



SYMPHONY

ANNUAL REPORT

2019



TRUST SYMPHONY FOR ALL CONNECTIVITY



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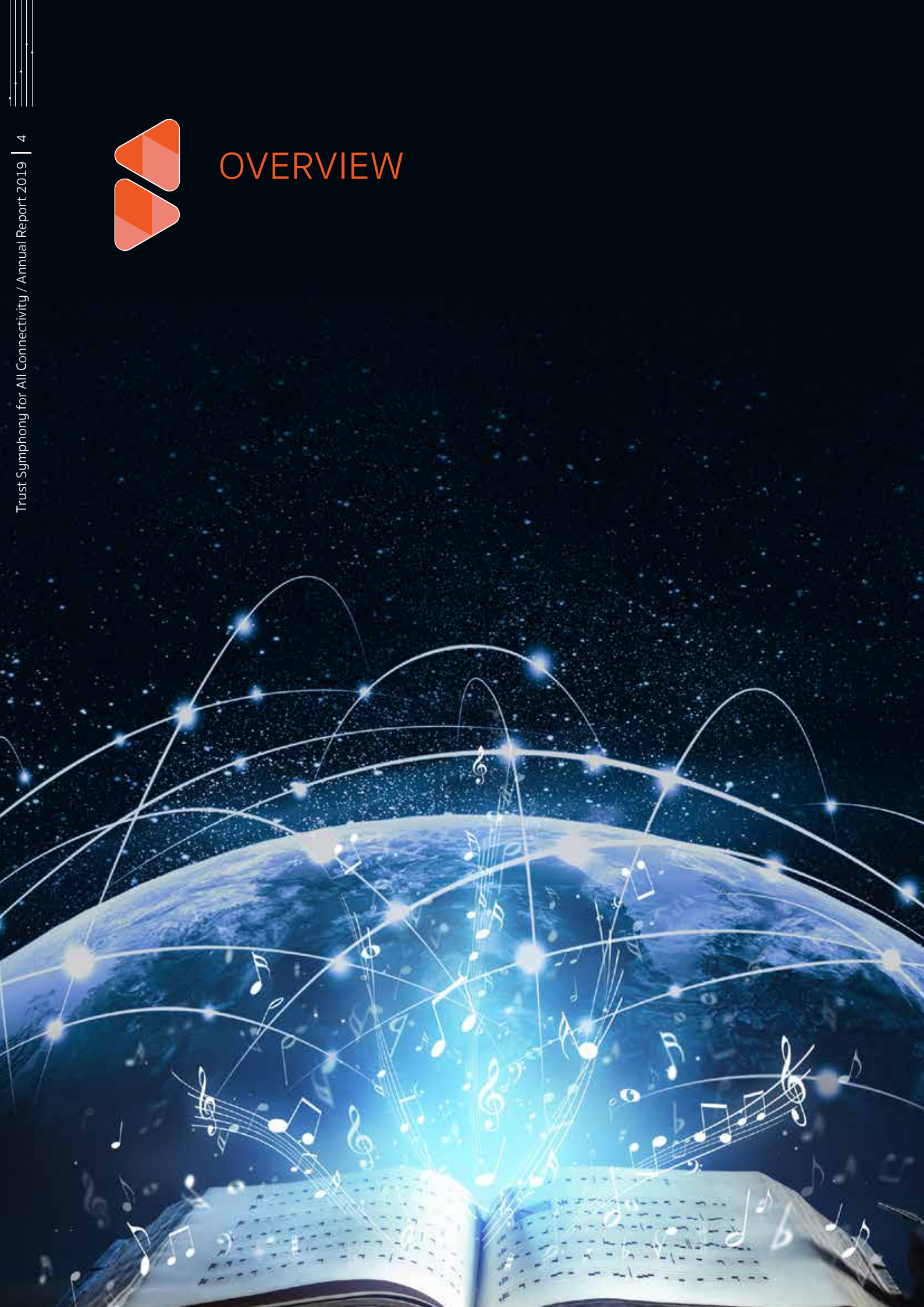
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OVERVIEW





Message from Board of Directors

Dear Shareholders,

In 2019, SYMC recorded Total Revenue from Services and Sales in the amount of Baht 1,308 million, with a slight decrease of 2.3% from last year. The Net Profit decreased to Baht 45 million, a decrease of 31% from last year. There were many items that the Company recognized as one-off adjustments in 2019 such as the adjusted provision for employee retirement benefit and interest payable ruled by the Central Administration Court's judgment.

The telecommunication sector as a whole has been affected by a number of key factors such as the price competition and weaken economic slowdown and etc. In addition, the large operators have turned to invest and utilize their networks. This has resulted in the demand on the Company's network services in some segments. However, the Company has acquired exponentially the increasing numbers of the enterprise segment both domestically and internationally and gained a good momentum from offering the innovative and reliable services to many industrial sectors with higher Service Level Agreement (SLA).

The Company has proceeded its sustainable growth through further investment in network coverage expansion and quality improvement as well as new service development to meet the customers' high expectation and remain competitive both Thai and international markets. In 2019, the Company has improved its quality of network efficiency to offer value proposition to customers with strengthening domestic backbone connectivity to the southern part of Thailand and launched Anti-DDoS services as part of its growth expansion into Enterprise market. Moreover, the Company has partnered with Industrial Estate providers to expand the fiber optic and connectivity services to wider group of customers.

To elevate its future performance growth, the Company have further developed in new Data Center business that TIME as our major shareholder and SYMC itself have synergized to share their own expertise in building the high standard Data Center services enticing world-class renowned companies to be a part of our customer portfolio.

As for the other aspects, SYMC has continuously valued Good Corporate Governance as a key factor to sustain its business in the long term and retained as "Very Good" of all listed companies, ranked for Corporate Governance in 2019 evaluated by Thai Institute of Directors (IOD). The Company intentionally maintains its good records further. The Company's Corporate Social Responsibility (CSR) programs have been developed to increase the quality of society and environment. In 2019, the Company has joined hand with the communities around its head office area to conduct CSR project, namely Change Carbon to Oxygen to fill the fresh breath for the community to campaign the Company's staff and the people in the vicinity to reduce using plastics and separate the wastes. Then, the Company also took the recyclable waste from the right classified waste management to sell and convert the income to support for planting the trees at Chatuchak Park in order to expand green areas which are able to produce more oxygen to the environment. Our CSR programs has been successfully recognized by not only our employees but also our community and continued to promote the social and environmental concerns to all related parties onwards.

With our commitment to network quality enhancement, focusing on market dynamics, customer satisfaction through a balance of management both cost-efficiency and revenue optimization achieved by the implementation of new service and product innovation and proper network investment to fulfil the future demand, SYMC management has created value proposition highest to all stakeholders and stability to Thailand's economy and society in a sustainable manner.

MR. WOODTIPONG MOLEECHAD
CHAIRMAN

MR. KRANPHOL ASAWASUWAN
CHAIRMAN OF 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.



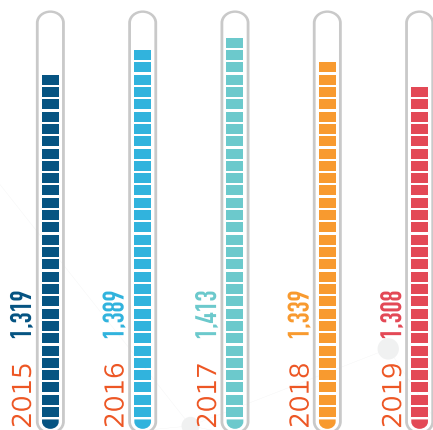
OUR FOCUS

1. Provide Reliable Network Connectivity
2. Provide superior services with Excellent Experience
3. Putting customers First. Always
4. Promote value creation to stakeholders

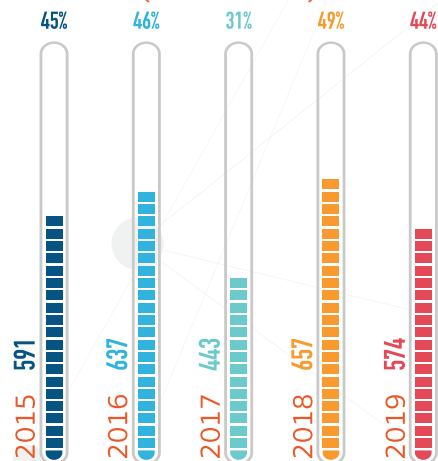


FINANCIAL HIGHLIGHTS

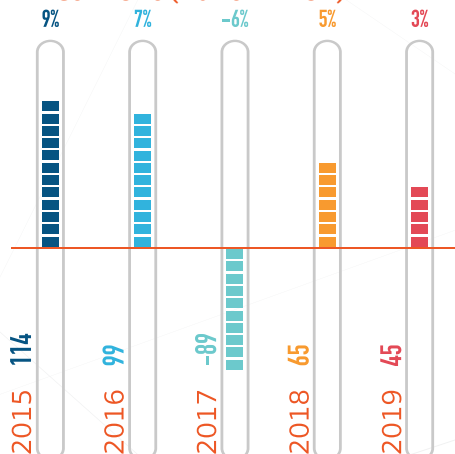
Total Revenue (Baht Million)



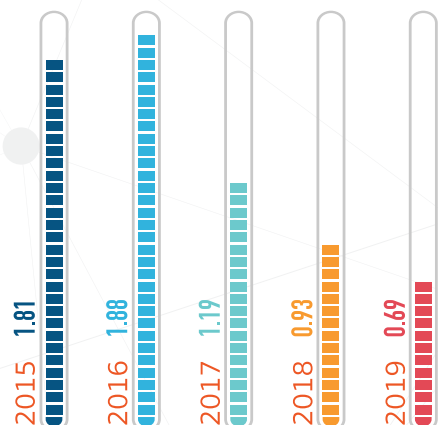
EBITDA (Baht Million)



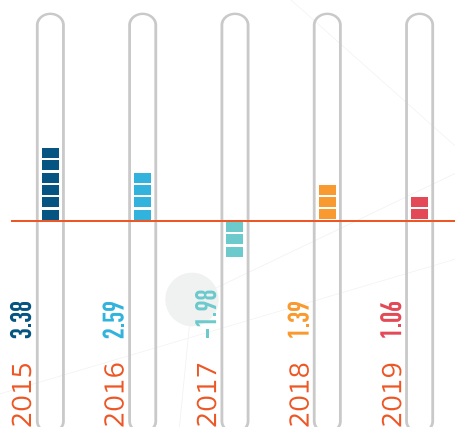
Net Profit (Baht Million)



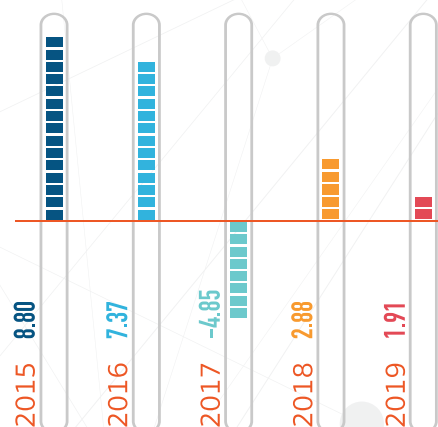
Net Debt to Equity (times)



Return on Asset (%)



Return on Equity (%)



MAJOR DEVELOPMENT



SYMC was established to provide a hi-speed network and connectivity services using fiber optics.

2005

SYMC launched Ready Ethernet, Metro Ethernet and TDM services under the brand "Symphony".

2007

SYMC was authorized to install optical fiber cables and equipments on elevated rail throughout BTS's service routes.

2006

SYMC was granted the Telecom Operation License Type II.

2008

SYMC launched SDH hi-speed data communication and Ethernet over SDH (EoSDH) service to the enterprise customers.

SYMC obtained the Right of Way to place optical fiber cables along electric posts permitted by Metropolitan Electricity Authority (MEA).

SYMC was listed in SET with registered capital of Baht 300 million.

2010

2011

SYMC was granted the Internet Operation License Type II to operate IIG and NIX.

SYMC was granted the Internet Operation License Type I.

2013

SYMC incorporated DLS to provide installation and maintenance service for outside-plant networks and telecom equipments, and jointly invest with other companies.

2017

SYMC operated Malaysia-Cambodia-Thailand (MCT) Submarine Cable to strengthen International Linkages.

SYMC launched Direct Internet service and managed ICT services to the enterprise customers.

2018

TdCI acquired 46.84% shares in SYMC, raised its registered capital to Baht 433.65 million.

2019

SYMC expanded its coverage for Domestic Backbone Connectivity <3rd route> to the southern part of Thailand and launched the added-on Anti-DDoS services and Broadband Internet.



MAJOR EVENTS IN 2019

CORPORATE ACTIVITIES



CEO ROUND TABLE 2019

Mr. Kranphol Asawasuwana, Chairman of the Executive Committee was invited to be a guest speaker in the Conference Session: CEO Round Table Smart City & Data Center at the IEEE PES 2019 GTD Conference & Exposition. He shared a vision about Smart City and Data Center which will enhance Thailand's technological development to compete with international markets which will be beneficial for the country to move forward sustainably. This event was held on 23rd March 2019 at BITEC Bangna.



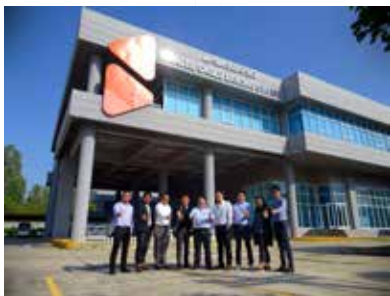
TELECOMWORLD ASIA 2019

On March 26th - 27th 2019, Symphony Communication joined as a Sponsor of the TELECOMWORLD ASIA 2019 at Centara Grand At Central World. Mr. Alex Loh, Chief Operating Officer, Mr. Pongthep Thanakijsumtorn, Executive Vice President-Sales & Marketing and Mr. Jesudass Paramchotti, Acting Executive Vice President-Network gave a warm welcome to all customers and partners and discussed about further opportunities altogether. It was the opportunity to promote the Company's services both domestic and international connections to international service providers from various Telecommunication and Carrier businesses around the world.



RAJAMANGALA UNIVERSITY OF TECHNOLOGY SUVARNABHUMI VISITED MOALEE CABLE LANDING STATION

On March 27th 2019, Mr. Thanakorn Srirawan, Head of Section Eastern Region gave warm welcome to Asst. Prof. Suprawit Muangcharoen, Head of Electronic and Telecommunications Engineering, Faculty of Industrial Education, Rajamangala University of Technology Suvarnabhumi, Suphanburi campus together with the university students to visit the site at the MOALEE Cable Landing Station, Rayong Province. They were provided for the information about the Company regarding MCT Submarine Cable System, linking telecommunications among Thailand, Cambodia and Malaysia to many countries around the world. Furthermore, the students had experiences to attend the actual operating room and learn from systems, connecting to communication networks.



KDDI VISITED MOALEE CABLE LANDING STATION

On April 4th 2019, Mr. Pongthep Thanakijsumton, Executive Vice President-Sales & Marketing, Mr. Anupong Homkhajorn, Head of Network Operation Department, Mr. Thanakorn Srirawan, Head of Section Eastern Region together with Sales and Engineering team gave warm welcome to Mr. Kazumasa Takeda, Director of Engineering - Head of Engineering Division and Mr. Juta Pansang, Business Development Manager from KDDI Thailand for visiting at MOALEE Cable Landing Station, built for MCT Submarine Cable System, connecting among Thailand, Malaysia and Cambodia with its capacity up to 30Tbps. In addition, they discussed about the services and exchanged their ideas for better managed operation.



THE ANNUAL PARTY OF IT ANDAMAN CLUB 2019 NO.7

Symphony Communication team attended the annual party of IT Andaman Club 2019 No.7 and joined booth exhibition to promote the Company's various services such as Internet Service, DDoS or telecommunication services both domestically and internationally. Nowadays, the connectivity has played a very important role for the business operation. In the event, many attendees were interested in inquiring about the Company's various services which can serve the needs of many industries. This event was held on 4th May 2019 at the Pearl Phuket Hotel.



Bangkok Neutral Internet Exchange (BKNIX) 2019

Mr. Alex Loh, Chief Operating Officer together with Mr. Pongthep Thanakijsumton, Executive Vice President-Sales & Marketing attended the BKNIX Peering Forum 2019 which was held for the 4th year by The Thai Network Information Center Foundation. It was a good opportunity for both domestic and international Internet Service Providers (ISP) and Content Delivery Network (CDN) to meet and exchange information about data connectivity among these service providers through the Bangkok Neutral Internet Exchange (BKNIX). This could help to promote and facilitate the use of the internet through a neutral internet data exchange center, located in Thailand as well as improve communication among service providers in the region more effectively. In this year, Symphony Communication provided free internet connection to support the event, held at the Novotel Bangkok Sukhumvit 20 during 7th - 8th May 2019. In addition, Mr. Jesudass Paramchotti, Acting Executive Vice President-Network also shared his views on the communication connection between ASEAN with all participants.



SEMINAR AND MEETING WITH IT FROM HOTEL BUSINESS

During May and June, Sales and Engineering team participated in the seminar and meeting with IT from hotel business in Hua Hin, Prachuap Khiri Khan province and Samui, Surat Thani province in order to promote the Internet Service and Solution for hotel business. In this event, they discussed and exchanged ideas that are very useful in providing better services to serve this customer group.



SIGNING CEREMONY FOR FIBER NETWORK AND SERVICE AGREEMENT IN PINTHONG INDUSTRIAL ESTATE 1-3

On July 23rd 2019, Mr. Kranphol Asawasuwana, Chairman of the Executive Committee, Mr. Teerarat Pantarasutra, President and Mr. Alex Loh, Chief Operating Officer, Management of Symphony Communication joined hand with Mr. Pira Pattamavorakulchai, Chief Executive Officer, Mr. Pea Pattamavorakulchai, Deputy Chief Executive Officer of Pinthong Industrial Park Public Company Limited, Management of Pinthong Industrial Estate to sign on the agreement in providing fiber-optic network services in Pinthong Industrial Estate 1-3, located in Sriracha, Chonburi Province to provide telecommunication services to the customers in Pinthong Industrial Estate by installing fiber-optic networks through underground pipes in order to organize the telecommunications lines and create beautiful scenery for the industrial estate as well as enhance the quality of telecommunication services for customers in this area effectively.



PROTECT YOUR BUSINESS WITH SYMPHONY ANTI-DDOS SOLUTION

Mr. Apirath Wisitthiwong, Senior Vice President-Enterprise, together with Sales and Engineering team held the event, namely "Protect Your Business with SYMPHONY Anti-DDoS Solution" to present the solution for network security and effective data management for corporate customers. It was honored by Netscout, a world-renowned Anti-DDoS Solution provider in providing the information of this solution for customers to understand and realize the importance of the security of network management as well as the preparation for being attacked by malicious people in the cyber world. There was a demonstration of Anti-DDoS system to show the real situation as well. This event took place at the Novotel Sukhumvit 20 on the 24th of July 2019.



NTT BUSINESS REVIEW 2019

Symphony Communication held a Business Review for NTT Communications (Thailand) Company Limited for its valued business partner. Mr. Pongthep Thanakijsumtorn, Executive Vice President-Sales & Marketing and Mr. Supornchai Chotputtikul, Executive Vice President-Service Operation joined the event with Sales and Engineering team to present the latest service information and network expansion for both domestic and international routes which serve the needs of NTT Communications team in offering customers as their expectation. Also, the after-sales service with a team of experts shall advise and solve the problems to ensure the quality of the Company's service. In this regard, Mr. Sanit Kashemsanta Na Ayudhaya, Senior Vice President, NTT Communications (Thailand) Co., Ltd. attended the meeting and shared his opinion regarding the direction in doing business together. This event was organized at NTT Communications headquarters on 4th September 2019.



