of telecommunications networks B.E. 2549 ("IC notice"), since, in fact, these underground cable conduits were built and used by that telecom operator and had been used by the company that transferred the fiber optic cable to the Company for least 10 years. They are thus existing assets of the telecom operator and have not required additional investment expenditure. The Company therefore believes that the new rental rate stipulated by the telecom operator is not in line with cost-based principles ("IC notice No.19") and the method of calculating the rental charge may not reflect the cost, as approved by NBTC ("IC Notice No.20"). In addition, if there is to be any change in the rental rate the telecom operator, as the licensed network operator, is required to provide the Company, as a licensee requesting use of the network, with at least 90 days' notice, and evidence or reasons showing why the rate change is needed ("IC Notice No.21"). The telecom operator has not done this. Therefore, in order to move forward in accordance with legal principals and procedures, the Company submitted a letter asking the telecom operator to clarify the reasons for setting a new rental rate for the network and to provide the Company with evidence and the calculation method used to determine that rate. The Company also asked to exercise its right to negotiate a reduced, reasonable and fair, and legal rate with the telecom operator.

Subsequently, in July 2012, that telecom operator replied to the Company, confirming that the rental rate for the underground cable conduit stipulated by the telecom operator

is the appropriate and notifying the Company to confirm the payment of rental fees for the underground cable conduit by 15 August 2012 so that it can proceed with collection of fees from the Company, and that there would be no adjustment of the rental rate disputed by the Company.

However, the Company announced that it would reduce usage of the underground cable conduit as from 1 April 2012 as necessary, and the telecom operator reviewed the information in August 2012 claimed additional rental for the underground cable conduit at a rate equal to the new rental rate.

As the rental rate has been confirmed by the telecom operator, the Company's management believes that the Company and the telecom operator remain in dispute over rights under the agreement for use of underground cable conduit. The Company therefore submitted a letter reserving its right to refuse to accept the amount specified by the telecom operator because they believe that it has been calculated based on an unfair rental rate that is unlawful in accordance with the IC notice, and its right to request time to verify the amount notified.

In addition, the Company has the right to request that NBTC to accept the dispute for dispute settlement procedures in accordance with the IC notice. Nevertheless, the Company recorded accrued rental fee for cable conduit totalling amount to Baht 11 million (2017: Baht 11 million).

Subsequently, while the Company was preparing to request that NBTC intervene to provide a fair resolution, the management of the Company and the telecom operator entered into negotiations to resolve this issue. However, the telecom operator sued the Company as the second defendant through the civil courts, claiming payment for use of the conduit together with interest to the date of the lawsuit amounting to Baht 39.2 million, as well as interest at the rate of 7.5% per annum on principal of Baht 36.8 million. The Company received a copy of the lawsuit on 24 July 2014. Since the management of the telecom operator provided no prior notification or warning, it will be necessary for the Company to settle the dispute through court proceedings. The Company's management believes that the Company will win the case, since it should be resolved through dispute settlement procedures in accordance with the IC notice and is not within the authority of the Civil Court. Moreover, the telecom operator did not proceed in compliance with the notification of the NBTC (IC notice).

The Company subsequently had the opportunity to negotiate with the management of the telecom operator to resolve the disputes. The initial results of these negotiations suggest that a resolution is possible, and the Company has submitted a compromise proposal to the telecom operator. Under this proposal the Company has requested the telecom operator to charge for underground cable conduit rental at the old rate from the date following the expiration date of the service contract between the telecom operator and the company that transferred the fiber optic cable to the Company, and the date that the Company received notification of the new rental rate. After that, the new rental rate will be applied. This proposed compromise would significantly reduce rental liabilities. However, the telecom operator decided not to enter into a

compromise agreement as proposed by the Company, because legal proceedings were already underway. The Company therefore proceeded with two courses of action. The first course of action was to submit a petition to the NBTC to request a fair resolution bestowed upon it by telecoms law and the IC Notice to set of a correct rate for the underground cable conduit, and to provide protection to the Company to use the fiber optic cable from such conduit. The Company then followed its second course of action, which was to submit a statement of defence to the Civil Court that provides grounds to dispute both legal and factual aspects of the case, showing that the telecom operator had acted illegally and the Company had no legal obligation at all to pay the telecom operator the amounts being claimed under the lawsuit. The Company also filed a petition with the Court challenging the Court's jurisdiction over the case. Therefore, the Court issued an order to suspend the court proceedings, and pass the case to the Administrative Court. The Administrative Court was of the opinion that it has jurisdiction over the case, meaning there is a difference of opinion over the issue of court jurisdiction. Therefore, the matter was forwarded to the Court Jurisdiction Commission for determining court jurisdiction, and on 29 April 2015, the Commission decided that this case is under the jurisdiction of the Administrative Court. The Civil Court therefore struck the case from its case list and it can be construed that there are no longer any lawsuits that the telecom operator brought against the Company in the Civil Court.

