



ANNUAL REPORT 2019

Content

Message from the Chairman	001
Message from CEO and CTO	002
Vision & Mission	003
Financial Highlights	004
Board of Directors	005
Managements	006
Board and Management Profile	007
Risk Management Committee Report	014
Nomination Remuneration and Corporate Governance Committee Report	015
Organization Chart	016
Business Overview	017
Risk Factors	034
Management Structure	037
Corporate Governance	047
Corporate Social Responsibilities	058
Anti- Bribery and Anti-Corruption	061
Internal Control and Risk Management	064
Connected Transaction	066
Management Discussion and Analysis	069
Manangement's Responsibility for the Financial Statement	078
Audit Committee Report	079
Financial Statements	080
Shareholder and Dividend Payment	117
General Information	119



Message from Chairman

Among the rapid and severe technological changes, we, Planet Communications Asia Public Company Limited or PLANET have adjusted and driven our business as our set policy. However, in 2019, encountered by big challenges, despite well-responsive scheme, our operating performance cannot follow as planned.

Inevitably, technological change is a key factor for country development in every aspect, particularly economic and social portfolio. We are ready to drive our business to technological changes era. Previously, we have developed our human resources for professionalism, knowledge and capability to continuously cope with such changes, public and clients.

Our strong determinations remain on importance and awareness in fundamental rights of shareholders through fairness and equality conducts for shareholders' rights protection, good corporate governance, in compliance with ethical and moral code of conducts, trade terms and conditions, compliance with business alliance contracts.

We mainly focus and operate our business, with local, social and environmental responsibility concerns in terms of safety, quality of life, environmental conservation and efficient use of energy, as well as disclosure of fair, accurate, complete information, goods and services development for reliability, human resources development, maintaining good relationship with business partners, towards public and private organizations through variety of activities.

Lastly, on behalf of the Company's Board of Directors, Executive Management Team, and staff, I would like to express our thank you for all shareholders, business partners, customers, partners and stakeholders who have provided us reliability and support for over years. In 2020, we are confident to create reliability to encounter digital disruption and take part in economic and social enhancement for the sustainable benefits of all of us.

A handwritten signature in black ink, appearing to read 'Ruttikorn'.

Dr. Ruttikorn Varakulsiripunth
Chairman of Planet Communications Asia PLC.



Message from CEO and CTO

Due to rapid technological changes as well as digital disruption, giving impact on all industries at every aspect, year 2019 was the challenging year for us. We, as total solutions telecommunications service provider, are one of the affected entity from this change. The operating performance cannot meet our set plan. However, we prepared ourselves to cope with this change by organizational adjustment and digital transformation through increasing digital products and services, using technology for business processes improvement, reducing use of paper, developing our personnel for more IT skill, knowledge and understanding, meant for competitiveness capability, sustainable organizational growth, good corporate governance, local, social and environmental responsibilities.

We continued our promotion for total solution telecommunication products and services for public and private organizations, including networking, collaboration, digital broadcasting. We have innovated newly, digitally technological products and services, for example, Cloud, IoT, Ai and Cyber Security, have them been upgraded from previous telecommunication systems to serve emerging market.

Our previous working process was replaced by new ERP system for more accuracy, process minimization and more smooth working process, display of accounting transactions for analysis and tools for more efficient management.

Our personnel took vital part in driving digitally technological changes. Therefore, our policies were set to make our personnel have more IT skill, knowledge and competency for daily operation as well as learning about change or emergence of digital technologies.

Throughout our operation in 2019, we adhered to the compliance with good corporate governance policy, transparency, all kinds of anti-corruption, local, social and environmental responsibilities.

For business trend in 2020, we are confident that we can secure our business operation and encounter digital disruption, with profits gained and allocated for our stakeholders and shareholders. We will move forward and drive for 10% profit growth as targeted.

Mr. Prapat Rathlertkarn
Chief Executive Officer (CEO)

Mr. Trevor John Thompson
Chief Technology Officer (CTO)

Vision & Mission

Vision

PlanetComm : Digital Technology for a Better Quality of Life

Mission

PlanetComm aims to provide solutions for our valued customers. In digital transformation era, Technology is the key success factor. PlanetComm is dedicated to making use of it to maximize the efficiency business.