SYMPHONY DIGITAL SOLUTION DAY

Symphony Communication together with Pinthong Industrial Park Public Company Limited, held SYMPHONY DIGITAL SOLUTION DAY. Mr. Pongthep Thanakijsumton, Executive Vice President with Sales and Engineering team presented the Company's service information and network expansion in Pinthong Industrial Estate including notifying about moving underground cables that will be completed within this year to increase the efficiency of communication services for operators. There were various inquiries and answers to various questions with valuable opinions from participants in this event at the Morino Hotel Sri Racha on 11th September 2019.



PEA LAUNCHED THE PROJECT OF ORGANIZING TELECOMMUNICATION CABLES

Mr. Teerarat Pantarasutra, President attended the project of organizing the telecommunication cables on the electricity poles in 74 provinces nationwide organized by the Provincial Electricity Authority (PEA) and signed the MOU with 14 operators in order to jointly organize the telecommunication cables, laying on the electricity poles which will be beneficial for the management of all related parties and better landscapes. Mr. Sompong Preeprem, Provincial Electricity Authority Governor and Dr. Phinit Bunloet, Pathum Thani Governor presided over the ceremony, organized at Rangsit Provincial Electricity Authority, Pathum Thani Province on 25th September 2019.



ASCO's BUSINESS SOLUTION SYMPOSIUM 2019

Symphony Communication joined hand with the Association of Thai Securities Companies (ASCO) to organize the 6th ASCO's Business Solution Symposium 2019. There were executives from the various Securities attending the event. In addition, a lot of expert speakers from leading network companies and IT Solutions service providers such as Dell Technologies and Palo Alto, including Symphony Communication shared their sessions to provide information of updated various services for the securities business management to serve the needs of works currently. There was also exchange of information, knowledge of modern technology among the customers and service providers. The event took place at The Regent Cha Am Beach Resort on October 26th - 27th, 2019.

CSR activities

2019 CSR PROJECT: CHANGE CARBON TO OXYGEN TO FILL THE FRESH BREATH FOR THE COMMUNITY

On October 24th, 2019 Mr. Teerarat Pantarasutra, President, Mr. Alex Loh, Chief Operating Officer together with the Company's employees organized the CSR activity to participate in the campaign of persuading the outsiders to realize the proper waste separation and encourage people around the Sun Towers Building and Sun Plaza Market to use reusable containers instead of plastic boxes and bags. In addition, the Company has encouraged the employees to bring reusable containers to receive food, snack and beverage provided for the internal activities instead of containers made by boxes and plastics.



On December 4th, 2019, the Company took the waste from the right classified waste management within the organization and around Sun Towers and Sun Plaza Market to sell and convert the income for planting the trees at Chatuchak Park in order to expand green areas which are able to produce more oxygen, totally 32 trees (Inthanin tree, Golden year tree and Ratchaphruek tree). This activity was organized to remember the royal grace to join forces to do good deeds for His Majesty King Bhumibol Adulyadej The Great (King Rama IX) in an occasion of "Father's Day" falling on December 5th of every year.





OUR
BUSINESS





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 2019, Telecommunication sector in Thailand has still been in good position according to increasing demand of digital transaction services driven by technology and productivity for almost all business sectors. The investments from private sectors and growing tourism business are still key economic driving forces for Thailand this year. Thailand's communication market is expected to continue growing in 2019, thanks to government policies and changes in consumer behaviors. Fixed line data services, composed of leased line, internet, data center colocation and cloud services will continue to drive

demand within enterprises and corporates segment. Likewise, the overall internet users in Thailand on both fixed and wireless broadband are also on increasing trend. Overall, these will contribute positively to the market industry and service providers, including for SYMC.

As a result, the telecommunication service providers have expanded their network infrastructure and related services to cover more business area. To capture this trend, SYMC had also strengthened its domestic backbone network to be fully protected with multiply routes especially connecting to key border gateways to serve increasing demand on both domestic and international services.

So far, the Company has received the positive momentum growth exponentially from the Direct Internet service and value-added products and services to serve the customer's requirement, focusing on the enterprise segment. The number of customers has increased over double from last year and expanded in all segments that the Company has penetrated into the enterprise horizontally and vertically.

In addition, SYMC had expanded its services offerings with its newly-launched, Anti-DDoS services as part of its growth expansion into Enterprise market. This is expected to drive more demand across small and medium Enterprises who are looking for round-the-clock protection to safeguard their business operations. Moreover, these services could serve the Personal Data Protection Act and Cybersecurity Act, effectively since the second half of 2019. Therefore, the most of several public and private sectors driven by computer, communication and digitizing systems have been required to be aware of Cyber Threats and in compliance with Legal Actions.

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 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 highly 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, 251 leading office buildings, 51 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

1.1 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.

1.2 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
”



“ 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 ”



Current Coverage Area

Focus on high-potential business density areas

- Bangkok and Vicinity
- 50 Major Provinces Nationwide
- 251 Leading Office Buildings
- 51 Industrial Estates
- 18 Service Centers Nationwide

International Gateways

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



Submarine Cable System

- First Private Submarine Network in Thailand
- Cable Landing Station, locating in Rayong province, Thailand owned by SYMC
- All routes of Submarine Cables buried underground
- Extra large bandwidth up to 30 Tbps



INDUSTRY OUTLOOK

Driving from one stop service needs, Thailand's telecommunications industry has opened for a variety of players presently. The high competition is not limited to only service providers, but also new comers as system integrators who distribute IT equipment ranging from small to large-sized players. They have played their role to provide total solution of ICT services to customers and acquired market share. In order to deliver the completed solutions, the service providers who are capable to manage bundling all services can offer their services with best value proposition in terms of price and quality assurance of network services, internet services, data center services, cloud services and other value-added services, including application and software platforms. The most of customers require the service providers who can deliver the one stop solution and guarantee with Service Level Agreement (SLA).

SYMC as a network connectivity service provider for many years has realized this changing competitive situation to be the opportunity to start the partnership with any system integrators to reduce or avoid the competition without the best benefit to all related parties, including customers. We believe that all

service providers have their own strong points and expertise in certain areas. Additionally, a good cooperation can create mutually best benefit to all related parties and future sustainable development in our telecommunication industry.

According to strategic business collaboration, SYMC has actively played its key role as a good supporter to Thailand Digital Economy and Society Development Plan that drives growth domestically of both governments and enterprises in various sectors by enabling customers to use digital products and services to be a tool for successful digital transformation and effective competition in the modern global changes. The growth of digital economy increases bandwidth consumption both private link and internet usages from enterprise, governmental users and other customers as end-users, living in where digital services are truly integrated into people's lifestyles. For example, the banking sector has changed to digital platforms to service for money transfer, withdrawal and financial statement provided to customers via their mobile applications where customers can manage all processes by themselves. Such a kind of e-service can create more traffics and frequencies over networks from





a significantly increasing numbers of service and volume of data transaction.

From the digital transformation as above mentioned, SYMC has continuously developed business strategies for marketing, product development, sales and operational excellence to ensure that we are truly understand our customer requirement which can offer the right products and services which are applicable, flexible and affordable to suit for each business sector. The Company has also expanded its network coverage to be accessible to more targeted commercial and industrial areas.

In addition to the continuous development of high-quality network services, SYMC views that the importance of telecommunication service market growth trend for better accommodating the needs of our customers are prioritized on top of existing network and internet solutions provided to both domestic and international customers. SYMC has expanded its services

in 2020 to enhance the capability to provide completed IT solutions for enterprise customers, focusing on world-leading technologies and professional services provided by our skilled employees. Our goal is to provide telecommunication services from IT infrastructure -as-a-service such as virtual server services, backup services, network security services, platform-as-a-service, log management services and any other solutions with partners. Our services are to support the customers' work flow continuously with reasonable cost and efficient resources allocated to boost customers' competitiveness in rapidly changing digital economy nowadays.

Moreover, SYMC will invest in new data centers to serve colocation and data center, located in the Bangkok Central Business District (CBD) area, providing with the support of disaster recovery (DR) and multiple options of cross connection which will build enterprise customers' confidence to run business efficiently and smoothly with reassurance.



MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

In 2019, the overall Thai telecommunication development still is undergoing different challenges such as digital technology transformation of Thailand 4.0 era and the effective enactment of the Personal Data Protection Act and Cybersecurity Act as well as incoming 5G technology. There is a favourable impact that the most of several public and private sectors driven by computer, communication and digitizing systems have been required to be aware of Cyber Threats and in compliance with Legal Actions. In addition, the growing businesses in many sectors have improved their network infrastructure to support the high-speed connectivity and technology disruption. However, the overall global economy as well as Thai economic growth have slowed down which has resulted in terms of the weakening spending power.

With the sunrise business in technology and connectivity perspectives, the data and internet connectivity have still created the increasing usage demand of the consumers both in Thailand and worldwide not only for their business but also for their daily lifestyle to increase their work efficiency as well as manage smart devices for their entertainment and convenience.

As for the company-wise, SYMC has expanded its services offerings with its newly-launched service during the second half of 2019, Anti-DDoS services as part of its growth expansion into Enterprise market. The Company strategize to fulfill the product and services in its portfolio to drive more demand across small and medium Enterprises who are looking for round-the-clock protection to safeguard their business operations as well as incoming product and service offerings to serve more requirement. In addition, SYMC had also strengthened its domestic backbone network to the southern part of Thailand to be fully protected with multiply routes especially connecting to key border gateways to serve increasing demand on both domestic and international services.

For FY2019, SYMC posted slightly lower service revenue as a result of lower maintenance and installation income from major wholesale operator and effect of last year churn from domestic wholesale and International segments. This was partially set-off with higher revenue contribution from Enterprise segment.

SYMC recorded EBITDA of 574.0 million and Net Profit of Baht 44.7 million, both lower compared to FY2018 due to following reasons:

- the lower revenue contribution,
- the loss on exchange rate of Baht 9.0 million,
- one-off adjustments by adjusted provision for employee retirement benefit of Baht 7.6 million and interest payable ruled by the Central Administration Court's judgment of Baht 3.8 million recorded in 2Q2019.

Stripping out the one-off adjustments, the normalised EBITDA and Net Profit would have been Baht 585.4 million and Baht 56.1 million.

2019 Performance Overview

Revenue

In 4Q2019, Services revenue was Baht 323.6 million, increased by 0.5% QoQ and decreased by 2.0% YoY, mainly due to the effect of higher last year churn from domestic wholesale and International segments, set off with increasing services revenue contribution from Enterprise segment.

Other income was Baht 0.8 million, significantly lower than both QoQ and YoY comparative periods, mainly due to the penalty compensation from vendor.

For FY2019, Service revenue was Baht 1,292.0 million, decreased by 2.4% YoY, due to lower maintenance and installation income from Wholesale operator and the effect of last year churn from domestic wholesale and International services. This is partially set-off with higher revenue contribution from Enterprise segment.

Other income was Baht 16.5 million, increased by 5.6%, due to the penalty compensation from vendor.

| Unit : Million Baht | Amount | | | Change | | Amount | | Change |
|--|----------------|----------------|----------------|--------------|---------------|----------------|----------------|---------------|
| | Q4/18 | Q3/19 | Q4/19 | (%) QoQ | (%) YoY | 2018 | 2019 | (%) YoY |
| Revenue | | | | | | | | |
| Service revenue | 330.2 | 322.0 | 323.6 | 0.5% | -2.0% | 1,323.7 | 1,292.0 | -2.4% |
| Other income | 4.6 | 3.9 | 0.8 | -78.5% | -81.7% | 15.6 | 16.5 | 5.6% |
| Total Revenue | 334.8 | 325.9 | 324.5 | -0.4% | -3.1% | 1,339.3 | 1,308.5 | -2.3% |
| Costs of Services and Sales | | | | | | | | |
| Costs of Services and Sales (excl. D&A) | (109.4) | (116.4) | (111.8) | -3.9% | 2.2% | (436.5) | (465.6) | 6.7% |
| Depreciation & Amortization (D&A) | (106.4) | (98.9) | (97.8) | -1.1% | -8.1% | (427.4) | (401.0) | -6.2% |
| Total Cost of Services and Sales | (215.8) | (215.3) | (209.6) | -2.6% | -2.9% | (863.9) | (866.6) | 0.3% |
| Service & Administrative Expenses (excl. D&A) | (64.2) | (63.1) | (67.8) | 7.4% | 5.5% | (245.7) | (259.9) | 5.8% |
| Loss on exchange rate | 0.0 | (0.3) | (1.9) | 536.5% | 100.0% | 0.0 | (9.0) | 100.0% |
| Depreciation & Amortization (D&A) | (12.6) | (12.3) | (7.1) | -42.2% | -43.6% | (52.1) | (41.1) | -21.1% |
| Total Service & Administrative Expenses | (76.8) | (75.7) | (76.7) | 1.4% | -0.1% | (297.7) | (310.0) | 4.1% |
| Operating Profit /(Loss) | 42.2 | 35.0 | 38.1 | 9.0% | -9.6% | 177.7 | 131.9 | -25.8% |
| Financial Cost | (22.6) | (18.5) | (15.9) | -14.0% | -29.8% | (96.7) | (75.9) | -21.5% |
| Income Tax Expenses | (4.0) | (3.3) | (6.4) | 91.6% | 61.6% | (16.2) | (11.2) | -30.9% |
| Net Profit/(Loss) for the period | 15.6 | 13.2 | 15.8 | 20.4% | 1.5% | 64.8 | 44.7 | -31.0% |
| Net Profit/(Loss) Margin | 4.7% | 4.0% | 4.9% | | | 4.8% | 3.4% | |
| One-off items | 0.0 | 0.0 | 0.0 | 0.0% | 0.0% | 0.0 | 11.4* | 100.0% |
| Normalized Net Profit/(Loss) for the period | 15.6 | 13.2 | 15.8 | 20.4% | 1.5% | 64.8 | 56.1 | -13.4% |
| Normalized Net Profit/(Loss) Margin | 4.7% | 4.0% | 4.9% | | | 4.8% | 4.3% | |
| EBITDA | | | | | | | | |
| Operating Profit /(Loss) | 42.2 | 35.0 | 38.1 | 9.0% | -9.6% | 177.7 | 131.9 | -25.8% |
| Depreciation & Amortization (D&A) | 119.0 | 111.2 | 104.9 | -5.7% | -11.8% | 479.5 | 442.1 | -7.8% |
| EBITDA | 161.2 | 146.1 | 143.0 | -2.1% | -11.3% | 657.2 | 574.0 | -12.7% |
| EBITDA Margin | 48.1% | 44.8% | 44.1% | | | 49.1% | 43.9% | |
| One-off items | 0.0 | 0.0 | 0.0 | 0.0% | 0.0% | 0.0 | 11.4* | 100.0% |
| Normalized EBITDA | 161.2 | 146.1 | 143.0 | -2.1% | -11.3% | 657.2 | 585.4 | -10.9% |
| Normalized EBITDA Margin | 48.1% | 44.8% | 44.1% | | | 49.1% | 44.7% | |

* Adjusted provision for employee retirement benefits according to the law of Baht 7.6 million and interest payable ruled by the Central Administration Court's judgment of Baht 3.8 million

Costs of Services and Sales (COSS)

In 4Q2019, Costs of Services and Sales were Baht 209.6 million, decreased by 2.9% YoY and comparatively decreased by 2.6% QoQ, mainly due to lower operation cost, lower depreciation and amortization.

For FY2019, Cost of Service and Sales were Baht 866.6 million, increased by 0.3%, mainly due to higher employee expenses, higher domestic and international cable rental and underground duct rental, one-off adjustment of provision for employee retirement benefit and interest imposed by Court's judgment but offset with a decrease of 6.2% from depreciation and amortization.

Service & Administrative (S&A) Expenses

In 4Q2019, Service & Administrative expenses were Baht 76.7 million, increased by 1.4% QoQ, mainly due to increasing loss on exchange rate of Baht 9.0 million but decreased by 0.1% YoY mainly due to lower depreciation and amortization.

For FY2019, Service & Administrative expenses were Baht 310.0 million, increased by 4.1%, mainly due to higher employee expenses, one-off adjustments of provision for employee retirement benefit and interest imposed by Court's judgment and loss on exchange rate but offset with a decrease of 21.1% from depreciation and amortization.

EBITDA and Net Profit

In 4Q2019, EBITDA closed at Baht 143.0 million, decreased by 2.1% QoQ, due to loss on exchange rate and loss on write off asset. Net Profit closed at Baht 15.8 million, increased by 20.4% QoQ, due to lower depreciation cost and lower financing cost.

For FY2019, the EBITDA and Net Profit were Baht 574.0 million and Baht 44.7 million, decreased by 12.7% and 31.0%, respectively mainly due to lower service revenue, higher operating cost, loss on exchange rate, one-off adjustments of provision for employee retirement benefit and interest imposed by Court's judgment but lower depreciation and financing cost incurred on comparative periods.

Statement of Financial Position and Cashflows

| Unit : Million Baht | 31-Dec-18 | | 31-Dec-19 | | Change | |
|-------------------------------------|----------------|---------------|----------------|---------------|----------------|---------------|
| | Amount | (%) | Amount | (%) | Amount | (%) YoY |
| Assets | | | | | | |
| Cash and cash equivalents | 819.9 | 18.3% | 362.2 | 9.1% | (457.7) | -55.8% |
| Short-term investment | 0.0 | 0.0% | 150.0 | 3.8% | 150.0 | 100.0% |
| Trade and other account receivables | 215.8 | 4.8% | 195.0 | 4.9% | (20.9) | -9.7% |
| Other current assets | 112.8 | 2.5% | 114.9 | 2.9% | 2.1 | 1.8% |
| Total current assets | 1,148.6 | 25.7% | 822.1 | 20.7% | (326.4) | -28.4% |
| Network equipment and PPE | 3,218.4 | 72.0% | 3,052.6 | 76.8% | (165.8) | -5.2% |
| Other non-current assets | 103.4 | 2.3% | 101.0 | 2.5% | (2.5) | -2.4% |
| Total non-current assets | 3,321.9 | 74.3% | 3,153.6 | 79.3% | (168.3) | -5.1% |
| Total assets | 4,470.4 | 100.0% | 3,975.7 | 100.0% | (494.7) | -11.1% |

| Unit : Million Baht | 31-Dec-18 | | 31-Dec-19 | | Change | |
|--|----------------|---------------|----------------|---------------|----------------|---------------|
| | Amount | (%) | Amount | (%) | Amount | (%) YoY |
| Liabilities and shareholders' equity | | | | | | |
| Trade payables | 215.4 | 4.8% | 192.7 | 4.8% | (22.7) | -10.6% |
| Current portion of long-term/ short-term loans/ debenture | 966.7 | 21.6% | 396.0 | 10.0% | (570.7) | -59.0% |
| Other current liabilities | 36.4 | 0.8% | 32.7 | 0.8% | (3.8) | -10.3% |
| Total current liabilities | 1,218.6 | 27.3% | 621.4 | 15.6% | (597.2) | -49.0% |
| Long-term loans | 896.9 | 20.1% | 959.4 | 24.1% | 62.5 | 7.0% |
| Other non-current liabilities | 35.5 | 0.8% | 37.7 | 0.9% | 2.2 | 6.2% |
| Total non-current liabilities | 932.4 | 20.9% | 997.1 | 25.1% | 64.7 | 6.9% |
| Total liabilities | 2,151.0 | 48.1% | 1,618.5 | 40.7% | (532.5) | -24.8% |
| Shareholders' Equities | 2,319.4 | 51.9% | 2,357.2 | 59.3% | 37.8 | 1.6% |
| Total liabilities and shareholders' equity | 4,470.4 | 100.0% | 3,975.7 | 100.0% | (494.7) | -11.1% |

| Unit : Million Baht | As of 31-Dec-18 | As of 31-Dec-19 |
|--|-----------------|-----------------|
| Cash flows from operating activities | 483.4 | 486.1 |
| Cash flows used in investing activities* | (245.6) | (420.5) |
| Free cash flows | 237.8 | 65.6 |
| Cash flows used in financial activities | (387.2) | (523.3) |
| Net change in cash | (149.4) | (457.7) |
| Beginning Cash and Cash Equivalents | 969.3 | 819.9 |
| Ending Cash and Cash Equivalents | 819.9 | 362.2 |

* Reclassification of fixed deposit (over 3 months) of Baht 150 million to Short-Term Investment

As of 31 December 2019, total assets were Baht 3,975.7 million, decreased by 11.1% from 31 December 2018, mainly due to lower cash and cash equivalents, network equipment and PPE assets.