Subsequently, the Administrative Court has announced the Court order dated 26 June 2015 to the Company that the Administrative Court has received the case from the Civil Court. However, the Company has determined that it does not agree with the order of the Court; therefore, the Company filed a rebuttal statement to the Court on 13 August 2015. The Court considered the rebuttal statement of the Company and ordered on 28 August 2015 to reject the statement although the Civil Court had strike the case out of the case list. The Civil Court had already summarised the statements and sent all the documents to the Administrative Court. It means that the case had been transferred to the Administrative Court. Although the Company still disagrees with the Court's order, such order is an interlocutory order by law. An appeal against an interlocutory order shall be filed at the same time when an appeal against a judgement is filed. In this regard, the Company has to wait till the Administrative Court reaches its judgement on this case so that it can lodge an appeal. Subsequently, the Administrative Court has rendered order to specify that 30 March 2018 would be the last day to end up with the process of finding the evidences. The case is currently under legal proceedings by the Administrative Court. The Company's management believes that the Company will win this case.

28. Financial instruments

28.1 Financial risk management

The Company's and its subsidiary's financial instruments, as defined under Thai Accounting Standards No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, short-term loans, trade and other payables, long-term loans and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiary's are exposed to credit risk primarily with respect to trade accounts receivable and other receivables. The Company and its subsidiary manage the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company and its subsidiary do not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables as stated in the statements of financial position.

Interest rate risk

The Company's and its subsidiary's exposure to interest rate risk relates primarily to its cash and cash equivalents, short-term, long-term loans and debentures. However, since most of the Company's and its subsidiary's financial assets bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

As at 31 December 2018 and 2017, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	As at 31 December 2018					
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	Over 1 - 5 years				
						(% p.a.)
<u>Financial assets</u>						
Cash and cash equivalents	361	-	459	-	820	0.10 - 1.50
Trade and other receivables	-	-	-	216	216	-
	361	-	459	216	1,036	
<u>Financial liabilities</u>						
Trade and other payables	-	-	-	215	215	-
Long-term loans	-	356	848	-	1,204	5.00 and MLR minus certain rate
Debentures	-	659	-	-	659	4.25
	-	1,015	848	215	2,078	

(Unit: Million Baht)

	As at 31 December 2017					
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	Over 1 - 5 years				
						(% p.a.)
<u>Financial assets</u>						
Cash and cash equivalents	200	-	769	-	969	0.10 - 1.35
Trade and other receivables	-	-	-	197	197	-
	200	-	769	197	1,166	
<u>Financial liabilities</u>						
Short-term loans from financial institutions	30	-	-	-	30	2.60
Trade and other payables	-	-	-	322	322	-
Long-term loans	-	75	1,485	-	1,560	5.00 - 5.82 and MLR minus certain rate
Debentures	-	658	-	-	658	4.25
	30	733	1,485	322	2,570	

The Company has entered into Interest Rate Swap Transaction Agreement with a local bank for principal totaling Baht 810 million to manage risk associated with the long-term loans carrying floating interest rate. The agreement is for a period of 4.5 years, maturing in February 2022 with the condition stipulated in the agreement. At each of the maturity dates, which occur every 1 month, the Company is required to pay interest to the bank based on the rate stipulated in the agreement (5%) and the bank is required to pay interest to the Company at THBFIX plus certain rate. The agreement contains other conditions. As at 31 December 2018 and 2017, the Company has no outstanding credit.

Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from service transactions that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

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

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2018	2017	2018	2017	2018	2017
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	4.9	2.2	0.2	0.1	32.4498	32.6809
Hongkong dollar	-	-	0.1	0.1	4.1808	4.1803

Foreign exchange contracts outstanding are summarised below.

As at 31 December 2017

Foreign currency	Bought amount (Million)	Sold amount (Million)	Contractual exchange rate		Contractual maturity date
			Bought	Sold	
			(Baht per 1 foreign currency unit)		
US dollar	0.1	-	35.0	-	28 February 2018

28.2 Fair values of financial instruments

Since the majority of the Company's and its subsidiary's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

29. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2018, the Company's debt- to-equity ratio was 0.93:1 (2017: 1.19:1).

30. Event after the reporting period

On 25 February 2019, the meeting of the Board of Directors of the Company passed a resolution to propose to the Annual General Meeting of shareholders to be held in April 2019 to adopt a resolution to pay dividend of Baht 0.03 per share to ordinary shareholders of the 433,654,887 ordinary shares, or a total of Baht 13 million, in respect of the operating results for the year 2018.

However, the dividend payment is subject to change upon approval of the Annual General Shareholder's Meeting in April 2019. Such dividend will be paid and recorded after being approved by the Annual General Meeting of the Company's shareholders.