Awards

2019

- Cisco Advanced Collaboration Architecture Specialized Partner
- Cisco Premier Certified Partner
- Cisco Express Specialized Partner
- Polcom RealPresence Services Specialization, RealPresence Implementation Services Specialization and RealPresence Solutions Specialization
- An Authorized Distributor of Extron
- Cisco ASEAN Collaboration Workplace Transformation Champions

2018

- Granted the certified by Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)
- An Authorized Distributor of Steam Labs Products
- An Authorized Extron Reseller

2017

- An Authorized Partner of Secure Communications by Airbus
- An Authorized distributor for its products in Cambodia, Laos, Myanmar, Thailand and Vietnam by GD Satcom
- Innovation Product (Mobile Phone Jammer T-Box 3.0) by NSTDA

- Cisco Premier Certified Partner
- Cisco Advanced Collaboration Architecture Specialization
- Cisco WebEx Cloud Collaboration Resale Partner
- Cisco Registered Partner
- Cisco Authorized CRM Hybrid reseller
- Cisco Meeting Server formerly Acano
- Cisco Smart Care Registered Partner
- Cisco Smart Care Registered Part: Weight-Based
- ATP - Cisco TelePresence Video Master

2016

- Total Innovation Management Awards (TIM 2016) by SET & MAI
- Excellence in Industry for APAC by Polycom
- Polycom Platinum Partner

2015

- Most Improved Var Year-on- Year Revenue Increased by COBHAM

2014

- Most Improved Var Year-on- Year Revenue Increased by COBHAM



2013

- FY13 Public Sector Partner of the Year by Cisco
- FY13 Top YoY Growth of the Year (2 Tier) by Cisco
- TVU Best Performance/Market Unified Communications 2013
- ClearOne Project Achievement Award
- Codan Authorized Partner 2013
- Cisco Premier Certified Partner 2013
- The Top Cogenality Collaboration Partner Award by Cisco

2012

- Cisco TelePresence Video Master Authorized
- Cisco Technology Partner
- FY12 Public Sector Partner of the Year by Cisco

2011

- Top Enterprise Partner Award by ZYXEL

Financial Highlight

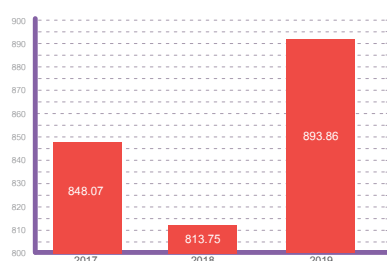
Revenue Structure

Incomes	2017 (Million Baht)		2018 (Million Baht)		2019 (Million Baht)	
Revenue from Sales						
- Telecommunication System	386.29	(56.71%)	387.90	(50.75%)	472.56	(55.62%)
- Digital TV and Broadcast	16.55	(2.43%)	16.06	(2.10%)	55.52	(6.54%)
Sale of distributed products	402.84	(59.14%)	403.96	(52.85%)	528.08	(62.16%)
Sale of PlanetComm products	142.81	(20.97%)	131.25	(17.17%)	92.43	(10.88%)
Revenue from Services	129.59	(19.02%)	214.45	(28.06%)	214.64	(25.27%)
Total Revenues from Sales and Services	675.24	(99.13%)	749.66	(98.09%)	835.15	(98.34%)
Other Revenues	5.93	(0.87%)	14.63	(1.91%)	14.06	(1.66%)
Total Revenues	681.17	(100.00%)	764.29	(100.00%)	849.21	(100.00%)

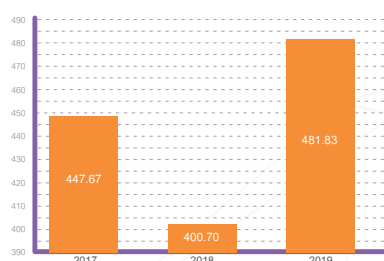
Cost of Good Sales and Service / Gross Profit Margin

Cost of Good Sales and Services	2017 (Million Baht)	GP (%)	2018 (Million Baht)	GP (%)	2019 (Million Baht)	GP (%)
Cost of Good Sales and Services	311.44	(22.69%)	341.37	(22.18%)	485.04	(8.15%)
- Telecommunication System	297.32	(23.03%)	299.58	(22.77%)	443.47	(6.16%)
- Digital TV and Broadcast	14.12	(14.69%)	14.79	(7.88%)	41.57	(25.13%)
Cost of PlanetComm Products	130.54	(8.59%)	116.41	(11.31%)	78.28	(15.31%)
Cost of Services	99.85	(22.95%)	155.16	(27.65%)	116.48	(45.73%)
Total Cost of Sales and Services	541.83	(19.76%)	585.94	(21.84%)	679.80	(18.60%)