Cash and cash equivalents were Baht 362.2 million, decreased by 55.8% from 31 December 2018 due to loan repayment and reclassification of fixed deposit over 3 months amounting to Baht 150 million in short-term investment.

Short-term investment was Baht 150.0 million, increased by 100% from 31 December 2018 according to the classification under Thai Accounting Standards no 1 and no 7.

Network equipment and PPE assets were Baht 3,052.6 million, decreased by 5.2% from 31 December 2018 mainly due to the recognition of depreciation in 2019.

Total liabilities were Baht 1,618.5 million, decreased by 24.8% from 31 December 2018 mainly due to loan repayment during the period.

Total shareholders' equity was Baht 2,357.2 million, increased by 1.6% from 31 December 2018 due to the positive net operating result during the period.

As of 31 December 2019, Debt to Equity (D/E) ratio was 0.69x.

2020 Outlook

In 2020, SYMC will continue striving to improve its quality of network efficiency to offer value proposition to customers, including new capex expansion to strengthen its domestic backbone connectivity. In addition, the Company will also plan to introduce more new service offerings, which will be more customer-centric for Enterprise market to aggressively drive more sales contribution.

The Company will cautiously monitor the effect of anticipated economic slowdown, the rapid appreciation of Baht currency, current outbreak of coronavirus disease (COVID-19), which may have impacted to business across many sectors as a whole. On positive side, the adoption of 5G technology in Thailand may lead to positive growth and has spill-over effect to overall telecom sector for higher demand for connectivity.

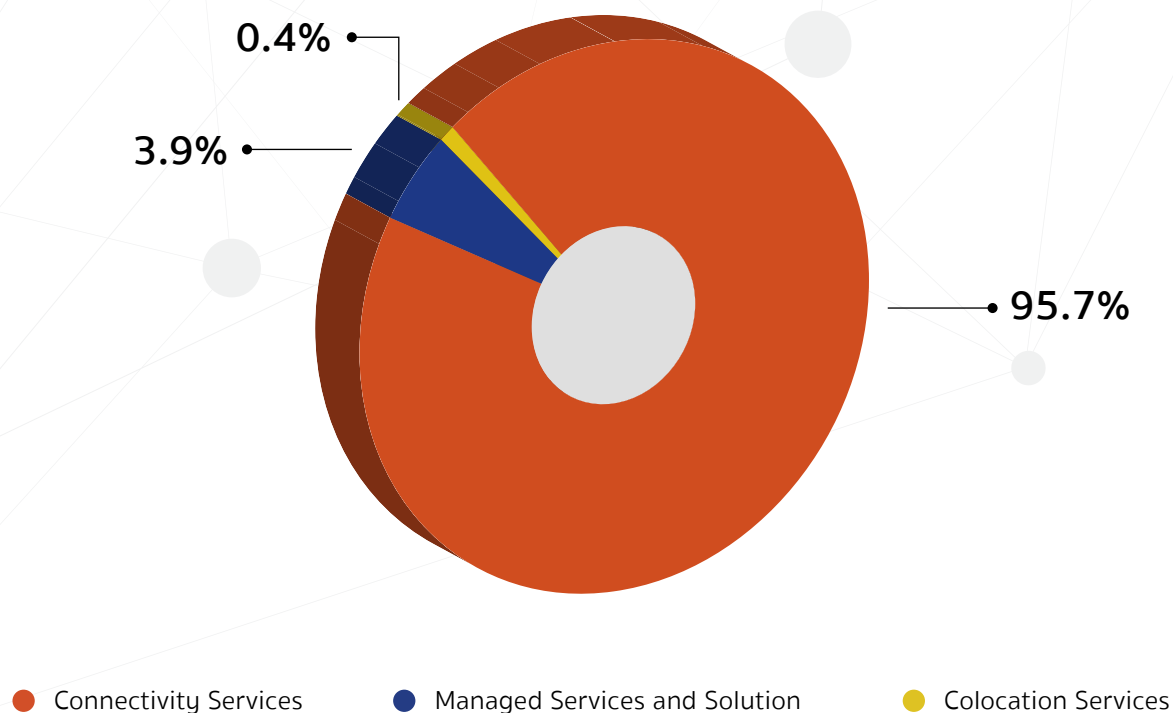
In view of the solid business fundamentals, SYMC is fully committed to deliver good results in 2020 by continuously investing in innovation and improving operating efficiencies for long-term profitable growth.





REVENUE STRUCTURE

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



| Unit: Million Baht | 2017 | | 2018 | | 2019 | |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Amount | (%) of total | Amount | (%) of total | Amount | (%) of total |
| Connectivity Services | 1,395 | 99.0 | 1,295 | 97.8 | 1,235 | 95.7 |
| Managed Services and Solution | 5 | 0.4 | 22 | 1.7 | 52 | 3.9 |
| Colocation Services | 9 | 0.6 | 7 | 0.5 | 5 | 0.4 |
| Total Services Income | 1,409 | 100.0 | 1,324 | 100.0 | 1,292 | 100.0 |



RISK FACTORS

The Company realizes the importance of risk management under the changing of economic, social, and innovation and technology, which may affect business both internal and external factors. In addition, the Company determined to implement the effective and efficient risk management system in order to manage the risk to be in the appropriate level. The following risks are the key risks with business impact:

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 focusing 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, provide the service bundle with the equipment to be responsive customers need, and international network service to inter carriers. In addition, the company has added the third route of core network in the southern area in order to increase both the stability of customer

service and the potential of operation that are currently more competitive. In the midst of market dynamics and changing business models driven by the other operators, the Company has shifted its business focus to providing direct internet service to the wide range of end customers, because the Company has own nationwide network infrastructure and ready to serve the customers with full scope of connectivity services. Furthermore, the Company adheres to improve the quality and standard of network system, including the delivery of excellent service to the customers by guarantee for Service Level Agreement (SLA) 99.9% in order to meet the customer satisfaction.

2. 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 shareholder has 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. However, the managerial structure of the Company comprises the Board of Directors and 4 sub-committees including Audit Committee, Nomination, Compensation and Corporate Governance Committee, Risk Management Committee, and Executive Committee. Each committee has definite scope of duties and responsibilities, which make the Company's managerial system become standardized and accountable. Moreover, 3 out of 8 Board of Directors are independent directors and the Audit Committee also consists of 3 independent directors who are well-knowledge and able to monitor the Company's operation to ensure the transparency. In addition, the Company has separated the role of Chairman from the top authority of the management. The aforementioned actions would promote check and balance to a certain degree, including any matters to be brought into the shareholders meeting for approval.

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

3.1 Risk of failure to acquire the Right of Way

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 and being waited for the official approval from the 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 fees that may increase the cost of business and affect profitability.

In addition, according to the announcement of Metropolitan Electricity Authority (MEA) and the ASEAN Metropolis project regarding the demolishing of the power poles, these affect all operators may not able to lay the fiber optic cable on electricity poles but instead may need to lay via underground duct at higher cost. In addition, the announcement of Provincial Electricity Authority (PEA) and Metropolitan Electricity Authority (MEA) regarding the critical routes which do not allow for laying the cable on electronic poles caused the Company to potentially delay in installation of service to customer. However, the Company has taken this issue into account and continued to provide service as in normal operation. The Company also co-operated well with PEA, MEA, and other operators to reorganize the network wiring and demolish the unused network wiring in order to comply with the Ministry of Interior's network wiring reorganization plan, and plan to complete the project by June 2020.

Furthermore, 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.

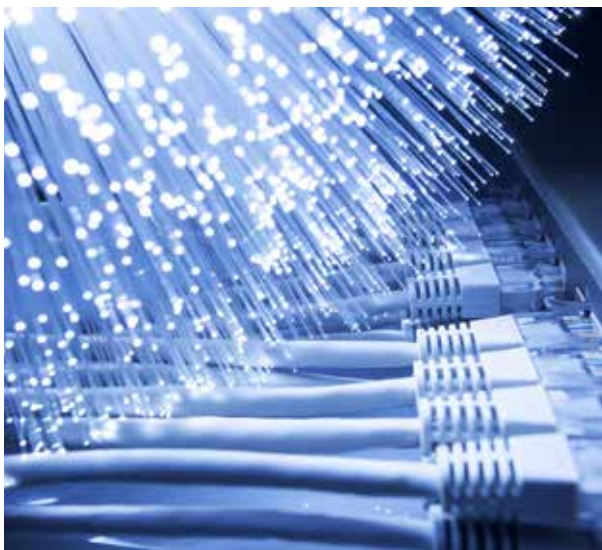
3.2 Risk from changes in the regulation of Telecommunication Business license and the Government's implementation of Digital Economy Policy.

The Company operates the business under supervision of the office of the National Broadcasting and Telecommunications Commission (NBTC), which has power to issue the Telecommunication Business licenses to operators. If there are any change in rules and regulations in some parts of NBTC, in which may affect to the Company's expenses in term of telecommunication license fees in the future. In 2015, Government launched the Digital Economy policy by the Ministry of Information and Communication Technology (MICT), in which year 2017-2019, the Government promulgated many legislations, such as the Digital Development for Economic and Social Development Act B.E. 2560, the Computer - Related Crime Act (No. 2) B.E. 2560, the Cyber Security Act B.E. 2562, and the Thailand Personal Data Protection Act B.E. 2562, etc.

Hence, the Company places importance on monitoring of amendment in rules and regulations and has studied the relevant laws closely by determination of the responsible function that related to NBCT to follow the movement situation in various issues in order to formulate the plan to comply with the policy, regulation, and rules of regulatory agency in timely manner.

In addition, the Company pays attention to the security of all types of information, the Company then determines the steering committee comprising Chief





Operating Officer (COO), Head of Information and Technology Division, Head of Human Resource Division, Head of Sales and Marketing Division, and Assistant Manager of Legal Department to review the matter in Legal Provision and comply with the regulation of the regulatory agency. From reviewing the mentioned regulation carefully, it is found that most of them are positive impacts to the Company's business operation as a digital infrastructure provider. Also, the policy of the Digital Development for Economic and Social Development will help to promote and support the use of digital infrastructure services. Furthermore, in the past, the Company has not faced with any issues that might impact to the business operation because the Company has closely monitored the movement situation and appropriately planned to comply with the regulations.

3.3 Risk 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, states that **"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 planned to expand such business in providing the services to international carriers located in overseas. Hence, the stipulation of section 54 of the Telecommunication Business Act may place constraints in entering such contracts which may affect the business expansion plan and revenue that the Company may receive from the expansion of such customer base to foreign carriers locating overseas in the future.

However, the Company has assigned the Legal Department as a responsible unit to review the matter of draft contract and agreement before the related parties shall sign their name in the contract in order to prevent the risk that might be occurred in the future.

4. Risks of network equipment which are being used for business's operation are not stable

As the Company's business has specific characteristics that relate with complex technology, business operations which requires superior network management system and such system must be stable at all the time to serve customers' needs. If there is any holdup in the working system especially in the provision of hi-speed communication network, there could be a wide-spread impact on other systems. For the internal working system, the Company has minimized operational risks from human errors by having access control system in all operation rooms of the Company that authorize access only for trained and certified employees with specified qualifications. The Company has realized that a good system must have the equipment that can support the working system efficiently. Hence, the Company has planned to modernize equipment that almost end of life to increase the availability and efficient work for supporting new technology change and customer's needs.

In addition, the company strongly emphasizes the importance of equipment selection by selecting only genuine and quality optical fiber cables and adhering to international standards of network system to

ensure efficiency of services. The company has provided the second set of backup devices which are ready to service as Hot-standby form for the core network such as power supply, Controller, Switching and trunk modules, etc. 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 at least 2 non-replicated routes for core network in case that any optical fiber cable malfunction occurs. Moreover, for systems related with end-users, the Company has a preventive policy to identify any flaws and promptly mend them before any errors occur. 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 installed DWDM as standard network equipment for supporting other service networks e.g. Metro Ethernet, MPLS, SDH, IP Core and etc. This is not only to save cost in the long run but also to enhance network stability, reduce network faults and support bandwidth expansion in accordance with current high bandwidth growth.

5. Risk of being exposed to threats of information technology

The Company's business operations must rely on the information technology system to operate. As a result, the company may be exposed to external threats such as network harassment, link counterfeiting, being attacked by malware and computer virus, etc. which can cause to the business disruption. Therefore, the Company has reviewed and revised the policy and procedure of IT security on regular basis in order to increase the Company's security defensive and preventive measurement. In addition, the Company has also developed the tools and the information security systems to keep up with technological change and the various systems can be used continuously all the times as well as ready to be adapted effectively.

6. Risk regarding Key Personnel Reliance

According to nature of business, the Company requires experts who have specialized in complicated technology and regulations, with distinctive experiences and skills to operate the business. The Company have recruited various telecom experts to drive the Company's growth. The Company gives emphasis on the succession plan and Talent Management System. With Talent Management System, the Company will direct 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 employee levels 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 their knowledge and skills 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.

7. 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 has well realized the aforementioned risks and includes these possible matters into the Enterprise Risk Management, and develop the concise Business Continuity Plan (BCP) as a guideline for employees at all levels and departments to perform if there is any case of natural disaster, riot and terrorism. In addition, the company also has operated the Disaster Recovery Operation Center (DROC) and regularly rehearsed the BCP for emergency as if unusual event occurred to ensure readiness to continue providing seamless service for customers. Furthermore, the Company's standard network design also provides redundant route to enhance stability of communication networks.

Moreover, the Company has considered the appropriateness of insurance policies covering against the risk of damage to network equipment and nodes.



CORPORATE GOVERNANCE AND CONTROL





SUMMARY PROFILE OF BOARD OF DIRECTORS AND MANAGEMENT

Mr. Woodtipong Moleechad

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

Age: 71 years

Education/Training:

- Bachelor of Art (Economics), Thammasat University
- Director Certification Program (DCP 130/2010)
- Anti-Corruption for Executive Program (ACEP 15/2015)
- Director Certification Program Update (DCPU 3/2015)

Shareholding (%): -

Personal Relationship with the Management: -

Work Experience (Over the Past 5 Years)

Listed Companies:

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 Symphony Communication Public Company Limited

2016 - present

Vice Chairman / Chairman of the Audit Committee / Independent Director Triple i logistics Public Company Limited



2015 - present

Chairman of the Board of Directors / Independent Director Business Alignment Public Company Limited

2012 - 2018

Chairman of the Board of Directors International Research Corporation Public Company Limited

Non-listed Companies:

2010 - 2013

Director, Audit Committee Member, Business Relations Committee Member Sukhumvit Asset Management Company Limited

2009 - 2015

Director Council Member, King Mongkut's Institute of Technology Ladkrabang

2008 - 2014

Director Banknote Management Committee, Bank of Thailand

Mr. Akarat Na Ranong

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

Appointed Date: 9 November 2017

Age: 66 years

Education/Training:

- Master of Business Administration (Management) Marshall University, United States of America
- Bachelor of Economics, Chulalongkorn University
- Audit Committee Program (ACP/2004)
- Director Accreditation Program (DAP/2007)
- Role of the Compensation Committee (RCC/2007)
- Leader Program, Capital Market Academy (Class 6/2008)
- Role of the Director Certification Program (DCP/2013)
- Role of the Chairman Program (RCP/2017)
- Ethical Leadership Program (ELP 18/2020)

Shareholding (%): -

Personal Relationship with the Management: -

Work Experience (Over the Past 5 Years)

Listed Companies:

Nov 2017 - present

Vice Chairman / Chairman of the Audit Committee / Independent Director / Nomination, Compensation and Corporate Governance Committee Member
Symphony Communication Public Company Limited

Jul 2017 - present

Independent Director / Nomination and Compensation Committee Member / Investment Committee
Krungthai AXA Life Insurance Public Company Limited



2011 - present

Independent Director / Audit Committee Member / Nomination and Compensation Committee Member
FINANSA Public Company Limited

2010 - present

Independent Director / Chairman of the Audit Committee
Matching Maximize Solution Public Company Limited

Non-listed Companies:

May 2018 - present

Director / Executive Director
Wind Energy Holding Company Limited

2015 - present

Independent Director / Chairman of the Board of Director / Chairman of Audit Committee
KPN Academy Company Limited

2011 - present

Independent Director / Audit Committee
FINANSA Securities Limited

Assoc.Prof. Dr. Sujate Jantarang

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

Appointed Date: 29 April 2019

Age: 57 years

Education/Training:

- Post Doctoral Research, University of New South Wales, Australia
- Doctor in Electrical Engineering, King Mongkut's Institute of Technology Chaokuntahan Ladkrabang
- Bachelor degree in Electrical Engineering, King Mongkut's Institute of Technology Chaokuntahan Ladkrabang
- Bachelor degree in Laws, Sukhothaimathiraj University
- Director Accreditation Program (DAP/2018)

Shareholding (%): -

Personal Relationship with the Management: -

Work Experience (Over the Past 5 Years)

Non-listed Companies:

2006 - Present

President
Mahanakorn University of Technology

2018 - Present

Chairman of the Board of Directors
Powermatic Company Limited

2017 - 2018

Professional Committee in Information Technology and
Communication of National
National Committee on Digital Development for
Economy and Society



2017 - 2018

Member of University Council
Payap University

2015 - 2018

Professional Committee in Space Activities /
Subcommittee on Space Law Development
National Space Policy committee

2014 - 2018

Professional Committee in Information Technology,
Special Investigation Committee, Department of
Special Investigation (DSI)
Ministry of Justice

2012 - 2017

Advisor to Chairman of
National Broadcasting and Telecommunications
Commission

2011 - 2019

Board of Director member
The Bangkok Christian Hospital

Mr. Kranphol Asawasuwana

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

Age: 55 years

Education/Training:

- Master of Business Administration, Bangkok University
- Bachelor of Engineering (Electrical) with second class honor, Kasetsart University
- Director Certification Program (DCP 129/2010)
- Successful Formulation & Execution of Strategy (SFE 6/2010)
- Capital Market Academy (CMA 13/2011)
- ASEAN Economic Community (AEC 3/2013)
- Anti-Corruption For Executive Program (ACEP 13/2014)
- Director Certification Program Update (DCPU 3/2015)
- Financial and Fiscal Management Program For Senior Executive (FME 3/2016)
- Thailand Insurance Leadership Program (TILP 6/2016)
- Top Executive Program in Commerce and Trade (TEPCoT 10/2017)
- Corporate Governor for Medical Executives Class no. 6/2017
- The Executive Program in Energy Literacy for a Sustainable Future Class no. 12/2018
- Joint Government-Private Sector Administration of Society's Peace and Order Course Class no. 6/2019

Shareholding (%): 9.37

Personal Relationship with the Management: -



Work Experience (Over the Past 5 Years)

Listed Companies:

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

Non-listed Companies:

2017 - present

Audit Committee Member
Thai Listed Companies Association

2015 - 2017

Chairman of Audit Committee
Thai Listed Companies Association

2015 - present

Vice Chairman
Thai Internet Service Provider Association

2006 - present

Director
Synergy Net Holding Company Limited

2000 - present

Director
Global Crossing System Company Limited

Mr. Teerarat Pantarasutra

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

Appointed Date: 24 November 2005

Age: 59 years

Education/Training:

- 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)

Listed Companies:

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

Non-listed Companies:

2013 - present

Chairman of the Board of Directors
Diamond Line Services Company Limited

2006 - present

Director / Managing Director
Global Crossing System Company Limited

2006 - present

Director
Synergy Net Holding Company Limited



Mr. Loh Chi Kwan, Alex

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

Appointed Date: 9 November 2017

Age: 41 years

Education/Training:

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

Shareholding (%): -

Personal Relationship with the Management: -

Work Experience (Over the Past 5 Years)

2018 - 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

Director / Executive Committee Member

Appointed Date: 9 November 2017

Age: 41 years

Education/Training:

- 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

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

Appointed Date: 9 November 2017

Age: 46 years

Education/Training:

- BA (Hons), Degree in European Business Administration, European Business School, London, United Kingdom

Shareholding (%): -

Personal Relationship with the Management: -

Work Experience (Over the Past 5 Years)

Listed Companies:

2017 - present

Director / Nomination, Compensation and Corporate Governance Committee Member
Symphony Communication Public Company Limited

Present

Executive Director
TIME dotCom Berhad

Non-listed Companies:

Present

- Director
- Megawisra Investments Limited
 - Megawisra Sdn Bhd
 - Global Transit International Sdn Bhd
 - Pulau Kapas Ventures Sdn Bhd
 - OST Capital Limited
 - TIME dotCom International Sdn Bhd
 - TIME dotCom (Cambodia) Co., Ltd.
 - CMC Telecommunication Infrastructure Corporation







Mr. Pongthep Thanakijsumtorn

Executive Vice President - Sale & Marketing

Age: 51 years

Education/Training:

- 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 (KMUTL)
- 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





Mr. Supornchai Chotputtikul

Executive Vice President – Service Operation

Age: 53 years

Education/Training:

- 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





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 2019, the members of Board of Directors and Sub-committees are as follows:

| No. | 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. Akarat Na Ranong | Vice Chairman of the Board of Directors / Chairman of the Audit Committee / Independent Director / Nomination, Compensation and Corporate Governance Committee Member |
| 3 | Assoc. Prof. Dr. Sujate Jantarang | Independent Director / Audit Committee Member / Nomination, Compensation and Corporate Governance Committee Member |
| 4 | Mr. Kranphol Asawasuwana | 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 / Vice Chairman of the Risk Management Committee / President |
| 6 | Mr. Loh Chi Kwan, Alex | Director / Executive Committee Member / Chief Operating Officer / Acting Chief Financial Officer |
| 7 | Mr. Patrick Corso | Director / Nomination, Compensation and Corporate Governance Committee Member |
| 8 | Mr. Afzal Bin Abdul Rahim | Director / Executive Committee Member |

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.

| No. | Name | Positions |
|-----|-----------------------------------|---------------------------------|
| 1 | Mr. Akarat Na Ranong* | Chairman of the Audit Committee |
| 2 | Mr. Woodtipong Moleechad | Audit Committee Member |
| 3 | Assoc. Prof. Dr. Sujate Jantarang | Audit Committee Member |

Ms. Thippawan Sirintraphan 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.

| No. | Name | Positions |
|-----|-----------------------------------|---|
| 1 | Mr. Woodtipong Moleechad | Chairman of the Nomination, Compensation and Corporate Governance Committee |
| 2 | Mr. Akarat Na Ranong | Nomination, Compensation and Corporate Governance Committee Member |
| 3 | Assoc. Prof. Dr. Sujate Jantarang | Nomination, Compensation and Corporate Governance Committee Member |

| No. | Name | Positions |
|-----|---------------------------|--|
| 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 updated 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.

| No. | Name | Positions |
|-----|---------------------------|--|
| 1 | Mr. Kranphol Asawasuwana | Chairman of the Risk Management Committee |
| 2 | Mr. Teerarat Pantarasutra | Vice 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.

| No. | Name | Positions |
|-----|---------------------------|-------------------------------------|
| 1 | Mr. Kranphol Asawasuwat | 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.

| No. | 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

The Board of Directors has appointed Ms. Siritorn Manopjuntaroj to be the Secretary of the Board of Directors and 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 Securities and Exchange Commission and 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 2019 Annual General Meeting of Shareholders,

held on 29 April 2019, resolved to approve the Board of Directors and Sub-committees Compensation, in the amount not over Baht 7.0 million per year and the directors' bonus in the amount not exceeding Baht 3.0 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 | Independent Directors | |
| Chairman | 40,000 | 40,000 | 40,000 | 10,000 | - Payable to participated members |
| Vice Chairman | 40,000 | - | - | 10,000 | - Meeting allowance for Sub-committee only paid to Independent Directors |
| Member | 30,000 | 30,000 | 30,000 | 10,000 | - No meeting allowance for Executive Committee and Risk Management Committee |

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 Independent Directors)
- Sub-committee 20,000 per person per month per Sub-committee (paid to only Independent Directors)

In 2019, the compensation paid to directors according to above criteria are as follows:

(Unit : Baht)

| Name | Meeting Allowance (Baht/time) | | | | Retainer Fee | Bonus | Total |
|---|-------------------------------|---|-----------------|-----------------------|--------------|--------|-----------|
| | Board of Directors | Nomination, Compensation and Corporate Governance Committee | Audit Committee | Independent Directors | | | |
| 1. Mr. Woodtipong Moleechad Chairman of the Board of Directors / Chairman of the Independent Directors / Chairman of the Nomination, Compensation and Corporate Governance Committee / Audit Committee Member | 280,000 | 120,000 | 150,000 | 10,000 | 720,000 | 43,365 | 1,323,365 |

| Name | Meeting Allowance (Baht/time) | | | | Retainer Fee | Bonus | Total |
|---|-------------------------------|---|-----------------|-----------------------|--------------|--------|-----------|
| | Board of Directors | Nomination, Compensation and Corporate Governance Committee | Audit Committee | Independent Directors | | | |
| 2. Mr. Prasitt Hemwarapornchai¹ Deputy Chairman of the Board of Directors / Independent Director / Audit Committee Member / Nomination, Compensation and Corporate Governance Committee Member | 40,000 | 30,000 | 30,000 | 10,000 | 240,000 | 0 | 350,000 |
| 2. Assoc. Prof. Dr. Sujate Jantarang¹ Independent Director / Audit Committee Member / Nomination, Compensation and Corporate Governance Committee Member | 180,000 | 60,000 | 120,000 | 0 | 480,000 | 43,365 | 883,365 |
| 3. Mr. Akarat Na Ranong² Vice Chairman of the Board of Directors / Chairman of the Audit Committee / Independent Director / Nomination, Compensation and Corporate Governance Committee Member | 260,000 | 90,000 | 200,000 | 10,000 | 720,000 | 43,365 | 1,323,365 |
| 4. Mr. Kranphol Asawasuwat Director / Chairman of the Executive Committee / Chairman of the Risk Management Committee / Nomination, Compensation and Corporate Governance Committee Member | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. Mr. Teerarat Pantarasutra Director / Executive Committee Member / Nomination, Compensation and Corporate Governance Committee Member / Vice Chairman of the Risk Management Committee / President | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| Name | Meeting Allowance (Baht/time) | | | | Retainer Fee | Bonus | Total |
|--|-------------------------------|---|-----------------|-----------------------|------------------|----------------|------------------|
| | Board of Directors | Nomination, Compensation and Corporate Governance Committee | Audit Committee | Independent Directors | | | |
| 6. Mr. Loh Chi Kwan, Alex Director / Executive Committee Member / Chief Operating Officer / Acting Chief Financial Officer | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. Mr. Patrick Corso Director / Nomination, Compensation and Corporate Governance Committee Member | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. Mr. Afzal Bin Abdul Rahim Director / Executive Committee Member | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 760,000 | 300,000 | 500,000 | 30,000 | 2,160,000 | 130,096 | 3,880,096 |

The meeting attendance record of each director in 2019

| Name | Number of attendances | | | |
|---|-----------------------|-----------------|---|---------------------------|
| | Board of Directors | Audit Committee | Nomination, Compensation and Corporate Governance Committee | Risk Management Committee |
| 1. Mr. Woodtipong Moleechad Chairman of the Board of Directors / Chairman of the Independent Directors / Chairman of the Nomination, Compensation and Corporate Governance Committee / Audit Committee Member | 7/7 | 5/5 | 3/3 | - |
| 2. Mr. Prasitt Hemwarapornchai¹ Deputy Chairman of the Board of Directors / Independent Director / Audit Committee Member / Nomination, Compensation and Corporate Governance Committee Member | 1/1 | 1/1 | 1/1 | - |
| 2. Assoc. Prof. Dr. Sujate Jantarang¹ Independent Director / Audit Committee Member / Nomination, Compensation and Corporate Governance Committee Member | 6/6 | 4/4 | 2/2 | - |

| Name | Number of attendances | | | |
|---|-----------------------|-----------------|---|---------------------------|
| | Board of Directors | Audit Committee | Nomination, Compensation and Corporate Governance Committee | Risk Management Committee |
| 3. Mr. Akarat Na Ranong² Vice Chairman of the Board of Directors / Chairman of the Audit Committee / Independent Director / Nomination, Compensation and Corporate Governance Committee Member | 7/7 | 5/5 | 3/3 | - |
| 4. Mr. Kranphol Asawasuwat Director / Chairman of the Executive Committee / Chairman of the Risk Management Committee / Nomination, Compensation and Corporate Governance Committee Member | 7/7 | - | 3/3 | 4/4 |
| 5. Mr. Teerarat Pantarasutra Director / Executive Committee Member / Nomination, Compensation and Corporate Governance Committee Member / Vice Chairman of the Risk Management Committee / President | 7/7 | - | 3/3 | 4/4 |
| 6. Mr. Loh Chi Kwan, Alex Director / Executive Committee Member / Chief Operating Officer / Acting Chief Financial Officer | 7/7 | - | - | 3/4 |
| 7. Mr. Patrick Corso Director / Nomination, Compensation and Corporate Governance Committee Member | 6/7 | - | 3/3 | - |
| 8. Mr. Afzal Bin Abdul Rahim Director / Executive Committee Member | 5/7 | - | - | - |

Note:

1. Mr. Prasitt Hemwarapornchai resigned from his directorship at the 2019 Annual general Meeting of Shareholders on April 29, 2019 and Assoc. Prof. Dr. Sujate Jantarang was appointed as his replacement
2. Mr. Akarat Na Ranong was appointed to be Vice Chairman of Board of Directors in Board of Directors Meeting No.2/2019, effective on April 29, 2019
3. A meeting of Non-executive directors was organized on February 25, 2019

1.2) Management Compensation

In 2018 and 2019, the Company paid for management compensations as follows:

| Benefits | 2018 | | 2019 | |
|---|----------------------|-------------------|----------------------|-------------------|
| | Number of executives | Amount (Baht) | Number of executives | Amount (Baht) |
| Salary and Bonus | 5 | 15,389,880 | 5 | 17,827,915 |
| Other remunerations such as contribution to social security fund, provident funds, etc. | 5 | 1,287,289 | 5 | 2,421,456 |
| Total | 5 | 16,677,169 | 5 | 20,249,371 |

2) Other benefits

None

Personnel

1) Number of Employees and Compensation

As of 31 December 2019, the total number of employees (exclude Directors and Management) was 404, which can be classified functions as follows:

| Department | 2018 | 2019 |
|--------------------------------------|------------|------------|
| Office of President | 3 | 5 |
| Consultant | 2 | 3 |
| Marketing and Information Technology | 71 | 80 |
| Engineering | 235 | 241 |
| Government Affair | 8 | 2 |
| Procurement | 19 | 19 |
| Finance and Accounting | 24 | 25 |
| Human Resources | 10 | 11 |
| Legal | 2 | 2 |
| Operation System Development | 18 | 16 |
| Total | 392 | 404 |

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 2018 and 2019, the compensation which the Company provided for its employees are as follows:

| Employees' Compensation (Baht) | 2018 | 2019 |
|---|--------------------|--------------------|
| Salary and bonus | 189,499,321 | 204,407,388 |
| Other benefits such as commission, bonus, contribution to social security fund, contribution to provident fund, living expenses and other fringe benefits | 54,099,369 | 67,011,201 |
| Total | 243,598,690 | 271,418,589 |

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, sale and marketing and etc. 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 2019, 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 (persons) | 74 | 60 | 94 | 228 |

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.

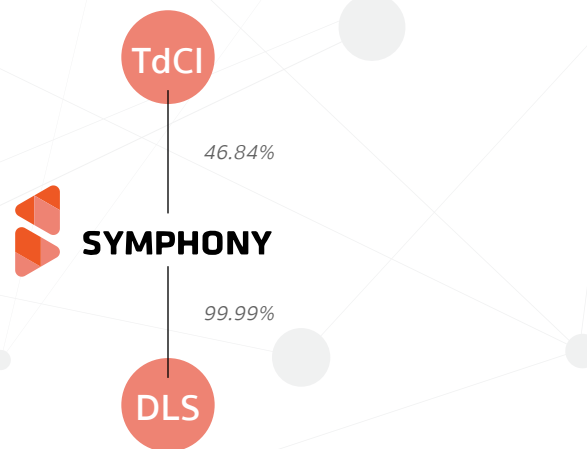
Regarding to other human resource development activities, we promote employees' creativity through many idea contests, involving areas of engineering and operational process improvement. In addition, we adopt the Bottom-up management style by which our top executives are widely open to all opinions on 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 2019



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 2019, 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 2019 are as follows:

| No. | Name | Number of shares | %Shareholding |
|-----|---------------------------------------|------------------|---------------|
| 1 | TIME dotCom International Sdn Bhd* | 203,143,797 | 46.84% |
| 2 | Asawasuwat Group | 40,641,667 | 9.37% |
| | Mr. Kranphol Asawasuwat | 40,533,334 | 9.35% |
| | Ms. Kwandarin Asawasuwat | 108,333 | 0.02% |
| 3 | Pantarasutra Group | 39,687,023 | 9.15% |
| | Mr. Teerarat Pantarasutra | 39,687,013 | 9.15% |
| | Ms. Tounporn Pantarasutra | 10 | 0.00% |
| 4 | Thanakijsumtorn Group | 19,463,430 | 4.49% |
| | Mr. Pongthep Thanakijsumtorn | 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. Niphon Suwannachet | 13,337,551 | 3.08% |
| 7 | Mr. Wanchai Somboonphon | 10,581,122 | 2.44% |
| 8 | Mr. Pathomkrit Srisuphakhannin | 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 | | |
| 2019 ⁽¹⁾ | 0 | 0 | 0.021 | 0.10 | 20 |
| 2018 | 0 | 0 | 0.030 | 0.15 | 20 |
| 2017 | 0 | 0 | 0 | (0.27) | 0 |

Note: (1) The Board of Directors Meeting No.1/2020 on February 26, 2020 deemed it appropriate to propose that the 2020 Annual General Meeting of Shareholders approve dividend payment from the operational results for the year 2019

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 2018 (Shares) | Change (Shares) | 31 December 2019 (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. Akarat Na Ranong | Vice Chairman of the Board of Directors / Independent Director / Chairman of Audit Committee / Nomination, Compensation and Corporate Governance Committee Member | - | - | - |
| 3. Assoc. Prof. Dr. Sujate Jantarang | Independent Director / Audit Committee Member / Nomination, Compensation and Corporate Governance Committee Member | - | - | - |
| 4. Mr. Kranphol Asawasuwon | 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 Asawasuwon | Spouse | 108,333 | - | 108,333 |
| 5. Mr. Teerarat Pantarasutra | Director / Executive Committee Member / Nomination, Compensation and Corporate Governance Committee Member / Vice Chairman of the Risk Management Committee / President | 39,687,013 | - | 39,687,013 |
| Ms. Toungporn Pantarasutra | Spouse | 10 | - | 10 |
| 6. Mr. Loh Chi Kwan, Alex | Director / Executive Committee Member / Chief Operating Officer and Acting Chief Financial Officer | - | - | - |
| 7. Mr. Patrick Corso ¹ | Director / Nomination, Compensation and Corporate Governance Committee Member | - | - | - |
| 8. Mr. Afzal Bin Abdul Rahim ¹ | Director / Executive Committee Member | - | - | - |
| 9. Mr. Pongthep Thanakijstorn | 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 | 29,000 | - | 29,000 |

Note : 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% 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 2019,
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".

• Insider Trading Policy

The Company has applied "Insider Trading Policy" effectively on November 13, 2019 to ensure the Company hold the equitable and transparent treatment as well as build the confidence to Shareholders in compliance with the criteria set by laws and regulations for the securities which are registered in the Stock Exchange of Thailand ("SET") and governed by the Securities and Exchange Commission ("SEC"), enforce the Company's Board of Directors, Executives and Employees to prohibit the unauthorized disclosure or misuse of any "Inside Information" for their own benefit in securities trading or create damage to the overall Shareholders, as well as to comply with the Securities and Exchange Act B.E. 2535 (1992), governing the prevention of unfair securities trading practices and embed "Non-Disclosure of Inside Information" in the organization culture.

Investor Relation Division shall review this Policy annually with the Executives and further request the Nomination, Compensation and Corporate Governance Committee and Board of Directors for approval in case of any changes in this Policy.

In addition, the Company has assigned the director to disclose their trading and holding status of the Company's securities quarterly to the Board of Directors' meeting.

► 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.

The Company has the remuneration policy to reward the employees by performance in accordance with the Company's performance both short and long term by applying the Balanced Scorecard (BSC) and Key Performance Index (KPI) both corporate and divisional levels which will designate the raise in yearly salary and bonus payment in each year including the consideration in longer term of proposal to issue Employee Stock Ownership Plan (ESOP) and Employee Joint Investment Program (EJIP) and etc.

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.

Moreover, the Company has placed the lives and health of all employees as highest importance. Developing attitudes and behaviors in the workplace with safety is recognized as one of the important things for the employees' career. It is necessary for all employees to always be careful about safety and strictly comply with the law on safety, occupational health and working environment.

In order to conduct safety operation effectively, the Company has issued the guidelines for all employees to follow correctly, which is beneficial to not only their safety and health but also the Company as a whole. In general, the Company's policy has been defined as follows;

1. The safety in work is the duty of all employees at all levels to cooperate collectively to ensure safety for each person and colleagues.
2. Supervisors must be good models for their subordinates to work with safe methods.
3. The Company supports for project plan and various safety activities to enhance awareness and positive attitude to working safety.
4. The Company aims to provide all employees for being good quality of working in terms of health and working environment.
5. The Company supports all employee to have a good mental health and physical strength.
6. The Company supports to improve the working environment that is conducive to safe operation and good hygiene.
7. The Company encourages all employees to provide quality services with regard to the environment.

The statistics of Accident Occurrence, Injury Frequency Rate and Injury Severity Rate are as follows

| | 2017 | 2018 | 2019 |
|-----------------------------|------|------|------|
| No. of accidents occurred | 0 | 0 | 0 |
| Injury Frequency Rate (IFR) | 0 | 0 | 0 |
| Injury Severity Rate (ISR) | 0 | 0 | 0 |

In order to ensure the safety and environment of our operations. The company has provided training courses for employees to increase skills and knowledge about safety at work as follows;

1. **In-house trainings** are courses conducted for compliance with Safety, Health and Environment law every year.
 - 1) **Occupational Safety and Working Environment course** is conducted for employees to gain knowledge and understanding about work safety.
 - 2) **Basic Fire Fighting course** is conducted for practice on using fire extinguishers to reduce loss and violence in the event of a fire.
 - 3) **First Aid course** is conducted for enabling employees to provide first aid to injured or emergency patients.