31. Approval of the financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 25 February 2019.

General and Other Significant Information

Ticker

SYMC (Industry: Technology)

Company

Symphony Communication Public Company Limited

Type of Business

Provide fiber optic connectivity service including internet service and IT solution management

Registration No.

0107553000107

Registered Capital

Bath 433,654,887

Paid-up Capital

Baht 433,654,887

No. of Ordinary Shares

433,654,887 shares

Par Value

Baht 1

Head Office

123 Suntowers Building B 35th-37th fl., Vibhavadee Rangsit Road, Chomphon, Chatuchak, Bangkok 10900

Website www.symphony.net.th

Telephone +66-2-101-1111

Fax +66-2-101-1133

Branch Offices and Service Centers

1) Amata Nakorn Branch Office

700/640, Moo 7, Donhuaror, Muang Chonburi, Chonburi 20000

2) Kabin Buri Service Center

103, Moo 16, Muang Kao, Kabin Buri, Prachin Buri 25240

3) Hat yai Service Center

1173 Moo 3, Bypass (Asia) Road, Khuanlang, Hat yai, Songkhla 90110

4) Laemchabang Service Center

31/73, Moo 9, Thung sukhla, Sri Racha, Chonburi 20230

5) Nakorn Ratchasima Service Center

19/47, Lampru 2, Nai Muang, Muang Nakorn Ratchasima, Nakorn Ratchasima 30000

6) Phuket Service Center

46/125, Moo 6, Ratsada, Muang Phuket, Phuket 83000

7) Khon Kaen Service Center

108/138, Moo 14, Nai Muang, Muang Khon Kean, Khon Kean 40000

8) Phitsanulok Service Center

362/5, Moo 3, Aranyik, Muang Phitsanulok, Phitsanulok 65000

9) Chiang Mai Service Center

39/7, Tippanate Road, Haiya, Muang Chiang Mai, Chiang Mai 50100

10) Samutsakhon Service Center

88/304, Moo 1, Tha Sai, Muang Samutsakhon, Samutsakhon 74000

11) Phra Nakorn Sri Ayuttaya Service Center

89/5-6, Moo 3, Klong Suan Plu, Phra Nakorn Sri Ayuttaya, Phra Nakorn Sri Ayuttaya 13000

12) Prachuap khiri khan Service Center

208, Phachuapsiri Road, Prachuap khiri khan, Muang Prachuap khiri khan 77000

13) Mae Sot Service Center

1086/3, Moo 1, Tha Sai Luat, Mae Sot, Tak 63110

14) Surat Thani Service Center

17/53-54, Moo 1, Watphobangyai Road, Makham Tia, Muang Surat Thani, Surat Thani 84000

15) Ubon Ratchathani Service Center

48/10, Moo 23, Kham Yai, Muang Ubon Ratchathani, Ubon Ratchathani 34000

16) Nong Khai Service Center

149/3, Moo 4, Meechai, Muang Nong Khai,
Nong Khai 43000

17) Tak Service Center

64/27, Moo 6, Mai Ngam, Mueang Tak, Tak
63000

18) Chiangrai Service Center

624/6, Wiset Wiang Road, Tambon Wiang,
Mueang Chiang Rai, Chiang Rai 57000

10) Ang Thong Warehouse

134/7, Moo 4, Ban It,
Muang Ang Thong, Ang Thong 14000

11) Lamphun Warehouse

193/21, Moo 6,
Ban Klang, Mueang Lamphun, Lamphun 51000

Cable Landing Station

95, Moo 9, Tapong, Muang Rayong, Rayong 21000

Subsidiary

Diamond Line Services Company Limited (DLS)

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Investor Relation

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Warehouses

1) Min Buri Warehouse

99/213-214, Moo 13, Srihaburanukit Road,
Min Buri, Min Buri, Bangkok 10510

2) Samutsakhon Warehouse

88/298, Baansuan thasai Village, Moo 1,
Thasai, Muang Samutsakhon, Samutsakhon
74000

3) Kamphaeng Phet Warehouse

99/8, Room 1, Moo 3, Nakhon Chum,
Muang Kamphaeng Phet, Kamphaeng Phet
62000

4) Sukhothai Warehouse

21, Barn muang Road, Thani, Muang Sukhothai,
Sukhothai 64000

5) Khao Suan Kwang Warehouse

199/26, Moo 11,
Kham Muang, Muang Khao Suan Kwang,
Khon Kaen 40280

6) Phangnga Warehouse

92/54, Siri Rat Road,
Thai Chang, Muang Phangnga, Phangnga 82000

7) Lop Buri Warehouse

89/10, Sida road,
Thale Chup Son, Muang Lop Buri, Lop Buri
15000

8) Sing Buri Warehouse

186/3, Moo 1, Bang Man,
Muang Sing Buri, Sing Buri 16000

9) Sara Buri Warehouse

2/22, Soi 7,
Phahonyothin Road, Pak Phrao, Muang Saraburi,
Sara Buri 18000





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