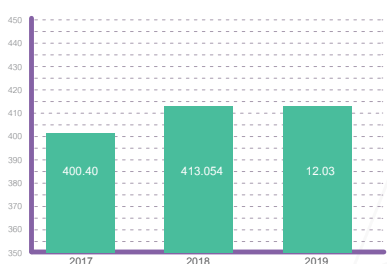
Asset



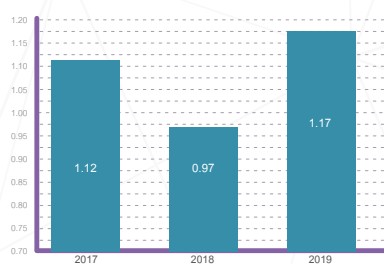
Liabilities



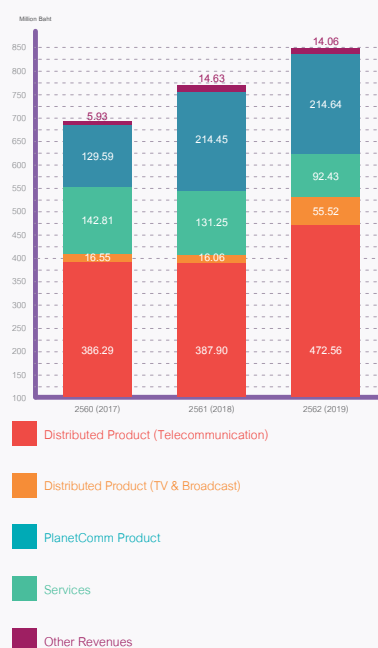
Shareholder's Equity



D/E Ratio



Revenue Structure



Board of Directors



6

4

2

1

3

5

7

1

Dr. Ruttikorn Varakulsiripunth
- Independent Director
- Chairman

2

Mr. Prapat Rathlertkarn
- Director
- Vice Chairman
- Company Secretary

3

Mr. Trevor John Thompson
- Director

4

Dr. Wichai Laohmatvanich
- Director
- Chairman of Audit Committee
- Risk Management Committee Member
- Nomination, Remuneration and Corporate Governance Committee Member

5

Mrs. Sutharak Soonthornpusit
- Independent Director
- Chairman of Risk Management Committee
- Audit Committee Member
- Nomination, Remuneration and Corporate Governance Committee Member

6

Mr. Somkid Wangcherdchuwong
- Independent Director
- Chairman of Nomination, Remuneration and Corporate Governance Committee
- Risk Management Committee Member
- Audit Committee Member

7

Mr. Thibdee Mangkalee
- Independent Director
- Audit Committee Member

Managements



5

3

1

2

4

6

- 1 | Mr. Prapat Rathlertkarn
- Chairman of Executive Committee
- President and Chief Executive Officer
- 2 | Mr. Trevor John Thompson
- Vice Chairman of Executive Committee
- President and Chief Technology Officer
- 3 | Mr. Satit Rathlertkarn
- Executive Vice President of Sales
- 4 | Mrs. Ratana Suwan
- Executive Vice President of Finance and Accounting
- 5 | Mrs. Wannapha Weeracharoen
- Vice President of Operation
- 6 | Mr. Veerasak Athornchaikul
- Vice President of Marketing and Business Development



Dr. Rattikorn Varakulsiripunth

Age 66 Years

- Independent Director
- Chairman

Appointed June 21, 2018

Address :

157 Ramindra 34, Ramindra Rd., Tarang Sub-District, Bangkok District
Bangkok 10230

Education :

PhD.

- Electrical and Communication Engineering, Tohoku University, Japan
Master Degree
- Electrical and Communication Engineering, Tohoku University, Japan
Bachelor Degree
- Electronics and Electrical Engineering Kyoto University, Japan

Work Experiences

2019-Present

- President of The Association of Council of IT Deans

2018-Present

- Independent Director, Chairman, Planet Communications Asia PLC.

2013-Present

- Dean, Faculty of Information Technology, Thai-Nichi Institute of Technology

2011- Present

- Royal Scholarship Commission Member, Office of the Higher Education
Commission

2011- Present

- Executive Director, Takahashi Foundation Thailand

2011- Present

- Editorial Board, The Journal of King Mongkut's University of Technology North
Bangkok

2018 – 2019

- Chairman, The Association of Council of IT Deans

2014 – 2016

- Executive Director, Japanese Government Scholarship Alumni Foundation in
Thailand

2005 – 2012

- Vice Chancellor, King Mongkut's Institute of Technology Ladkrabang

Directors in Listed company :

- None

Other non-listed company and other organizations

- The Association of Council of IT Deans
- Faculty of Information Technology, Thai-Nichi Institute of Technology
- Office of the Higher Education Commission
- Takahashi Foundation Thailand
- The Journal of King Mongkut's University of Technology North Bangkok

Share Possession including related persons

- None

Trainings

- Director Accreditation Program (DAP) 153/2018

Attendance the Meeting in 2019

- Board of Director 10/10 Meetings



Dr. Wichai Laohmatvanich

Age 66 Years

- Independent Director
- Chairman of Audit Committee
- Risk Management Committee Member
- Nomination, Remuneration and Corporate Governance Committee Member

Appointed January 25, 2018

Address :

157 Ramindra 34, Ramindra Rd., Tarang Sub-District, Bangkok District
Bangkok 10230

Education :

PhD.