2. Public trainings

- 1) **MEA license course** is assigned for employees who work on MEA electricity poles to gain knowledge and understanding in working on the communication lines of the Metropolitan Electricity Authority safely.
- 2) **PEA license course** is assigned for employees who work on electricity poles to know and comply with the regulations of the PEA and have the safety skills in the operation.

Moreover, the Company has encouraged all employees to utilize the resources efficiently and reduce environmental factors by launching the project, namely “Change Carbon to oxygen, fill the breath for the community” which is carried out concurrently both the internal and external organization. The objective is to promote everyone to participate in the correct separation of waste and reduce the use of plastic as follows;

1. Sorting waste into correct categories

- **Internal organization**, the Company organized a troop walk campaign to educate employees about waste separation every month. Recycling bins were placed in front of the office to encourage employees to emphasize on the proper disposal of wastes.
- **Outside organization**, the Company supported recycling bins located in the Sun Tower building and Sun Plaza Market as well as conducting a public relation campaigns on 24 October 2019

Each month the Company brings plastic wastes that can be collected to sell and bring money to buy trees to plant in Chatuchak park to increase the oxygen in the air.

2. Reducing the use of plastics

- **Internal organization**, every month the Company organizes the activities along different key dates and provides plastic containers for the employees to have food, snacks and beverages from the Company's activities. Currently, the Company has changed the behavior of employees to bring their own containers to receive food and beverages.
- **Outside organization**, the Company provides the troop walk to promote this project at Sun Tower Building and Sun Plaza Market and dispensing 1,000 fabric bags to people, interested in using them instead of plastic bags.

3. Reducing the paper and printing

The Company has applied the technology to reduce printing papers such as Work Flow Management approval, e-reports and etc.

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 Suntowers Building B, 35th - 37th Floor,
Vibhavadee Rangsit Road., Chomphon, Chatuchak, Bangkok 10900 or
Telephone: **66-2-101-1111**, Fax: **66-2-101-1133**

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 attended by senior executives. The interested persons may contact the Company directly at **66-2-101-1111 ext. 36101** or at email: ir@symphony.net.th

Major investor relations activities in 2019 can be summarized below:

| Type of Meeting | Number (Times) | Number of Companies |
|--------------------------------------|----------------|---------------------|
| One-on-One Meetings | 4 | 4 |
| Group Analyst and Investor Meetings* | 4 | 4 |
| Total | 8 | 8 |

Remarks: * COO and Acting CFO and EVP-Sale & Marketing participated.

► 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 requires 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 appoints the secretary of the Board of Directors to be responsible for the Company's Board of Directors meeting and shareholders' meeting. The Company also appoints 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 Directors 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. In addition, the Company has complied with the Corporate Governance Principle of the Stock Exchange of Thailand in all respects.

- **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.



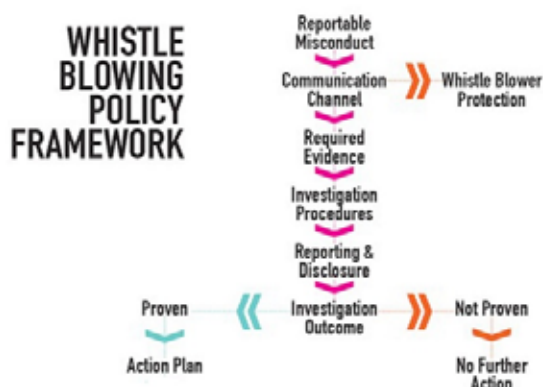
SYMPHONY WHISTLE BLOWING POLICY

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



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 | ac@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

- **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.

- **Strategic management**

The Board of Directors has approved the medium-term Business Plan which is a 3-year strategic framework formulated as guidelines for business operations over the period of 2020 - 2022 and shall review the plan on an annual basis to ensure it corresponds to prevailing conditions as well as monitor its implementation by the management. In this regard, the management is responsible for reporting its actual performance versus plan to the Board of Directors for acknowledgement on a quarterly basis.

The Company has targeted the long-term strategy for being the leading company providing the reliable networks trusted by the customers both in Thailand and ASEAN region. In 2019, the Company has assigned the external consultant to conduct the customer satisfaction survey and got the result at 86% which is ranked as very good.

Authorities, Duties and Responsibilities of the Chairman of the Board:

1. Call the meetings of the Board of Directors and supervise the delivery of meeting notices and related documents so as to ensure that the Board of Directors acquire adequate and timely information;
2. Preside over the Board of Directors' meetings;
3. Promote Corporate Governance standards of the Board of Directors;
4. Preside over the Shareholders' meetings and conduct the meeting in compliance with the Company's Articles of Association and the sequence of the agenda;
5. Supervise efficient communications between the directors and shareholders.

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. In 2019, the meeting of the non-executive directors was organized on February 25, 2019.

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 needs to inform and get approval from board of directors before taking any director positions in other companies.

5) Performance Evaluation of Directors

Board of directors conducted the self-assessment on their scope of duties on annual basis classified as subcommittee assessment and self-assessment, 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.

The Company has the evaluation process for both the Board of Directors and subcommittee. For every year, the Company Secretary shall submit the evaluation form to all directors for their evaluation and revert to the Company. There is no name of evaluators to be shared; therefore, all directors shall have their independencies in their evaluation. Then, the Company shall propose the evaluation result to the directors' meeting and the subcommittees' meeting.

The Company has the evaluation process for subcommittee assessment with the five following criteria: 1. Board Member Qualification, 2. Board Meeting Performance, 3. Operating Process, 4. Governance Role and 5. Relations with Top Management. In addition, the Company has the self-assessment with the five following criteria: 1. Competencies, 2. Independence, 3. Preparedness, 4. Attention to practices as a Director and 5. Actions in compliance with CG.

In 2019, the 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 2019, the directors have attended the training and seminar as follows:

Mr. Kranphol Asawasuwat,

- Joint Government-Private Sector Administration of Society's Peace and Order Course Class no. 6/2019

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 2019, 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) | 1,700,000 |
| 2 | Fee for additional report | 200,000 |
| 3 | Other expenses (e.g. papers and transportation) | 23,318 |
| | Total | 1,923,318 |



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

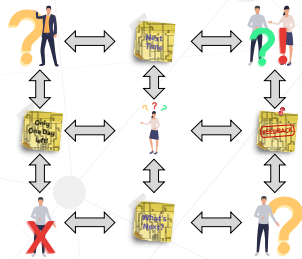
The Company has served public service and considered itself as an integral part of society. Therefore, the Company has encouraged employees to preserve the environment, efficiently use natural resources and energy as well as continually support for social development. Throughout many years, the Company 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.

Continuous Development on Workflow Online System

In 2019, the Company has improved its program development from 2018 by expanding the scope of services to serve more customers. The Workflow Online system has been developed to facilitate the employees and management's works in proposing the reports in electronic form, document tracking, working procedure and approval on documents via online system such as Order Requisition, Payment Requisition, OT Request, Memo Online, Supplier Selection Summary, Perdiem Online and etc.

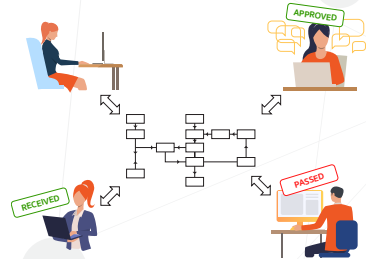
The application of Workflow Online system shall direct the works to flow as designated working procedure which can ensure that all steps will be executed completely and passed the closed loop audit before flowing to the next steps. Consequently, the management can view the overall working process and eliminate the unnecessary items. The work improvement and step reduction can make working processes more efficiently, for example, some processes can be flowed parallelly instead of waiting for another process to proceed.

In addition, this could reduce the numbers of documents and documental tracking process which could reduce wastes and time consumption. The flow of works can be implemented continuously; therefore, there is no pending tasks in any departments which can be ignored or lost in process. Also, the Workflow system can collect the data by incidents and manage the items completely which can be audited for the actors, the actions, the timing by incidents and the way they did.



BEFORE

The normal process could create confusion



AFTER

The new Workflow system can facilitate the works conveniently, quickly and verifiably

2019 CSR Project: Change Carbon to Oxygen to fill the fresh breath for the community

Previously the Company has arranged the CSR activity based on safety as a focused point with specific school in each year. This year, we changed our pattern to be more focus on health and environment with wider community around our office area.

As we have faced the PM 2.5 crisis in Bangkok during the early of this year, we would like to show how we care our community and create some changes to improve our environment by setting up 2019 CSR activation in a new way. To encourage a reduction of using plastics and suggest how to do the proper waste separation, our employees start from themselves by doing activities around Suntowers area.



เปลี่ยนคาร์บอนให้เป็นออกซิเจน
เต็มเต็มลมหายใจให้ชุมชน



Nowadays, the issue of plastic wastes has increased and turned to be the key environmental problem nationwide which are caused by increasing plastic consumption, miscategorized waste separation and finally leading to inefficient waste management. Therefore, the Company has realized the environment concerns and organized a project, namely “Change Carbon to Oxygen to fill the fresh breath for the community” on 24 October 2019. Our executives and employees participated in the campaign of inviting outsiders to be aware of the proper waste separation and persuaded people around the Suntowers and Sun Plaza Market to use reusable containers instead of plastic boxes and bags. Moreover, the Company has raised environmental awareness and encouraged our employees to use the cloth bags and bring reusable containers to receive food, snack and beverage provided by the Company for our internal activities.



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 Division 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 details are as follows;

1

Control 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 Assessment

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

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 Communications

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 Activities

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 Division before reporting to the Audit Committee and the Board of Directors.



RELATED TRANSACTIONS

The Company and its subsidiaries have entered into related transactions with connected persons. All of these related transactions are made in the ordinary course of business and on general trading conditions.

To be aligned with the Security and Exchange Act (No. 4) B.E. 2551, Article 89/12 (1), the Company's Board of Directors has approved in principle, on 13 August 2008, that the management shall have the authority to undertake the related transactions, whereas those transactions are transactions with general trading conditions. The approval of the above transactions shall not constitute such authority to allow the director, an executive, or a related person to approve with a conflict of interest.

For approval process, the related transactions shall be processed in the same practice as other general trading transactions with outside parties with the authorized executives designated and empowered to endorse

up to a certain limit of budget according to their respective rank and position. The Audit Committee of the Company and its subsidiaries is responsible for reviewing the related transactions every quarter to ensure that no conflict of interest will be occurred in order to maximize the overall company's benefits.

For the year ended 31 December 2019, the Company and its subsidiaries had the related transactions in which the auditors had disclosed in the notes to interim financial statements and these transactions have been reviewed by the Audit Committee. The Audit Committee had an opinion that all related transactions are reasonable and based on the normal course of business. The Company charges/purchases products and services with related parties at reasonable prices and those prices are comparable to the market rate with general trading conditions. Details of related transactions are as follows;

| Related parties / Relation to the Company | Detail of transactions | Related transactions for the year ended 31 December 2018 (Million Baht) | | Related transactions for the year ended 31 December 2019 (Million Baht) | | Rational and necessity |
|---|--|---|------------------|---|--------------|---|
| | | Company | Consolidated | Company | Consolidated | |
| 1. Diamond Line Services Company Limited Subsidiary | The subsidiary sells non-use equipment to the Company. <u>Purchase of goods, services and others</u> 1. Rental and other service expenses 2. Trade and other payables 3. Acquisition of fixed assets | - - (0.08) | - - (0.08) | - - - | - - - | The company pays for the purchase of equipment at the same rate as other parties. |
| 2. TIME DOTCOM INTERNATIONAL SDN BHD Major Shareholder | The company provides lease line service to the subsidiary. <u>Sales and services</u> 1. Service income 2. Trade and other receivables | 0.11 0.01 | 0.11 0.01 | 0.11 0.01 | 0.11 0.01 | The company charges lease line service at the same rates as other providers. |
| 3. TIME DOTCOM BERHAD Parent company of major shareholder | The company provides lease line service to the subsidiary. <u>Sales and services</u> 1. Service income 2. Trade and other receivables | - - | - - | - - | - - | The company charges lease line service at the same rates as other providers. |

| Related parties / Relation to the Company | Detail of transactions | Related transactions for the year ended 31 December 2018 (Million Baht) | | Related transactions for the year ended 31 December 2019 (Million Baht) | | Rational and necessity |
|--|--|---|--------------------------------------|---|----------------------------------|--|
| | | Company | Consolidated | Company | Consolidated | |
| 4. TT dotCom Sdn Bhd Common shareholders and directors | The subsidiary provides lease line service and sale of asset to the company. <u>Purchase of goods, services and others</u> 1. Rental and other service expenses 2. Trade and other payables 3. Purchase of IP address 4. First-time fee for network connectivity | (6.38) (2.50) (5.47) (0.06) | (6.38) (2.50) (5.47) (0.06) | (11.70) (1.79) - (0.04) | (11.70) (1.79) - (0.04) | The company pays lease line expense at the same rate as other parties. |
| 5. TIME dotCom (Cambodia) Co., Ltd. Common shareholders and directors | The company provides space for rent to the subsidiary. <u>Sales and services</u> 1. Service income 2. Trade and other receivables | 0.82 0.82 | 0.82 0.82 | 0.52 - | 0.52 - | The company charges rental income at the same rates as other providers. |
| 6. CMC Telecommunication Infrastructure Corporation Common shareholders and directors | The company provides lease line service to the subsidiary. <u>Sales and services</u> 1. Service income 2. Trade and other receivables | 1.18 0.43 | 1.18 0.43 | 2.93 0.68 | 2.93 0.68 | The company charges lease line service at the same rates as other providers. |
| 7. TIME dotcom Global Services Sdn Bhd (formerly known as Global Transit Communications Sdn Bhd) Common shareholders and directors | The company provides lease line service to the subsidiary and subsidiary provides lease line service to the company. <u>Sales and services</u> 1. Service income 2. Trade and other receivables <u>Purchase of goods, services and others</u> 1. Rental and other service expenses 2. Trade and other payables 3. First-time fee for network connectivity | - - (1.59) (0.54) (0.18) | - - (1.59) (0.54) (0.18) | 0.56 - - - - | 0.56 - - - - | The company charges rental income and pays lease line expense at the same rate as other parties. |
| 8. KIRZ CO., LTD. Common shareholders | The company provides lease line service to the subsidiary. <u>Sales and services</u> 1. Service income 2. Trade and other receivables | 6.53 2.12 | 6.53 2.12 | 6.01 0.89 | 6.01 0.89 | The company charges rental income at the same rates as other providers. |

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 (Hereinafter referred to as “AC”) of Symphony Communication Public Company Limited comprises three (3) qualified independent directors in which Mr. Akarat Na Ranong serves as Chairman of the AC, and Mr. Woodtipong Moleechad and Associate Professor Dr. Sujate Jantarang serve as members of the AC. All independent directors has independently performed their tasks as per the Board of Directors’ assignment which specified in AC Charter. Ms. Thippawan Sirintraphan, Internal Audit Manager serves as the secretary of AC.

In year 2019, the AC has completely performed its duties in accordance with the AC Charter approved by the Board of Directors. The AC meetings have been held total five (5) meetings in 2019, in which AC members have attended the meetings together with the executives, internal audit department, and auditors as appropriate, which is summarized as follows:

1. Review of Financial Statement.

The AC has reviewed the quarterly and annual financial statements for the year 2019 by considering the importance of accounting policies, the significant estimates, and information disclose in financial statement with the auditors and the senior management. In addition, the AC held a meeting with the external and internal auditors without the presence of the Management to acknowledge and independently discuss the auditors’ performance, audit plans, the internal control system relating to the preparation of financial information and financial statements, comments, and findings from their reviews and audits of financial statements, including obstacles and problems encountered during the audits.

The external and internal auditors asserted that there were no significant findings, no audit limitation as well as not having conflicts with the Management, therefore, the AC is of the opinion that the financial statements were prepared in accordance with legal requirements and generally accepted accounting principles, they were accurately and reliably recorded, including the selection of accounting policy that are reasonable.

2. Review of Connected transactions or transactions that may lead to Conflicts of Interest.

The AC reviewed the connected transactions to ensure the compliance with law and regulation of SET regulations regarding the disclosure of information and practice of listed companies in relation to connected transactions on quarterly basis, and emphasized all parties work in accordance with the established policy, as well as having the auditor to review the said transactions on a regular basis every year. The AC is of the opinion that the connected transactions were done on normal course of business, no conflict of interest, fairness, reasonability, and completely comply with SET’s requirements.

3. Oversight of Internal Control System.

The AC has been overseeing the Company’s internal audit covering approval of annual audit plan, oversight of Internal Audit to independently perform the duties by having it report directly to the AC, review of the audit plan implementation and audit results, following up on the improvement of significant matters, and ensuring the adequacy of resources required to perform the audits, as well as appraisal on annual performance of Internal Audit Division. The AC also provided guidance for its performance to be in accordance with the Standard and Guidance of the International Professional Practice Framework for Internal Audit and the approved audit plan, as well as appraised the annual performance of the Office of Internal Audit. The AC has found that the performance of Internal Audit Division in year 2019 was achieved the specified objectives and plan.

4. Review the Company’s internal control related to the good corporate governance.

The AC examined and reviewed the internal control systems of the Company and conducted an assessment of adequacy of the internal control systems based on the Securities and Exchange Commission (SEC) form. The AC is of the opinion that the systems were appropriate and effective enough to guarantee the transparency in the conduct of business, without noting significant exceptions that may affect the execution of the anti-corruption policies.

5. Review of risk management system.

The AC had reviewed the risk management policies and compliance to ensure the Company puts in place the appropriate and effective risk management measures. The AC conducted a follow up on the assessment of risk that may arise from changes in the business landscape, ranging from strategic risk, operation risk, management risk, financial risk, market risk to corruption risk, and decided on short and long-term measures to eliminate or mitigate risks on a consistent basis. Based on the review, it was noted that the risk management measures were implemented effectively and adequately in accordance with the Company's policies and strategic plans. Therefore, the AC is of the opinion that the Company has efficient risk management system, and in accordance with the Company's risk management guidance handbook, as well as there was the determination of acceptable risk level and review of risks that related to the current situation.

6. Assessment on the adequacy of the internal control system.

The Audit Committee proposed the Board of Directors meeting No. 1/2020 to assess the internal control of the Company by asking information from management and reviewing an evaluation report from the audit committee. The report of AC was being assessed the Company's internal control system in each areas according to the internal control framework (COSO), in which the Board of Directors committee agreed that the Company's internal control system is adequate and appropriate. The Company has an adequate and effective internal control system which could safeguard the Company's assets and prevent any activities with persons who may have a conflicts of interest and a related party.

7. Review on law and regulation compliance.

The AC has reviewed the regulatory compliance and strictly adhered to applicable rules & policy of the Securities and Exchange Act, SEC and SET regulations, and laws relating to the conduct of the Company's business. The AC is of the opinion that as currently, the company has complied with the Securities and Exchange Act, SEC and SET requirement, and there have been no indications pointing to non-compliance and/or misconduct or breach of relevant rules, regulations and laws.

8. Consideration of the appropriate nominated external auditor.

The AC has considered the selecting of the external auditor by reviewing the external auditor's performance, insight and competencies, proficiencies, independence and disclosure of auditors' information regarding relationships or interests with the company/ the management /the major shareholder or relevant person, previous year's audit fees, and professional fees before recommending the Board of Directors to propose to the Shareholders at the 2020 Annual General Meeting for approval.

9. Conduct the self-assessment.

The AC has assessed the scope of duties in the year 2019 by using the assessment form recommended by Thai Institute of Directors (IOD), in which the details of assessment have been compared with the criterion according to the Audit Committee Charter and the good practice. For 2019, the assessment result was in good level. The Committee has performed its duties in accordance with the Audit Committee (AC) Charter and the good practice.

10. Reviewed the Audit Committee Charter.

The AC has reviewed the AC Charter annually in order to consider for updating and revising the AC Charter to be aligned with a 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



FINANCIAL REPORT



REPORT OF 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 2019 that all these financial statements have been prepared in accordance with generally accepted accounting principles and related regulations.

Mr. Woodtipong Moleechad
Chairman

Mr. Teerarat Pantarasutra
President



REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

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 2019, 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 2019, 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 30.6 a) 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: 26 February 2020



FINANCIAL STATEMENTS

Symphony Communication Public Company Limited and its subsidiary

Statement of financial position

As at 31 December 2019

(Unit: Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|------|--------------------------------------|----------------------|----------------------------------|----------------------|
| | | 2019 | 2018 | 2019 | 2018 |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 8 | 362,240,242 | 819,908,032 | 360,875,260 | 818,437,954 |
| Current investment | 8 | 150,000,000 | - | 150,000,000 | - |
| Trade and other receivables | 7,9 | 194,970,762 | 215,823,000 | 194,970,762 | 215,823,000 |
| Inventories | | 8,176,760 | 7,719,181 | 8,176,760 | 7,719,181 |
| Prepaid expenses | | 25,974,576 | 21,597,637 | 25,974,576 | 21,597,637 |
| Current portion of costs to obtain contracts | 10 | 5,506,759 | 1,542,987 | 5,506,759 | 1,542,987 |
| Withholding tax deducted at source | | 57,454,893 | 72,409,669 | 57,454,893 | 72,409,669 |
| Other current assets | | 17,790,698 | 9,562,051 | 17,743,057 | 9,545,082 |
| Total current assets | | 822,114,690 | 1,148,562,557 | 820,702,067 | 1,147,075,510 |
| Non-current assets | | | | | |
| Investment in subsidiary | 11 | - | - | - | - |
| Network equipment | 12 | 2,722,583,517 | 2,928,087,794 | 2,722,583,517 | 2,928,087,794 |
| Property, building and equipment | 13 | 330,011,499 | 290,314,376 | 330,011,499 | 290,314,376 |
| Intangible assets | 14 | 15,792,876 | 21,248,810 | 15,792,876 | 21,248,810 |
| Network equipment guarantees | | 17,869,277 | 21,639,341 | 17,869,277 | 21,639,341 |
| Other guarantees and deposits | | 6,788,133 | 8,109,073 | 6,788,133 | 8,109,073 |
| Prepaid expenses net of current portion | | 17,114,074 | 8,907,384 | 17,114,074 | 8,907,384 |
| Costs to obtain contracts, net of current portion | 10 | 5,234,552 | - | 5,234,552 | - |
| Deferred tax assets | 25 | 32,897,353 | 38,578,413 | 32,897,353 | 38,578,413 |
| Other non-current assets | | 5,300,366 | 4,965,591 | 5,118,301 | 4,752,664 |
| Total non-current assets | | 3,153,591,647 | 3,321,850,782 | 3,153,409,582 | 3,321,637,855 |
| Total assets | | 3,975,706,337 | 4,470,413,339 | 3,974,111,649 | 4,468,713,365 |

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

Symphony Communication Public Company Limited and its subsidiary
Statement of financial position (continued)

As at 31 December 2019

(Unit: Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|---------------|-------------------------------|---------------|
| | | 2019 | 2018 | 2019 | 2018 |
| Liabilities and shareholders' equity | | | | | |
| Current liabilities | | | | | |
| Short-term loan from financial institution | 15 | 30,000,000 | - | 30,000,000 | - |
| Trade and other payables | 7,16 | 192,678,385 | 215,413,799 | 192,617,385 | 215,352,799 |
| Current portion of deferred income and advance received from customers | | 10,549,852 | 13,734,514 | 10,549,852 | 13,734,514 |
| Current portion of long-term loans | 17 | 366,012,502 | 307,299,066 | 366,012,502 | 307,299,066 |
| Current portion of debentures | 18 | - | 659,435,516 | - | 659,435,516 |
| Other current liabilities | | 22,137,615 | 22,705,244 | 22,130,781 | 22,698,111 |
| Total current liabilities | | 621,378,354 | 1,218,588,139 | 621,310,520 | 1,218,520,006 |
| Non-current liabilities | | | | | |
| Deferred income and advance received from customers, net of current portion | | 6,180,310 | 5,976,590 | 6,180,310 | 5,976,590 |
| Long-term loans, net of current portion | 17 | 959,368,850 | 896,876,590 | 959,368,850 | 896,876,590 |
| Provision for long-term employee benefits | 19 | 31,566,006 | 29,552,699 | 31,566,006 | 29,552,699 |
| Total non-current liabilities | | 997,115,166 | 932,405,879 | 997,115,166 | 932,405,879 |
| Total liabilities | | 1,618,493,520 | 2,150,994,018 | 1,618,425,686 | 2,150,925,885 |

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

Symphony Communication Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 31 December 2019

(Unit: Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|------|-----------------------------------|----------------------|-------------------------------|----------------------|
| | | 2019 | 2018 | 2019 | 2018 |
| Shareholders' equity | | | | | |
| Share capital | 20 | | | | |
| Registered | | | | | |
| 433,654,887 ordinary shares of Baht 1 each | | 433,654,887 | 433,654,887 | 433,654,887 | 433,654,887 |
| 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 | | 26,348,514 | 26,348,514 | 26,348,514 | 26,348,514 |
| Retained earnings | | | | | |
| Appropriated - statutory reserve | 21 | 43,365,489 | 43,365,489 | 43,365,489 | 43,365,489 |
| Unappropriated | | 469,448,873 | 431,655,377 | 467,922,019 | 430,023,536 |
| Total shareholders' equity | | 2,357,212,817 | 2,319,419,321 | 2,355,685,963 | 2,317,787,480 |
| Total liabilities and shareholders' equity | | 3,975,706,337 | 4,470,413,339 | 3,974,111,649 | 4,468,713,365 |

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

Symphony Communication Public Company Limited and its subsidiary

Statement of comprehensive income

For the year ended 31 December 2019

(Unit: Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|---------------|-------------------------------|---------------|
| | | 2019 | 2018 | 2019 | 2018 |
| Profit or loss: | | | | | |
| Revenues | | | | | |
| Revenue from contracts with customers | 7,22 | 1,291,957,807 | 1,323,670,293 | 1,291,957,807 | 1,323,670,294 |
| Other income | | 16,529,806 | 15,649,079 | 16,525,368 | 15,643,896 |
| Total revenues | | 1,308,487,613 | 1,339,319,372 | 1,308,483,175 | 1,339,314,190 |
| Expenses | | | | | |
| Cost of services and sales | 7 | 866,606,909 | 863,873,541 | 866,606,909 | 863,873,541 |
| Services and selling expenses | | 77,879,366 | 65,087,537 | 77,879,366 | 65,087,537 |
| Administrative expenses | | 232,137,828 | 232,641,765 | 232,028,403 | 232,426,249 |
| Total expenses | | 1,176,624,103 | 1,161,602,843 | 1,176,514,678 | 1,161,387,327 |
| Profit before finance cost and income tax expenses | | 131,863,510 | 177,716,529 | 131,968,497 | 177,926,863 |
| Finance cost | 24 | (75,942,756) | (96,688,516) | (75,942,756) | (96,688,516) |
| Profit before income tax expenses | | 55,920,754 | 81,028,013 | 56,025,741 | 81,238,347 |
| Income tax expenses | 25 | (11,210,483) | (16,218,426) | (11,210,483) | (16,158,912) |
| Profit for the year | | 44,710,271 | 64,809,587 | 44,815,258 | 65,079,435 |
| Other comprehensive income: | | | | | |
| Other comprehensive income not to be reclassified to profit or loss in subsequent period | | | | | |
| Actuarial gains | | 11,374,971 | 3,280,966 | 11,374,971 | 3,280,966 |
| Less: Income tax effect | | (2,274,994) | (656,193) | (2,274,994) | (656,193) |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax | | 9,099,977 | 2,624,773 | 9,099,977 | 2,624,773 |
| Other comprehensive income for the year | | 9,099,977 | 2,624,773 | 9,099,977 | 2,624,773 |
| Total comprehensive income for the year | | 53,810,248 | 67,434,360 | 53,915,235 | 67,704,208 |
| Earnings per share | 26 | | | | |
| Basic earnings per share | | | | | |
| Profit attributable to equity holders of the Company | | 0.10 | 0.15 | 0.10 | 0.15 |

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

Symphony Communication Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2019

(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 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 |
| Dividend paid | 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 |
| Balance as at 1 January 2019 - before restated | 433,654,887 | 1,384,395,054 | 26,348,514 | 43,365,489 | 431,655,377 | 2,319,419,321 |
| Cumulative effect of changes in accounting policy due to the adoption of new accounting standard | 4 | - | - | - | (3,007,109) | (3,007,109) |
| Balance as at 1 January 2019 - as restated | 433,654,887 | 1,384,395,054 | 26,348,514 | 43,365,489 | 428,648,268 | 2,316,412,212 |
| Profit for the year | - | - | - | - | 44,710,271 | 44,710,271 |
| Other comprehensive income for the year | - | - | - | - | 9,099,977 | 9,099,977 |
| Total comprehensive income for the year | - | - | - | - | 53,810,248 | 53,810,248 |
| Dividend paid | 29 | - | - | - | (13,009,643) | (13,009,643) |
| Balance as at 31 December 2019 | 433,654,887 | 1,384,395,054 | 26,348,514 | 43,365,489 | 469,448,873 | 2,357,212,817 |

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

(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 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 |
| Balance as at 1 January 2019 - before restated | 433,654,887 | 1,384,395,054 | 26,348,514 | 43,365,489 | 430,023,536 | 2,317,787,480 |
| Cumulative effect of changes in accounting policy due to the adoption of new accounting standard | 4 | - | - | - | (3,007,109) | (3,007,109) |
| Balance as at 1 January 2019 - as restated | 433,654,887 | 1,384,395,054 | 26,348,514 | 43,365,489 | 427,016,427 | 2,314,780,371 |
| Profit for the year - | - | - | - | - | 44,815,258 | 44,815,258 |
| Other comprehensive income for the year | - | - | - | - | 9,099,977 | 9,099,977 |
| Total comprehensive income for the year | - | - | - | - | 53,915,235 | 53,915,235 |
| Dividend paid | 29 | - | - | - | (13,009,643) | (13,009,643) |
| Balance as at 31 December 2019 | 433,654,887 | 1,384,395,054 | 26,348,514 | 43,365,489 | 467,922,019 | 2,355,685,963 |

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

Symphony Communication Public Company Limited and its subsidiary

Cash flow statement

For the year ended 31 December 2019

(Unit: Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|--------------------|-------------------------------|--------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Cash flows from operating activities | | | | |
| Profit before tax | 55,920,754 | 81,028,013 | 56,025,741 | 81,238,347 |
| Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities: | | | | |
| Depreciation | 434,022,400 | 472,313,289 | 434,022,400 | 472,240,847 |
| Amortisation of intangible assets | 8,081,924 | 8,639,444 | 8,081,924 | 8,637,797 |
| Loss on write-off of equipment and network equipment | 3,497,763 | 4,249,587 | 3,497,763 | 4,217,207 |
| Unrealised (gain) loss on exchange | 9,224,579 | (93,473) | 9,224,579 | (93,473) |
| Profit on sales of network equipment | (2,395,635) | (1,393,433) | (2,395,635) | (1,393,433) |
| Profit on sales of equipment | (135,391) | (1,587,255) | (135,391) | (1,596,813) |
| Allowance for doubtful accounts | (249,010) | (92,733) | (249,010) | (92,733) |
| Allowance for impairment loss on network equipment | - | 235,567 | - | 235,567 |
| Reversal of allowance for obsolete inventories | - | (466,911) | - | (466,911) |
| Provision for long-term employee benefits | 13,388,278 | 5,946,024 | 13,388,278 | 5,946,024 |
| Interest income | (7,819,391) | (9,895,925) | (7,814,952) | (9,891,418) |
| Interest expenses | 72,817,362 | 93,703,217 | 72,817,362 | 93,703,217 |
| Profit from operating activities before changes in operating assets and liabilities | 586,353,633 | 652,585,411 | 586,463,059 | 652,684,225 |
| Operating assets decrease (increase) | | | | |
| Trade and other receivables | 11,364,761 | (17,327,029) | 11,364,761 | (17,327,029) |
| Inventories | (457,579) | 2,737,595 | (457,579) | 2,737,595 |
| Prepaid expenses | (12,583,629) | (2,099,637) | (12,583,629) | (2,099,637) |
| Costs to obtain contracts | (5,549,801) | (455,812) | (5,549,801) | (455,812) |
| Other current assets | (8,228,647) | 23,663,997 | (8,197,975) | 23,680,966 |
| Network equipment guarantees | 3,770,064 | (1,580,255) | 3,770,064 | (1,580,255) |
| Other guarantees and deposits | 1,320,940 | 1,342,829 | 1,320,940 | 1,328,029 |
| Other non-current assets | (334,772) | 2,403,189 | (365,635) | 2,438,764 |
| Operating liabilities increase (decrease) | | | | |
| Trade and other payables | (15,668,920) | (14,478,516) | (15,668,920) | (14,494,816) |
| Deferred income and advance received from customers | (10,388,351) | (41,978,530) | (10,388,351) | (41,978,530) |
| Other current liabilities | 653,234 | 3,871,470 | 653,534 | 3,868,737 |
| Cash flows from operating activities | 550,250,933 | 608,684,712 | 550,360,468 | 608,802,237 |
| Cash paid for interest expenses | (72,004,045) | (91,888,660) | (72,004,045) | (91,888,660) |
| Cash paid for corporate income tax | (33,568,067) | (33,376,134) | (33,568,067) | (33,418,202) |
| Cash receipt from withholding tax | 41,470,203 | - | 41,470,203 | - |
| Net cash flows from operating activities | 486,149,024 | 483,419,918 | 486,258,559 | 483,495,375 |

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

Symphony Communication Public Company Limited and its subsidiary

Cash flow statement (continued)

For the year ended 31 December 2019

(Unit: Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|----------------------|-------------------------------|----------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Cash flows from investing activities | | | | |
| Increase in current investment | (150,000,000) | - | (150,000,000) | - |
| Cash paid for purchase of network equipment | (206,374,392) | (248,600,808) | (206,374,392) | (248,600,808) |
| Cash paid for purchase of property, building and equipment | (72,757,924) | (6,699,748) | (72,757,924) | (6,699,743) |
| Cash paid for purchase of intangible assets | (2,636,434) | (3,416,031) | (2,636,434) | (3,416,036) |
| Interest income | 8,311,287 | 8,972,963 | 8,306,848 | 8,968,458 |
| Proceed from sales of network equipment | 2,787,393 | 1,867,504 | 2,787,393 | 1,867,504 |
| Proceeds from sales of equipment | 138,017 | 2,236,090 | 138,017 | 2,067,479 |
| Net cash flows used in investing activities | (420,532,053) | (245,640,030) | (420,536,492) | (245,813,146) |
| Cash flows from financing activities | | | | |
| Increase (decrease) in short-term loans from financial institutions | 30,000,000 | (30,000,000) | 30,000,000 | (30,000,000) |
| Cash receipt from long-term loans | 660,000,000 | - | 660,000,000 | - |
| Cash paid for long-term loans | (536,964,000) | (357,220,000) | (536,964,000) | (357,220,000) |
| Cash paid for financial fee of long-term loan | (3,300,000) | - | (3,300,000) | - |
| Cash paid for debenture | (660,000,000) | - | (660,000,000) | - |
| Dividend paid | (13,020,761) | - | (13,020,761) | - |
| Net cash flows used in financing activities | (523,284,761) | (387,220,000) | (523,284,761) | (387,220,000) |
| Net decrease in cash and cash equivalents | (457,667,790) | (149,440,112) | (457,562,694) | (149,537,771) |
| Cash and cash equivalents at beginning of year | 819,908,032 | 969,348,144 | 818,437,954 | 967,975,725 |
| Cash and cash equivalents at end of year (Note 8) | 362,240,242 | 819,908,032 | 360,875,260 | 818,437,954 |
| Supplement cash flows information: | | | | |
| Non-cash item consist of | | | | |
| Decrease in accounts payable - purchases and construction of network equipment | (6,995,176) | (90,578,822) | (6,995,176) | (90,578,822) |
| Decrease in accounts payable - purchases of property, building and equipment | (29,746) | (1,243,194) | (29,746) | (1,243,194) |
| Increase (decrease) in accounts payable - purchases of intangible assets | (10,443) | 56,300 | (10,443) | 56,300 |
| Actuarial gains | 11,374,971 | 3,280,966 | 11,374,971 | 3,280,966 |
| Amortised deferred financial fee of debenture | (564,484) | (1,188,342) | (564,484) | (1,188,342) |
| Amortised deferred financial fee of long-term loan | (1,469,696) | - | (1,469,696) | - |

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



NOTES TO THE FINANCIAL STATEMENTS

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 | |
|---------------------------------------|---|--------------------------|----------------------------|----------|
| | | | 2019 (%) | 2018 (%) |
| 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 Group 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 Group's has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods 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 adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are 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 recognised 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 Company adopted TFRS 15 using the modified retrospective method of adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2019, and the comparative information was not restated. The Company elect to apply the following practical expedients by not restate completed contracts as at 1 January 2019 for which the entity has transferred all of the goods or services identified in accordance with the previous accounting policy.

The cumulative effect of the change is described in Note 4.

(b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. 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 except the following new standards which involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

A 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 Group expect the adoption of these accounting standards to result in the following adjustments.

- Recognition of credit losses - The Group shall recognise an allowance for expected credit losses on its financial assets with no longer necessary for a credit event to have occurred. The Group applies simplified approach in considering credit-impaired for trade receivables.
- Recognition of derivatives - The Group shall initially recognise derivative at its fair value on the contract date and subsequently measured at its fair value at the end of each reporting period. The amount of change in the fair value of derivative is recognised in profit or loss. However, the Group is currently considering applying hedge accounting on certain derivatives.

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

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Group is currently evaluating the impact of this standard on the financial statements in the year when they are adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standard

As described in Note 3, during the current year, the Group has adopted TFRS 15 using the modified retrospective method of adoption. The cumulative effect of initially applying TFRS 15 is recognised as an adjustment to retained earnings as at 1 January 2019. Therefore, the comparative information was not restated.

The effect of the changes in accounting policies due to the adoption of TFRS 15 on the beginning balance of retained earnings for 2019 comprises:

(Unit: Thousand Baht)

| | Consolidated and Separate financial statements |
|---|--|
| Impact on retained earnings as at 1 January 2019 | |
| Revenue from first installation fee | (7,407) |
| Prepaid commission to obtain a contract with customers | 2,258 |
| First-time fee for network connectivity - domestic | 1,067 |
| First-time fee for network connectivity - international | 323 |
| Income tax revenues | 752 |
| Total | (3,007) |

The amounts of adjustments affecting the statements of financial position as at 31 December 2019 and the statements of comprehensive income for the year ended 31 December 2019 are summarised below.