- Public Administration, University of Manila, Philippines

Master Degree

- Accounting, Thammasat University, Thailand

Bachelor Degree

- Accounting, Thammasat University, Thailand

Work Experiences

2018-Present

- Independent Director, Planet Communications Asia PCL.

2017-Present

- Chairman of Audit Committee, Thammasat University Hospital

2016-Present

- Audit Committee Member, Thai Coating Industrial PCL.

2015-Present

- Executive Director AEC Marketing Representative and Networking Co., Ltd

Directors in Listed company :

- Thai Coating Industrial PLC.

Other non-listed company and other organizations

- Thammasat University Hospital
- AEC Marketing Representative and Networking Co., Ltd

Share Possession including related persons

- None

Trainings

- Director Accreditation Program (DAP)153/2018

Attendance the Meeting in 2019

- Board of Director 10/10 Meetings
- Audit Committee 7/7 Meetings
- Risk Management Committee 2/2 Meetings
- Nomination Remuneration and Corporate Governance Committee 2/2 Meetings



Mr. Prapat Rathlertkarn

Age 61 Years

- Director, Vice Chairman
- Chairman of Executive Director
- President and Chief Executive Officer (CEO)
- Company Secretary

Appointed April 27, 1994

Address :

157 Ramindra 34, Ramindra Rd., Tarang Sub-District, Bangkhen District
Bangkok 10230

Education :

Master Degree

- Business Administration, Business Administration, Philips University, USA

Bachelor Degree

- Economics, Thammasat University, Thailand

Work Experiences

2019-Present

- Chairman, PlanetCloud Co., Ltd.

2017-Present

- Chairman, PlanetFiber Co., Ltd.

1994-Present

- Director, Vice Chairman, Chairman of Executive Director, President and Chief Executive Officer, Planet Communications Asia PLC.

2019-Present

- Company Secretary, Planet Communications Asia PLC.

2015-Present

- Sub-Committee Management and Development Space Krenovation Park Geo-Informatics and Space Technology Development Agency (GISDA)

2005-Present

- Director, P & T Asset Co., Ltd.

Directors in Listed company :

- None

Other non-listed company and other organizations

- PlanetCloud Co., Ltd.
- PlanetFiber Co., Ltd.
- Geo-Informatics and Space Technology Development Agency
- P&T Asset Co., Ltd

Share Possession including related persons

- 78,950,000 Shares or 31.58% of paid up share capital

Trainings

- Chief Transformation Officer: CTO Course 2019 by SEAC
- Successful Formulation & Execution of Strategy (SFE) 28/2016
- Director Certification Program (DCP) 195/2014
- Director Accreditation Program (DAP) 94/2012

Attendance the Meeting in 2019

- Board of Director 10/10 Meetings



Mr. Trevor John Thompson

Age 65 Years

- Director
- Vice Chairman of Executive Director
- President and Chief Technology Officer (CTO)

Appointed April 27, 1994

Address :

157 Ramindra 34, Ramindra Rd., Tarang Sub-District, Bangkok District
Bangkok 10230

Education :

Bachelor Degree

- Commerce, Engineering, British Columbia Institute of Technology, Canada

Work Experiences

2019-Present

- Director, PlanetCloud Co., Ltd.

1994-Present

- Director, Vice Chairman of Executive Director, President and Chief Technology Officer, Planet Communications Asia PCL.

2005-Present

- Director, P&T Asset Co., Ltd.

Directors in Listed company :

- None

Other non-listed company and other organizations

- PlanetCloud Co., Ltd.
- P&T Asset Co., Ltd.

Share Possession including related persons

- 78,950,000 Shares or 31.58% of paid up share capital

Trainings

- Director Certification Program (DCP) 207/2015
- Director Accreditation Program (DAP) 95/2012

Attendance the Meeting in 2019

- Board of Director 8/10 Meetings



Mrs. Sutharak Soonthornpusit

Age 67 Years

- Independent Director
- Chairman of Risk Management Committee
- Audit Committee Member
- Nomination Remuneration and Corporate Governance Committee Member

Appointed December 30, 2011

Address :

157 Ramindra 34, Ramindra Rd., Tarang Sub-District, Bangkok District
Bangkok 10230

Education :

Master Degree

- Science in Economy and Marketing, Ball State University, USA
- Bachelor Degree
- Economics, Thammasat University, Thailand

Work Experiences

2011-Present

- Independent Director Planet Communications Asia PLC.

2005-Present

- Managing Director Charoendecor International Co., Ltd.

Directors in Listed company :

- None

Other non-listed company and other organizations

- Charoendecor International Co., Ltd.