(Unit: Thousand Baht)

| | Consolidated financial statements | | |
|---|-----------------------------------|---------------------|---------|
| | Previous accounting policy | Increase (decrease) | TFRS 15 |
| Statement of financial position | | | |
| Assets | | | |
| Current portion of costs to obtain contracts | 4,492 | 1,015 | 5,507 |
| Costs to obtain a contract, net of current portion | 3,958 | 1,277 | 5,235 |
| Deferred tax assets | 32,700 | 197 | 32,897 |
| Liabilities | | | |
| Current portion of deferred income and advance received from customers | 6,457 | 4,093 | 10,550 |
| Deferred income and advance received from customers, net of current portion | 1,879 | 4,301 | 6,180 |

(Unit: Thousand Baht)

| | Consolidated financial statements | | |
|--|-----------------------------------|---------------------|-----------|
| | Previous accounting policy | Increase (decrease) | TFRS 15 |
| Shareholders' equity | | | |
| Retained earnings - unappropriated | 475,354 | (5,905) | 469,449 |
| Statement of comprehensive income | | | |
| Profit or loss: | | | |
| Revenue from contracts with customers | 1,292,945 | (987) | 1,291,958 |
| Cost of services and sales | 867,015 | (408) | 866,607 |
| Services and selling expenses | 76,115 | 1,764 | 77,879 |
| Income tax expenses | 10,655 | 555 | 11,210 |
| Profit for the year | 47,608 | (2,898) | 44,710 |
| Earnings per share (Baht): | | | |
| Basic earnings per share | 0.11 | (0.01) | 0.10 |

(Unit: Thousand Baht)

| | Separate financial statements | | |
|---|-------------------------------|---------------------|-----------|
| | Previous accounting policy | Increase (decrease) | TFRS 15 |
| Statement of financial position | | | |
| Assets | | | |
| Current portion of costs to obtain contracts | 4,492 | 1,015 | 5,507 |
| Costs to obtain a contracts, net of current portion | 3,958 | 1,277 | 5,235 |
| Deferred tax assets | 32,700 | 197 | 32,897 |
| Liabilities | | | |
| Current portion of deferred income and advance received from customers | 6,457 | 4,093 | 10,550 |
| Deferred income and advance received from customers, net of current portion | 1,879 | 4,301 | 6,180 |
| Shareholders' equity | | | |
| Retained earnings - unappropriated | 473,827 | (5,905) | 467,922 |
| Statement of comprehensive income | | | |
| Profit or loss: | | | |
| Revenue from contracts with customer | 1,292,945 | (987) | 1,291,958 |
| Cost of services and sales | 867,015 | (408) | 866,607 |
| Services and selling expenses | 76,115 | 1,764 | 77,879 |
| Income tax expenses | 10,655 | 555 | 11,210 |
| Profit for the year | 47,713 | (2,898) | 44,815 |
| Earnings per share (Baht): | | | |
| Basic earnings per share | 0.11 | (0.01) | 0.10 |

The nature of these adjustments are described below:

- **Revenue from first installation fee** - The Group 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 Group. Therefore, the first installation fee is to be recognised as deferred installation income. Under the previous accounting policy, the Group immediately recognised such fee revenue when installation services have been rendered.
- **Commission paid to obtain a contract** - The Group 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 Group. Therefore, commission paid to obtain customer contract is to be recognised as prepaid expenses. Under the previous accounting policy, the Group immediately recorded commission as selling expenses when the transaction occurred.
- **First-time fee for network connectivity of domestic and international** - The Group has determined that first-time fee 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 Group. Therefore, the Group change amortised period from minimum contract period to the customer has used the service with the Group.

5. Significant accounting policies

5.1 Revenue recognition

Sales of goods

Revenue from sales of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

Revenue from initial installation fee is recognised over the service rendering period taking into service usage period of each customer, and measured based on historical service usage period of each customer.

Consideration received from customers but there have been obligations to transfer goods or services to the customers is presented under the caption of deferred income and advance received from customers in the statement of financial position. Contract liabilities are recognised as revenue when the Company complies with obligations stipulated in the contract.

5.2 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.

5.3 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.

5.4 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.

5.5 Cost to obtain a contracts

The Group recognise expenses paid to obtain a customer contract such as commission and first-time fee for network connectivity as an asset and amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of consideration that the entity expects to receive less direct costs.

5.6 Investments

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

5.7 Network equipment and depreciation

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.

5.8 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.

5.9 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.

5.10 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 |

5.11 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.

5.12 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.

5.13 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.

5.14 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group'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.

5.15 Impairment of assets

At the end of each reporting period, the Group 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 Group 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 Group 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.

5.16 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 Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group 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.

Post service cost are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognised restructuring related costs.

5.17 Provisions

Provisions are recognised when the Group 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.

5.18 Income tax

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

Current tax

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

Deferred tax

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

The Group 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 Group 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 Group record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.19 Derivatives

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.

5.20 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.

5.21 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 Group 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 Group measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

- Level 1 - Use of quoted market prices in an 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 Group 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.

6. 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.

Litigations

The Company has contingent liabilities as a result of litigations. 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.

7. Related party transactions**7.1 Business transactions incurred during the years**

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

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 |
| Time dotcom Global Services Sdn. Bhd. | Common shareholders and directors |
| KIRZ CO., LTD | Common shareholders |

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 |
|--|-----------------------------------|------|-------------------------------|------|-------------------------|
| | 2019 | 2018 | 2019 | 2018 | |
| Transactions with subsidiary | | | | | |
| Acquisition of fixed assets | - | 0.1 | - | 0.1 | Market price |
| Transactions with major shareholder | | | | | |
| Revenue from contracts with customer | 0.1 | 0.1 | 0.1 | 0.1 | Market price |
| Transactions with related companies | | | | | |
| Revenue from contracts with customer | 10.0 | 8.5 | 10.0 | 8.5 | Contract price |
| Network connectivity fee | 11.7 | 8.0 | 11.7 | 8.0 | Contract price |
| Purchase of network equipment | - | 5.5 | - | 5.5 | Market price |
| First-time fee for network connectivity | - | 0.2 | - | 0.2 | Market price |

7.2 Outstanding balances at the end of the years

As at 31 December 2019 and 2018, 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 | |
|---|-----------------------------------|-------|-------------------------------|-------|
| | 2019 | 2018 | 2019 | 2018 |
| Trade and other receivables - related parties (Note 9) | | | | |
| Major shareholder | 10 | 10 | 10 | 10 |
| Related companies | 1,567 | 3,373 | 1,567 | 3,373 |
| Total trade and other receivables - related companies | 1,577 | 3,383 | 1,577 | 3,383 |
| Trade account payable - related parties (Note 16) | | | | |
| Related companies | 1,331 | 1,224 | 1,331 | 1,224 |
| Total trade account payable - related companies | 1,331 | 1,224 | 1,331 | 1,224 |
| Accrued expenses - related parties (Note 16) | | | | |
| Related companies | 462 | 1,814 | 462 | 1,814 |
| Accrued expenses - related companies | 462 | 1,814 | 462 | 1,814 |

7.3 Directors and management's benefits

During the years ended 31 December 2019 and 2018, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|------------------------------|-----------------------------------|---------------|-------------------------------|---------------|
| | 2019 | 2018 | 2019 | 2018 |
| Short-term employee benefits | 13,324 | 14,973 | 13,324 | 14,973 |
| Post-employment benefits | 548 | 580 | 548 | 580 |
| Total | 13,872 | 15,553 | 13,872 | 15,553 |

8. Cash and cash equivalents/ Current investment

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|-----------------------------------|-----------------------------------|----------------|-------------------------------|----------------|
| | 2019 | 2018 | 2019 | 2018 |
| Cash and cash equivalents: | | | | |
| Cash | 176 | 110 | 175 | 110 |
| Bank deposits | 311,908 | 459,049 | 310,544 | 457,579 |
| Fixed deposit | 50,156 | 360,749 | 50,156 | 360,749 |
| Total | 362,240 | 819,908 | 360,875 | 818,438 |
| Current investment: | | | | |
| Fixed deposit | 150,000 | - | 150,000 | - |
| Total | 150,000 | - | 150,000 | - |

As at 31 December 2019, bank deposits in saving accounts and fixed deposit account carried interests between 0.10% and 1.55% per annum (2018: between 0.10% and 1.50% per annum).

9. Trade and other receivables

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|----------------------------------|-----------------------------------|---------|-------------------------------|---------|
| | 2019 | 2018 | 2019 | 2018 |
| Trade accounts receivable | | | | |
| Aged on the basis of due dates | | | | |
| Not yet due | 132,787 | 126,342 | 132,787 | 126,342 |
| Past due | | | | |
| Up to 3 months | 39,229 | 59,323 | 39,229 | 59,323 |
| 3 - 6 months | 6,304 | 9,988 | 6,304 | 9,988 |
| 6 - 12 months | 3,669 | 1,909 | 3,669 | 1,909 |
| Over 12 months | 15,297 | 21,000 | 15,236 | 20,939 |

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|----------------|-------------------------------|----------------|
| | 2019 | 2018 | 2019 | 2018 |
| Total trade accounts receivable | 197,286 | 218,562 | 197,225 | 218,501 |
| Less: Allowance for doubtful debts | (15,007) | (14,758) | (14,946) | (14,697) |
| Total trade accounts receivable - net | 182,279 | 203,804 | 182,279 | 203,804 |
| Other receivables | | | | |
| Other receivables | 893 | 1,139 | 893 | 1,139 |
| Accrued income | 11,799 | 10,880 | 11,799 | 10,880 |
| Total other receivables | 12,692 | 12,019 | 12,692 | 12,019 |
| Total trade and other receivables - net | 194,971 | 215,823 | 194,971 | 215,823 |

10. Costs to obtain contracts

(Unit: Thousand Baht)

| | Consolidated and Separate financial statements | |
|--|--|---------|
| | 2019 | 2018 |
| Net book value at beginning of year | 1,543 | 1,087 |
| Addition | 11,614 | 5,248 |
| Amortisation | (2,415) | (4,792) |
| Net book value at end of year | 10,742 | 1,543 |
| Less: Current portion | (5,507) | (1,543) |
| Costs to obtain contracts - net of current portion | 5,235 | - |

11. 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 | |
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Diamond Line Services Company Limited | 5,000 | 5,000 | (%) | (%) | 5,000 | 5,000 | (5,000) | (5,000) | - | - |

12. Network equipment

(Unit: Thousand Baht)

| | Consolidated and separate financial statements | | |
|---|--|--------------------------------------|-----------|
| | Network equipment | Network equipment under installation | Total |
| Cost | | | |
| 1 January 2018 | 4,969,860 | 239,206 | 5,209,066 |
| Additions | 104,528 | 53,264 | 157,792 |
| Disposals / write-off | (21,762) | (1,840) | (23,602) |
| Transfer in (out) | 93,272 | (93,272) | - |
| 31 December 2018 | 5,145,898 | 197,358 | 5,343,256 |
| Additions | 80,074 | 119,305 | 199,379 |
| Disposals / write-off | (35,230) | (168) | (35,398) |
| Transfer in (out) | 75,945 | (75,945) | - |
| 31 December 2019 | 5,266,687 | 240,550 | 5,507,237 |
| Accumulated depreciation | | | |
| 1 January 2018 | 1,821,929 | - | 1,821,929 |
| Depreciation for the year | 428,882 | - | 428,882 |
| Depreciation on disposals / write-off | (16,369) | - | (16,369) |
| 31 December 2018 | 2,234,442 | - | 2,234,442 |
| Depreciation for the year | 400,995 | - | 400,995 |
| Depreciation on disposals / write-off | (31,152) | - | (31,152) |
| 31 December 2019 | 2,604,285 | - | 2,604,285 |
| Allowance for impairment | | | |
| 1 January 2018 | 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 |
| Decrease during the year | (358) | - | (358) |
| 31 December 2019 | 157,695 | 22,673 | 180,368 |
| Net book value | | | |
| 31 December 2018 | 2,753,403 | 174,685 | 2,928,088 |
| 31 December 2019 | 2,504,707 | 217,877 | 2,722,584 |
| Depreciation for the year | | | |
| 2018 (included in cost of services and sales) | | | 428,882 |
| 2019 (included in cost of services and sales) | | | 400,995 |

As at 31 December 2019, the Company has network equipment with a net book value of Baht 9 million (2018: Baht 10 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 2019, the Company has network equipment under MOU with a net book value of Baht 15 million (2018: Baht 16 million).

As at 31 December 2019, 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 897 million (2018: Baht 537 million)

13. 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 2018 | 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 |
| Additions | - | 210 | 945 | - | 71,573 | 72,728 |
| Disposals / write-off | - | - | (4,826) | (1,092) | - | (5,918) |
| 31 December 2019 | 32,236 | 328,822 | 191,609 | 2,352 | 71,573 | 626,592 |
| Accumulated depreciation | | | | | | |
| 1 January 2018 | - | 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 |
| Depreciation for the year | - | 19,508 | 13,463 | 56 | - | 33,027 |
| Depreciation on disposals/ write-off | - | - | (4,823) | (1,092) | - | (5,915) |
| 31 December 2019 | - | 117,710 | 176,534 | 2,336 | - | 296,580 |
| Net book value | | | | | | |
| 31 December 2018 | 32,236 | 230,410 | 27,596 | 72 | - | 290,314 |
| 31 December 2019 | 32,236 | 211,112 | 15,075 | 16 | 71,573 | 330,012 |
| Depreciation charges for the year | | | | | | |
| 2018 (included in administrative expenses) | | | | | | 43,431 |
| 2019 (included in administrative expenses) | | | | | | 33,027 |

(Unit: Thousand Baht)

| | Separate financial statements | | | | | |
|--|-------------------------------|-------------------------------------|--|----------|---------------------------|---------|
| | Land | Buildings and leasehold improvement | Furniture, fixtures and office equipment | Vehicles | Assets under construction | Total |
| Cost | | | | | | |
| 1 January 2018 | 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 |
| Additions | - | 210 | 945 | - | 71,573 | 72,728 |
| Disposals / write-off | - | - | (4,826) | (1,092) | - | (5,918) |
| 31 December 2019 | 32,236 | 328,822 | 191,478 | 2,352 | 71,573 | 626,461 |
| Accumulated depreciation | | | | | | |
| 1 January 2018 | - | 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 |
| Depreciation for the year | - | 19,508 | 13,463 | 56 | - | 33,027 |
| Depreciation on disposals / write-off | - | - | (4,823) | (1,092) | - | (5,915) |
| 31 December 2019 | - | 117,710 | 176,403 | 2,336 | - | 296,449 |
| Net book value | | | | | | |
| 31 December 2018 | 32,236 | 230,410 | 27,596 | 72 | - | 290,314 |
| 31 December 2019 | 32,236 | 211,112 | 15,075 | 16 | 71,573 | 330,012 |
| Depreciation charges for the year | | | | | | |
| 2018 (included in administrative expenses) | | | | | | 43,359 |
| 2019 (included in administrative expenses) | | | | | | 33,027 |

As at 31 December 2019, 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 180 million (2018: Baht 107 million).

14. Intangible assets

The net book value of intangible assets as at 31 December 2019 and 2018 is presented below.

(Unit: Thousand Baht)

| | Consolidated and Separate financial statements | |
|--------------------------------|--|---------------|
| | 2019 | 2018 |
| Cost | 72,859 | 70,233 |
| Less: Accumulated amortisation | (57,066) | (48,984) |
| Net book value | 15,793 | 21,249 |

A reconciliation of the net book value of intangible assets for the years 2019 and 2018 is presented below.

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|---------------|-------------------------------|---------------|
| | 2019 | 2018 | 2019 | 2018 |
| Net book value at beginning of year | 21,249 | 26,420 | 21,249 | 26,414 |
| Acquisition during the year | 2,626 | 3,473 | 2,626 | 3,473 |
| Write-off during the period - net book value at write-off date | - | (4) | - | - |
| Amortisation | (8,082) | (8,640) | (8,082) | (8,638) |
| Net book value at end of year | 15,793 | 21,249 | 15,793 | 21,249 |

As at 31 December 2019, 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 38 million (2018: Baht 27 million).

15. Short-term loan from financial institution

(Unit: Thousand Baht)

| | Interest rate (% per annum) | Consolidated and separate financial statements | |
|--|-----------------------------|--|------|
| | | 2019 | 2018 |
| Short-term loan from financial institution | 2.70 | 30,000 | - |

Short-term loan from financial institution is unsecured loan. The loan is to be repaid within January 2020.

16. Trade and other payables

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|----------------|-------------------------------|----------------|
| | 2019 | 2018 | 2019 | 2018 |
| Other payables for purchases and construction of network equipment | 30,452 | 37,447 | 30,452 | 37,447 |
| Trade accounts payable - related parties (Note 7) | 1,331 | 1,224 | 1,331 | 1,224 |
| Trade accounts payable - unrelated parties | 131,684 | 144,655 | 131,684 | 144,655 |
| Accrued expenses - related parties (Note 7) | 462 | 1,814 | 462 | 1,814 |
| Accrued expenses - unrelated parties | 22,920 | 20,731 | 22,859 | 20,670 |
| Other payables for purchases of property, building and equipment | - | 30 | - | 30 |
| Other payables for purchases of intangible assets | 170 | 181 | 170 | 181 |
| Other payables | 5,659 | 9,332 | 5,659 | 9,332 |
| Total trade and other payables | 192,678 | 215,414 | 192,617 | 215,353 |

17. Long-term loans

(Unit: Thousand Baht)

| | | | Consolidated and separate financial statements | |
|--|---|--|--|------------------|
| Loan | Interest rate (% per annum) | Repayment schedule | 2019 | 2018 |
| 1 | THBFIX plus certain rates | Monthly installments as from 31 August 2017 with the last installment on 28 February 2022 | 260,000 | 356,000 |
| 2 | 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 |
| 3 | 4.25 | Monthly installments as from 31 March 2018 with the last installment on 28 February 2026 | 504,758 | 586,622 |
| 4 | THBFIX plus certain rates | Monthly installments as from 30 June 2019 with the last installment on 31 May 2023 | 563,400 | - |
| Total long-term loans | | | 1,328,158 | 1,205,122 |
| Less: Deferred financial fee | | | (2,777) | (946) |
| Net | | | 1,325,381 | 1,204,176 |
| Less: Current portion | | | (366,012) | (307,299) |
| Long-term loans, net of current portion | | | 959,369 | 896,877 |

Movement of the long-term loan account during the year ended 31 December 2019 are summarised below:

(Unit: Thousand Baht)

| | Consolidated and separate financial statements |
|--|--|
| Balance as at 1 January 2019 | 1,204,176 |
| Add: Addition | 660,000 |
| Amortisation of deferred financial fee | 1,469 |
| Less: Repayment | (536,964) |
| Deferred financial fee payment | (3,300) |
| Balance as at 31 December 2019 | 1,325,381 |

The outstanding balance represents unsecured long-term loans from two 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 and disposal and transfer of assets in the agreements.

As at 31 December 2019, the Company had long-term loan facility totaling to Baht 340 million. The purpose of such loan is for use as the working capital and as investment to improve the service efficiency of the Company. Currently, the Company has not yet drawdown such loan (2018: Nil).

18. 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 2019 and 2018, the Company has unissued debentures under the above mentioned approval totaling Baht 340 million.

The outstanding balance of debentures as at 31 December 2019 and 2018 are detailed below.

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

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.