Share Possession including related persons

- 950,000 Shares or 0.02% of paid up share capital

Trainings

- Director Certification Program (DCP) 219/2016
- Director Accreditation Program (DAP) 103/2013

Attendance the Meeting in 2019

- Board of Directors 8/10 Meetings
- Audit Committee 5/7 Meetings
- Risk Management Committee 2/2 Meetings
- Nomination, Remuneration and Corporate Governance Committee 2/2 Meetings



Mr. Somkid Wangcherdchuwong

Age 62 Years

- Independent Director
- Chairman of Risk Management Committee
- Audit Committee Member
- Risk Management Committee Member

Appointed May 12, 2015

Address :

157 Ramindra 34, Ramindra Rd., Tarang Sub-District, Bangkok District Bangkok 10230

Education :

Barrister-at-Law

- The Thai Bar under the Royal Patronage

Bachelor Degree

- Laws, Chulalongkorn University

Work Experiences

2015-Present

- Independent Director, Planet Communications Asia PLC.

2007-Present

- Chairman, ITV PLC.

Directors in Listed company :

- ITV PLC.

Other non-listed company and other organizations

- None

Share Possession including related persons

- None

Trainings

- Director Accreditation Program (DAP) 2006

Attendance the Meeting in 2019

- Board of Directors 10/10 Meetings
- Audit Committee 7/7 Meetings
- Risk Management Committee 2/2 Meetings
- Nomination Remuneration and Corporate Governance Committee 2/2 Meetings



Mr. Thibdee Mangkalee

Age 49 Years

- Independent Director
- Audit Committee Member

Appointed June 21, 2018

Address :

157 Ramindra 34, Ramindra Rd., Tarang Sub-District, Bangkok District Bangkok 10230

Education :

Master Degree

- MBA- Finance, University of Tennessee, USA

Bachelor Degree

- Accounting, Thammasat University, Thailand

Work Experiences

2018-Present

- Independent Director, Planet Communications Asia PCL

2008-Present

- Managing Director, Capital Plus Advisory Co., Ltd

Directors in Listed company :

- None

Other non-listed company and other organizations

- Capital Plus Advisory Co., Ltd

Share Possession including related persons

- None

Trainings

- Director Certification Program (DCP) 267/2018

Attendance the Meeting in 2019

- Board of Directors 10/10 Meetings
- Audit Committee 7/7 Meetings



Mr. Satit Rathlertkam
Age 55 Years
• Executive Vice President of Sales

Appointed December 30, 2001

Address :

157 Ramindra 34, Ramindra Rd., Tarang Sub-District, Bangkhen District
Bangkok 10230

Education :

Bachelor Degree
• Electrical Engineering, Chiang Mai University, Thailand

Work Experiences

1994- Present
• Executive Vice President of Sales, Planet Communications Asia PCL.

Directors in Listed company :

• None

Other non-listed company and other organizations

• None

Share Possession including related persons

• 10,460,000 Shares or 4.18% of paid up share capital

Trainings

• Advance Certificate Course in Public Administration and Law for Executives 2019, King Prajadhipok's Institute
• Director Certification Program (DCP) 205/2015
• Director Accreditation Program (DAP) 104/2013



Mrs. Ratana Suwan
Age 59 Years
• Executive Vice President of Finance and Accounting

Appointed September 4, 2018

Address :

157 Ramindra 34, Ramindra Rd., Tarang Sub-District, Bangkhen District
Bangkok 10230

Education :

Bachelor Degree
• Accounting, The University of the Thai Chamber of Commerce, Thailand
Bachelor Degree
• Law, Sukhothai Thammathirat Open University, Thailand

Work Experiences

2018-Present
• Executive Vice President of Finance and Accounting
Planet Communications Asia PLC.
2016 – 2017
• Consultant of Finance and Accounting
Planet Communications Asia PCL.
2003 – 2016
• Executive Vice President of Finance and Accounting
Planet Communications Asia PCL.

Directors in Listed company :

• None

Other non-listed company and other organizations

• None

Share Possession including related persons

• 5,120,000 Shares or 2.05% of paid up share capital

Trainings

• CFO Certificate Program 20/2016
• Director Certification Program (DCP) 188/2014
• Director Accreditation Program (DAP) 94/2012



Miss Wannapha Weeracharoen
Age 51 Years
• Vice President of Operation

Appointed January 18, 2016

Address :

157 Ramindra 34, Ramindra Rd., Tarang Sub-District, Bangkhen District
Bangkok 10230

Education :

Master Degree

• Business Administration, Chulalongkorn University, Thailand

Bachelor Degree

• Electrical Engineering, Khon Kaen University, Thailand

Work Experiences

2019-Present

• Director, PlanetCloud Co., Ltd.

2017-Present

• Director, PlanetFiber Co., Ltd.

2016-Present

• Vice President of Operation, Planet Communications Asia PCL.

2010 – 2015

• Head of Sales Department – Service Providers Group
Planet Communications Asia PCL.

Directors in Listed company :

• None

Other non-listed company and other organizations

• PlanetCloud Co., Ltd.

• PlanetFiber Co., Ltd.

Share Possession including related persons

• None

Trainings

• Successful Formulation & Execution of Strategy (SFE) 28/2016



Mr. Veerasak Athornchaikul
Age 44 Years
• Vice President of Marketing and Business Development

Appointed January 18, 2016

Address :

157 Ramindra 34, Ramindra Rd., Tarang Sub-District, Bangkhen District
Bangkok 10230

Education :

Master Degree

• Science and Technology (IT) Assumption University

Bachelor Degree

• Science and Technology (IT) Assumption University

Work Experiences

2016-Present

• Vice President of Marketing and Business Development
Planet Communications Asia PLC.

2014 – 2015

• Head of Department – Set Top Box
Planet Communications Asia PCL.

2012 – 2014

• Head of Department – Digital TV
Planet Communications Asia PCL.

2006 – 2012

• Head of Marketing Department
Planet Communications Asia PCL.

Directors in Listed company :

• None

Other non-listed company and other organizations

• Planet Cloud Co., Ltd.

Share Possession including related persons

• 10,000 Shares or 0.004% of paid up share capital

Trainings

• None

Risk Management Committee Report

Dear all Shareholders,

Planet Communications Asia Plc. and its Subsidiary realize the importance of risk management which is the major mechanism of management and to ensure the sustainable business growth, including creating confidence and credibility for investors and stakeholders in the business operations of the Company. The Board of Directors has appointed the Risk Management Committee in the Board of Directors' Meeting No. 5/2014 on November 21, 2014. Currently, the Risk Management Committee consisted of 3 members namely; Mrs. Sutharak Soonthornpusit as Chairman of the Risk Management Committee, Mr. Wichai Laohmatvanich, and Mr. Somkid Wangcherdchuwong as Member of the Risk Management Committee. The Risk Management Committee assisted the Board of Directors' to review and identification main risk areas as well as recommendations the risk management effectiveness before reporting to the Board for final approval.

The Risk Management Committee appointed Risk Management Team consisted of Chairman of Executive Committee, Vice Chairman of Executive Committee, and Management Team which response on identify, review, monitor, evaluate and report to the Risk Management Committee, including build the Company's risk management culture.

In year 2019, the Risk Management Committee held 2 meetings which highlighted the following activities:

1. Establish and review the annual risk management plan throughout the organization to be appropriate and in line with the operating strategy and current situation.
2. Review the Anti-corruption Policy.
3. Identify the severity of risk together with the impact and methods to manage related risks.
4. Review the risk management report being reported by Quality Management Representative who was assign to follow up the actions and assessment of risk management procedures in comply with risk management policy and framework as defined.
5. Review Charter of Risk Management Committee and Risk Management Manual.
6. Conducted self assessment of the Risk Management Committee, by the whole and by individual to use the assessment result as information for performance development.

The Risk Management Committee ensured that the Company's risk management was effectively executed. The company has risk management system which is able to sufficiently oversee significant risks of the Company and be suitable for the business operations, including risk management continuously and in accordance with the changing circumstances while continuously conducted in compliance with good corporate governance rules including sufficient and adequate internal control process as well as under all requirements of the governing laws and regulations in order to help promote the Company to achieve success according to plan and goal sets.



Mrs. Sutharak Soonthornpusit
Chairman of the Risk Management Committee

Nomination, Remuneration, and Corporate Governance Committee Report

Dear Shareholders,

The Company realized on the importance of managing the business operation according to corporate governance policy to improve business operations in order to create more transparency and strengthen the confidence, including recruitment and selection of the Board of Directors and Management Team together with the compensation of each individual. The Board was appointed the independent directors performing duties as the Nomination, Remuneration, and Corporate Governance Committee of which members were responsible on reviewing of recruitment, selection, and approval of caliber and eligible directors and management team, as well as determining remuneration policy for the Board and Sub-committee. Additional, the committee monitors the business operations in compliance with the corporate governance principles of the Stock Exchange of Thailand and Securities and Exchange Commission.