19. 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 | |
|---|--|---------------|
| | 2019 | 2018 |
| Provision for long-term employee benefits at beginning of year | 29,553 | 26,888 |
| Included in profit or loss: | | |
| Current service cost | 6,216 | 5,202 |
| Interest cost | 416 | 744 |
| Past service costs | 6,756 | - |
| Total included in profit or loss | 13,388 | 5,946 |
| Included in other comprehensive income: | | |
| Actuarial (gain) loss arising from | | |
| Demographic assumptions changes | (10,266) | (3,281) |
| Financial assumptions changes | 1,068 | - |
| Experience assumptions | (2,177) | - |
| Provision for long-term employee benefits at end of year | 31,566 | 29,553 |

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law was effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company has additional long-term employee benefit liabilities of Baht 6.8 million as a result. The Company reflects the effect of the change by recognising past service costs as expenses in the income statement of the current year.

The Company expects to pay Baht 3.6 million of long-term employee benefits during the next year (2018: Nil).

As at 31 December 2019, the weighted average duration of the liabilities for long-term employee benefits is 13.2 years (2018: 16.0 years)

Significant actuarial assumptions are summarised below:

| | Consolidated and separate financial statements | |
|--|--|---------------|
| | 2019 | 2018 |
| | (% per annum) | (% per annum) |
| Discount rate | 1.67 | 3.15 |
| Salary increase rate | 4.00 | 5.00 |
| Staff turnover rate (depending on age) | 0.00 - 19.00 | 0.00 - 13.00 |

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2019 and 2018 are summarised below:

(Unit: Million Baht)

| | Consolidated and separate financial statements | | | |
|----------------------|--|-------------|-------------|-------------|
| | 2019 | | 2018 | |
| | Increase 1% | Decrease 1% | Increase 1% | Decrease 1% |
| Discount rate | (3.7) | 4.5 | (3.9) | 4.8 |
| Salary increase rate | 4.3 | (3.7) | 4.9 | (4.1) |
| Staff turnover rate | (4.0) | 2.0 | (4.2) | 2.4 |

20. Share capital

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.

21. 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. At present, the statutory reserve has fully been set aside.

22. Revenue from contracts with customers

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|-----------|-------------------------------|-----------|
| | 2019 | 2018 | 2019 | 2018 |
| Type of goods or service: | | | | |
| Service income | 1,273,134 | 1,301,734 | 1,273,134 | 1,301,734 |
| Sales | 18,824 | 21,936 | 18,824 | 21,936 |
| Total revenue from contracts with customers | 1,291,958 | 1,323,670 | 1,291,958 | 1,323,670 |

23. Expenses by nature

Significant expenses classified by nature are as follow:

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|---------|-------------------------------|---------|
| | 2019 | 2018 | 2019 | 2018 |
| Salaries and wages and other employee benefits | 288,926 | 251,906 | 288,926 | 251,906 |
| Depreciation and amortisation expenses | 442,104 | 479,460 | 442,104 | 479,386 |
| Regulatory fee for telecommunication business licenses | 29,421 | 32,169 | 29,421 | 32,169 |
| Rental expenses from operating lease agreements and service expenses | 75,554 | 80,552 | 75,519 | 80,518 |
| Network connectivity fee | 135,510 | 112,014 | 135,510 | 112,014 |
| Professional fees | 3,019 | 8,437 | 2,974 | 8,401 |

24. Finance cost

(Unit: Thousand Baht)

| | Consolidated and separate financial statements | |
|------------------------------------|--|--------|
| | 2019 | 2018 |
| Interest expenses | 72,817 | 93,703 |
| Bank charges related to bank loans | 2,052 | 2,082 |
| Other bank charges | 1,073 | 903 |
| Total finance cost | 75,942 | 96,688 |

25. Income tax

Income tax expenses for the years ended 31 December 2019 and 2018 are made up as follows:

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|---------------|-------------------------------|---------------|
| | 2019 | 2018 | 2019 | 2018 |
| Current income tax: | | | | |
| Current income tax charge | 7,052 | 9,123 | 7,052 | 9,165 |
| Deferred tax: | | | | |
| Relating to origination and reversal of temporary differences | 4,158 | 7,095 | 4,158 | 6,994 |
| Income tax expenses reported in the statement of comprehensive income | 11,210 | 16,218 | 11,210 | 16,159 |

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

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|---------|-------------------------------|---------|
| | 2019 | 2018 | 2019 | 2018 |
| Accounting profit before tax | 55,921 | 81,028 | 56,026 | 81,238 |
| Applicable tax rate | 20% | 20% | 20% | 20% |
| Accounting profit (loss) before tax multiplied by income tax rate | 11,184 | 16,206 | 11,205 | 16,248 |
| Adjustment in respect of income tax of previous year | 2,278 | 3,014 | 2,278 | 3,014 |
| Effects of: | | | | |
| Non-deductible expenses | 4,020 | 2,724 | 3,999 | 2,623 |
| Additional expense deductions allowed | (6,272) | (5,726) | (6,272) | (5,726) |
| Total | (2,252) | (3,002) | (2,273) | (3,103) |
| Income tax expenses reported in the statement of comprehensive income | 11,210 | 16,218 | 11,210 | 16,159 |

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|--------|-------------------------------|--------|
| | 2019 | 2018 | 2019 | 2018 |
| Deferred tax assets | | | | |
| Allowance for doubtful accounts | 2,968 | 2,918 | 2,968 | 2,918 |
| Allowance for assets impairment | 23,162 | 29,492 | 23,162 | 29,492 |
| Provision for long-term employee benefits | 6,313 | 5,910 | 6,313 | 5,910 |
| Allowance for obsolete inventories | 258 | 258 | 258 | 258 |
| Deferred income | 1,678 | - | 1,678 | - |
| Deferred tax liability | | | | |
| Cost to obtain contracts | 1,482 | - | 1,482 | - |
| Total | 32,897 | 38,578 | 32,897 | 38,578 |

As at 31 December 2019, the subsidiary has unused tax losses totaling Baht 3 million (2018: 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.

26. 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 | | Separate financial statements | |
|---|--------------------------------------|---------|----------------------------------|---------|
| | 2019 | 2018 | 2019 | 2018 |
| Profit for the year (Thousand Baht) | 44,710 | 64,809 | 44,815 | 65,079 |
| Number of ordinary shares (Thousand shares) | 433,655 | 433,655 | 433,655 | 433,655 |
| Earnings per share (Baht/share) | 0.10 | 0.15 | 0.10 | 0.15 |

27. 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 Group 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 2019 and 2018, respectively.

(Unit: Thousand Baht)

| | For the year ended 31 December 2019 | | | | |
|--|---|----------------------------|---------------------------|------------------------------|---------------|
| | Render of communication high speed circuit services | Network equipment services | Total reportable segments | Adjustments and eliminations | Consolidated |
| Revenue from external customers | 1,291,958 | - | 1,291,958 | - | 1,291,958 |
| Inter - segment revenue | - | - | - | - | - |
| Interest income | 7,815 | 4 | 7,819 | - | 7,819 |
| Interest expense | (72,817) | - | (72,817) | - | (72,817) |
| Depreciation and amortisation | (442,104) | - | (442,104) | - | (442,104) |
| Loss on disposals/ write-off of fixed assets | (967) | - | (967) | - | (967) |
| Income tax expense | (11,210) | - | (11,210) | - | (11,210) |
| Segment profit (loss) | 44,815 | (105) | 44,710 | - | 44,710 |
| Segment total assets | | | | | |
| Increase (decrease) in non-current assets other than financial instruments and deferred tax assets | (158,387) | - | (158,387) | - | (158,387) |

(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 | 1,323,670 | - | 1,323,670 | - | 1,323,670 |
| 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) |

Customer's geographical location

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

(Unit: Thousand Baht)

| | 2019 | 2018 |
|---------------------------------|-----------|-----------|
| Revenue from external customers | | |
| Thailand | 1,170,486 | 1,213,701 |
| Southeast Asia countries | 93,823 | 98,366 |
| Others | 27,649 | 11,603 |
| Total | 1,291,958 | 1,323,670 |

Major customers

For the year 2019, the Group has no major customer with revenue of 10 percent or more of an entity's revenue (2018: Baht 211 million derived from one major customer, 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 2019 and 2018 are as follow:

(Unit: Thousand Baht)

| | Separate financial statements | |
|-----------------------------------|-------------------------------|-----------|
| | 2019 | 2018 |
| Telecom Operation License Type 2 | 1,060,092 | 1,126,683 |
| Telecom Operation License Type 3 | 71,548 | 65,917 |
| Internet Operation License Type 1 | 76,689 | 37,819 |
| Internet Operation License Type 2 | 11,459 | 22,515 |
| Total | 1,219,788 | 1,252,934 |

28. 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 2019, the contributions amounting to Baht 4.5 million (2018: Baht 4.4 million) were recognised as expenses.

29. Dividends

| Dividends | Approved by | Total dividends (Thousand Baht) | Dividend per share (Baht) |
|--------------------------|---|------------------------------------|---------------------------|
| Final dividends for 2018 | Annual General Meeting of the shareholders on 29 April 2019 | 13,010 | 0.03 |

30. Commitments and contingent liabilities

30.1 Capital commitments

As at 31 December 2019 and 2018, the Company had capital commitments as following.

(Unit: Million Baht)

| Commitments relating to | 2019 | 2018 |
|---|------|------|
| Acquisition and installation of network equipment | 51 | 47 |
| Acquire of equipment and construction | 1 | - |
| Acquisition of program computer | 1 | 3 |

30.2 Lease and service agreement commitments

The Company has 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 30 years.

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

(Unit: Million Baht)

| | 2019 | 2018 |
|---|------|------|
| <u>Lease and service agreements presented under cost of service</u> | | |
| Payable: | | |
| In up to 1 year | 31 | 28 |
| In over 1 and up to 5 years | 53 | 33 |
| In over 5 years | 85 | - |

(Unit: Million Baht)

| | 2019 | 2018 |
|---|------|------|
| <u>Lease and service agreements presented under administrative expenses</u> | | |
| Payable: | | |
| In up to 1 year | 26 | 17 |
| In over 1 and up to 5 years | 34 | 7 |

30.3 Purchase supply and equipment commitments

As at 31 December 2019, the Company has outstanding future payment commitments of approximately Baht 0.07 million (2018: Baht 0.02 million) relating to acquisition of supply and network equipment.

30.4 Bank guarantees

As at 31 December 2019, there were outstanding bank guarantees of approximately Baht 38 million (2018: Baht 37 million) issued by banks on behalf of the Company to guarantee fiber optic network use, space rental and other payables.

30.5 Other commitment

As at 31 December 2019, total credit facilities, both short-term and long-term loans, of the Company that could be drawn down amounted to Baht 883 million (2018: Baht 573 million).

30.6 Contingent liabilities

a) 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 note 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 believe 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.

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 2013. 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 believe 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 Courts. 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 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.

On 31 July 2019, the Central Administrative Court rendered a judgement ordering that the Company pay the cable conduit rental fee, based on its minimum reference rate, of Baht 7 million together with interest at a rate of 7.5% per annum of the total principal amount to the telecom operator. On 21 August 2019, the Company paid the rental fee together with interest totaling Baht 16 million to the telecom operator.

The telecom operator filed an appeal against the judgement of the Central Administrative Court on 28 August 2019. The Company has therefore filed a petition to such appeal with the Central Administrative Court on 17 December 2019. The Company is currently awaiting for a judgement ordering from the Supreme Administrative Court.

The Company has recorded monthly rental fee for cable conduit from August 2019 onwards in accordance with the order of the Central Administrative Court. As at 31 December 2019, the Company recorded Baht 0.13 million as accrued rental fee for cable conduit in the financial statements.

b) In 2012, the Company entered into agreement with a contractor to build a backup network operation centre. The contractor agreed to provide a warranty against any defect arising from the construction for a period of 5 years from the completion date. After the construction was completed, there was a defect during the warranty period, resulting in the damage to the backup network system of the Company. The Company notified the contractor of the defect. However, after several times of rectification by the contractor, the defect remains unchanged and later the contractor ignored the Company's request to rectify the defect. The Company then decided to file a lawsuit against the contractor on 13 January 2017.

On 21 October 2019, the court rendered the judgment to dismiss the case. The court opined that there is no defect resulting from the construction and there is no evidence to support that the contractor breaches the contract. In addition, the court ordered the Company to pay Baht 1.3 million together with the interest at a rate of 7.5% per annum from 20 April 2018 to the contractor until full payment for return of the guarantee received from contractor is

made. However, the Company determines that there are other facts to prove the defect is as a result of the construction. Therefore, The Company then filed an appeal against the judgement of the Court of First Instance to the Court of Appeal on 17 February 2020. The Company's management believes that the outcome of the case will have no significant impact on the Company's financial position.

31. Financial instruments

31.1 Financial risk management

The Group'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 Group's are exposed to credit risk primarily with respect to trade accounts receivable and other receivables. The Group manage the risk by adopting appropriate credit control policies and procedures

and therefore does not expect to incur material financial losses. In addition, the Group 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 Group'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 2019 and 2018, 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 2019 | | | | | |
|---|------------------------|------------------|------------------------|----------------------|-------|---|
| | Fixed interest rates | | Floating interest rate | Non-interest bearing | Total | Effective interest rate |
| | Within 1 year | Over 1 - 5 years | | | | |
| | | | | | | (% p.a.) |
| Financial assets | | | | | | |
| Cash and cash equivalents | 50 | - | 312 | - | 362 | 0.10 - 1.30 |
| Current investment | 150 | - | - | - | 150 | 1.55 |
| Trade and other receivables | - | - | - | 195 | 195 | - |
| Guarantees and deposits | - | - | - | 25 | 25 | - |
| | 200 | - | 312 | 220 | 732 | |
| Financial liabilities | | | | | | |
| Short-term loans from financial institution | 30 | - | - | - | 30 | 2.70 |
| Trade and other payables | - | - | - | 193 | 193 | - |
| Long-term loans | - | 505 | 820 | - | 1,325 | 4.25, MLR minus certain rate and THBFIX plus certain rate |
| | 30 | 505 | 820 | 193 | 1,548 | |

(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.) |
| Financial assets | | | | | | |
| Cash and cash equivalents | 361 | - | 459 | - | 820 | 0.10 - 1.50 |
| Trade and other receivables | - | - | - | 216 | 216 | - |
| Guarantees and deposits | - | - | - | 30 | 30 | - |
| | 361 | - | 459 | 246 | 1,066 | |
| Financial liabilities | | | | | | |
| Trade and other payables | - | - | - | 215 | 215 | - |
| Long-term loans | - | - | 1,204 | - | 1,204 | 5.00 and MLR minus certain rate |
| Debenture | - | 659 | - | - | 659 | 4.25 |
| | - | 659 | 1,204 | 215 | 2,078 | |

The Company has entered into Interest Rate Swap Transaction Agreement with a local bank for principal totaling Baht 1,470 million to manage risk associated with the long-term loans carrying floating interest rate to fix interest rate at 4% - 5% per annum. The agreement is for a period of 4 - 6 years, maturing in February 2022 and May 2023 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 and the bank is required to pay interest to the Company at THBFX plus certain rate. The agreement contains other conditions. As at 31 December 2019 and 2018, 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 2019 and 2018, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

| Foreign currency | Financial assets | | Financial liabilities | | Average exchange rate | |
|------------------|------------------|-----------|-----------------------|-----------|------------------------------------|---------|
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| | (Million) | (Million) | (Million) | (Million) | (Baht per 1 foreign currency unit) | |
| US dollar | 6.2 | 5.5 | 0.5 | 0.2 | 30.2373 | 32.4498 |
| Hongkong dollar | - | - | - | 0.1 | - | 4.1808 |

Foreign exchange contracts outstanding are summarised below.

| As at 31 December 2018 | | | | | |
|------------------------|---------------|-------------|------------------------------------|------|---------------------------|
| Foreign currency | Bought amount | Sold amount | Contractual exchange rate | | Contractual maturity date |
| | | | Bought | Sold | |
| | (Million) | (Million) | (Baht per 1 foreign currency unit) | | |
| US dollar | 0.1 | - | 35.00 | - | 28 February 2018 |

31.2 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.

The estimated fair value of the derivatives is as follows:

(Unit: Million Baht)

| | As at 31 December 2019 | As at 31 December 2018 |
|------------------------------|------------------------|------------------------|
| | Fair value | Fair value |
| | Gain (loss) | Gain (loss) |
| Derivatives | | |
| Interest rate swap contracts | (17) | (9) |

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

For derivatives, their fair value has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Group had considered to counterparty credit risk when determining the fair value of derivatives

During the current year, there were no transfers within the fair value hierarchy.

32. 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 2019,

the Company's debt- to-equity ratio was 0.69:1 (2018: 0.93:1).

33. Event after the reporting period

On 26 February 2020, 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 2020 to approve the Company to pay dividend of Baht 0.021 per share to ordinary shareholders of the 433,654,887 ordinary shares, or a total of Baht 8.9 million, in respect of the operating results for the year 2019.

However, the dividend payment is subject to change upon approval of the Annual General Shareholder's Meeting in April 2020. Such dividend will be paid and recorded after being approved by the Annual General Meeting of the Company's shareholders.

34. Approval of the financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 26 February 2020



ADDITIONAL INFORMATION





GENERAL AND OTHER SIGNIFICANT INFORMATION



Ticker

Company

Type of Business

Registration No.

Registered Capital

Paid-up Capital

No. of Ordinary Shares

Par Value

Head Office

Website

Telephone

Fax

SYMC (Industry: Technology)

Symphony Communication Public Company Limited

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

0107553000107

Baht 433,654,887

Baht 433,654,887

433,654,887 shares

Baht 1

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

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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. **Nakhon Ratchasima Service Center**
19/47, Lampru 2, Nai Muang, Muang Nakhon Ratchasima, Nakhon 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 Kaen 40000
8. **Phitsanulok Service Center**
362/5, Moo 3, Aranyik, Muang Phitsanulok, Phitsanulok 65000
9. **Chiang Mai Service Center**
39/7, Tippianate Road, Haiya, Muang Chiang Mai, Chiang Mai 50100
10. **Samut Sakhon Service Center**
88/304, Moo 1, Tha Sai, Muang Samut Sakhon, Samut Sakhon 74000
11. **Phra Nakhon Si Ayutthaya Service Center**
89/5-6, Moo 3, Klong Suan Plu, Phra Nakhon Si Ayutthaya, Phra Nakhon Si Ayutthaya 13000
12. **Prachuap Khiri Khan Service Center**
208, Phachuap Siri 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 43000
17. **Tak Service Center**
64/27, Moo 6, Mai Ngam, Mueang Tak, Tak 63000
18. **Chiang Rai Service Center**
624/6, Wiset Wiang Road, Tambon Wiang, Mueang Chiang Rai, Chiang Rai 57000

WAREHOUSES

- 1. Min Buri Warehouse**
51, 53, Soi Srihaburanukit 6, Min Buri, Min Buri, Bangkok 10510
- 2. Samut Sakhon Warehouse**
88/298, Baansuan Thasai Village, Moo 1, Thasai, Muang Samut Sakhon, Samut Sakhon 74000
- 3. Kamphaeng Phet Warehouse**
99/8, Room 1, Moo 3, Nakhon Chum, Muang Kamphaeng Phet, Kamphaeng Phet 62000
- 4. Khao Suan Kwang Warehouse**
199/26, Moo 11, Kham Muang, Muang Khao Suan Kwang, Khon Kaen 40280
- 5. Lop Buri Warehouse**
89/10, Sida Road, Thale Chup Son, Muang Lop Buri, Lop Buri 15000
- 6. Sing Buri Warehouse**
186/3, Moo 1, Bang Man, Muang Sing Buri, Sing Buri 16000
- 7. Lamphun Warehouse**
193/21, Moo 6, Ban Klang, Mueang Lamphun, Lamphun 51000

CABLE LANDING STATION

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SUBSIDIARY

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REFERENCE

| | |
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