In 2019, the Nomination, Remuneration, and Corporate Governance Committee consisted of 3 members namely; Mr.Somkid Wangcherdchuwong as Chairman of the Nomination, Remuneration, and Corporate Governance Committee, Mrs. Sutharak Soonthornpusit, and Mr. Wichai Laohmatvanich, as Member of the Nomination, Remuneration, and Corporate Governance Committee. The committee conducted 2 meetings to consider and follow up various matters regarding nomination, remuneration, and corporate governance and reported to the Board for consideration which could be summarized as follows:

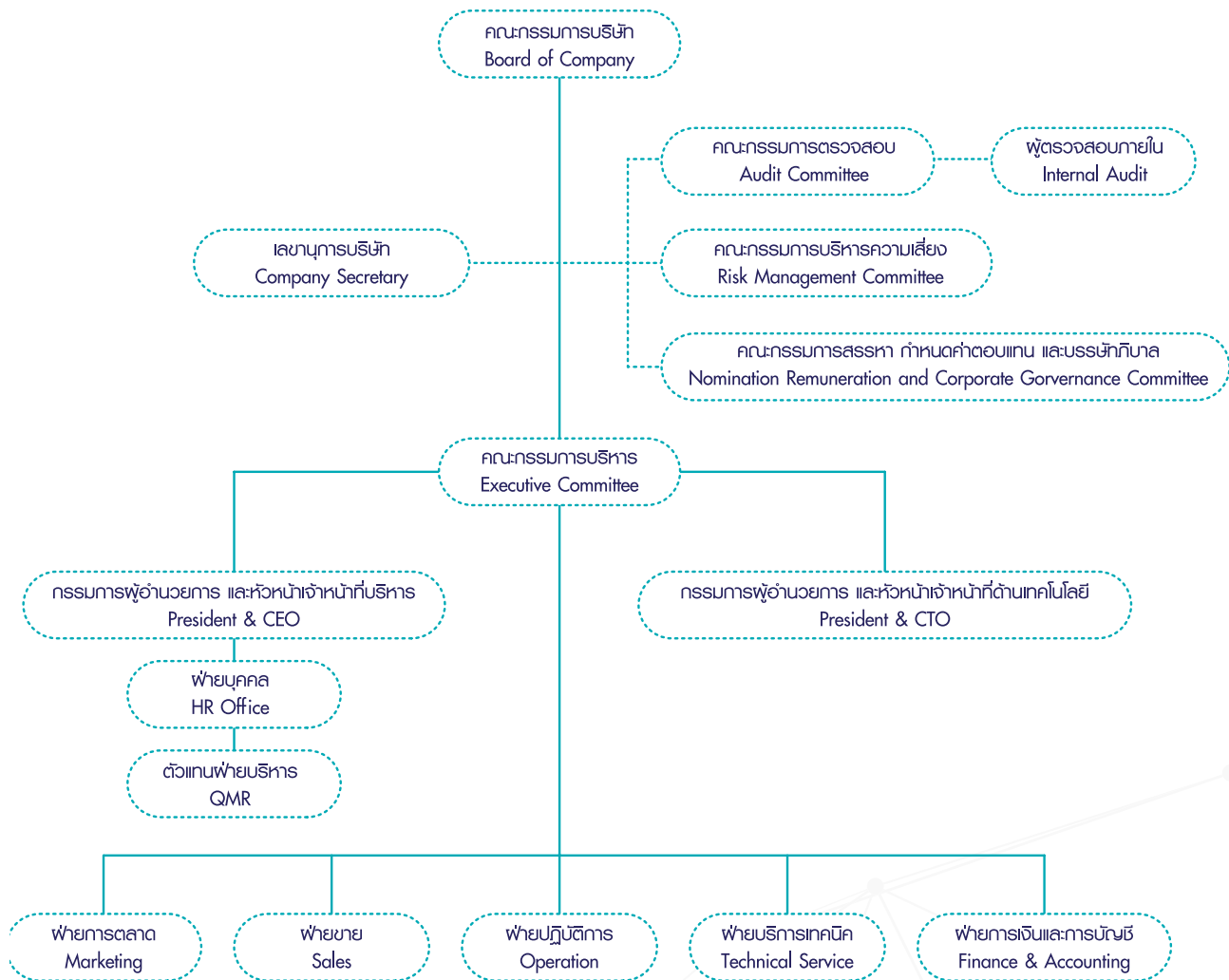
- Nominated and proposed candidates who had full qualifications in order to assume the position of directors in case of vacancy and retiring by rotation. The member who has an interest in any agenda shall be abstained from voting and not attend the meeting to consider this agenda.
- Considered the remuneration for Board of directors and member of sub-committees in consideration of appropriateness compared to the similar industry.
- Reviewed and amended of corporate governance polices, business ethics to comply with the regulations of the Stock Exchange of Thailand and Securities and Exchange Commission as well as corporate governance criteria as ASEAN CG Scorecard.
- Encouraged the minority shareholders to propose the agenda and submit any enquiries for consideration in the Annual General Meeting of Shareholders to comply with the Exchange Commission and the Principle of Good Corporate Governance.
- Reviewed Charter of the Nomination, Remuneration, and Corporate Governance Committee.
- Conducted self assessment of the Nomination, Remuneration, and Corporate Governance Committee, by the whole and by individual to use the assessment result as information for performance development.

The Nomination, Remuneration, and Corporate Governance Committee performed the responsibilities with integrity, thoroughness, completion, independence, and conciseness with respect to the best interest of all shareholders and stakeholders in the extent of corporate governance practices according to the Stock Exchange of Thailand.



Mr. Somkid Wangcherdchuwong
Chairman of the Nomination, Remuneration, and Corporate Governance Committee

Organization Chart



Business Overview

Planet Communications Asia Public Company Limited (henceforth “the Company”) was established on 27 April 1994, originally under the name Technology Gateway Asia Co., Ltd. with a registered start-up capital of 2 million baht. The Company was co-founded by Mr. Prapat Rathlerkarn and Mr. Trevor John Thompson, who have been in the IT business for over 30 years. It initially offered the professional consultancy, development and implementation of satellite communication systems for both public and private sectors. On 20 October 1998, the Company changed its name to Planet Communications Asia Co., Ltd.

Led by experienced management with proven success and expertise in the industry, the Company has enjoyed continued expansion and become an authorized distributor of many leading telecommunications vendors, such as CISCO, CODAN, Sony, THALES and ClearOne. The Company has since broadened its line of products and services into a full range of telecommunications functions, covering wired and wireless network, multimedia systems, as well as terrestrial and digital television broadcasting. Under the PlanetComm brand, it has engaged in the design, development and integration of devices for IT solutions. The Company has also been appointed as a CODAN SERVICE CENTER, due to its extensive knowledge and competency in telecommunications. However, it is also fully-equipped and well-staffed to provide maintenance and repair services for other leading vendors, such as GE, and Comtech EF Data. This allows for PlanetComm to offer a complete telecommunications service to its customers.

Major company milestones and accolades as follows:

Year	Milestone
1994	- Founded as “Technology Gateway Asia Co., Ltd.”; rendered services for the consultancy, development and implementation of satellite communication systems. - Appointed as an authorized distributor of satellite communication products for Prodelin/Vertex (GD SATCom), Comtech EF Data and Viasat.
1996	- Increased paid-up capital to 5 million baht for expansion. - Appointed as a distributor of satellite communication products for CODAN.
1998	- Rebranded as Planet Communications Asia Co., Ltd. - Increased paid-up capital to 15 million baht for expansion.
1999	- Increased paid-up capital to 25 million baht for expansion. - Commenced wired network services; appointed as an authorized distributor of data network products for Patton Electronics and security network products for Thales Group.
2000	- Commenced multimedia services - Appointed as an authorized distributor of video conferencing systems for Polycom.
2001	- Granted ISO 9001:2000 accreditation.
2002	- Commenced broadcast services; provided satellite earth station devices to television broadcasting companies in Thailand and ASEAN countries. - Successful in-house R&D to manufacture 1:1 Redundant LNB/LNA equipment.
2005	- Commenced terrestrial wireless and radio communications services; appointed as an authorized distributor for Motorola and CODAN HF. - Successful in-house R&D to assemble a mobile satellite vehicle.
2010	- Relocated Head Office to PlanetComm Building on Ramindra Road. The new HO is an ‘intelligent’ building that uses cutting-edge telecommunications and multimedia facilities, enabling the Company to demonstrate products and position itself for future growth. - Granted ISO 9001:2008 accreditation. - Selected to be a Wireless Platinum Partner from Motorola Inc. - Won the Telecom Innovation Award from the Telecommunications Research and Industrial Development Institute (TRIDI) for its 1:1 LNX Redundant Controller. - Awarded for Sales Growth Achievement (Asia Pacific Region) by the Broadcast Pix. - Won the Top Enterprise Partners Award from ZyXEL Communication Corp.

Year	Milestone
2011	- Collaborated on R&D with the National Electronics and Computer Technology Center (NECTEC) to manufacture the radio jammer T-Box 3.0. - Commenced second generation terrestrial digital video broadcasting (DBV-T2/Digital TV) services in preparation for the transition from analog broadcasting to digital system, in accordance with public policy.
2012	- Appointed as an authorized Radio Telecommunications Equipment Service Center for CODAN. - Became the only company in Thailand to qualify as a TelePresence Video Master Authorized Technology Partner for Cisco. - Awarded FY12 Public Sector Partner of the Year by Cisco. - Appointed as an authorized distributor of terrestrial and digital TV broadcasting systems for Cobham, TVU, and Thomson.
2013	- Won the Top Congeniality Collaboration Partner Award, Premier Certified Partner Award (Cisco Channel Partner Program) and FY13 Top YoY Growth of the Year Award from Cisco. - Was officially appointed as an authorized distributor and service center of mobile satellite communications system (Satcom on-the-move) for ThinkKom in Thailand and Vietnam. - Was appointed as an authorized partner of CODAN. - Won the Best Performance / Marketing Penetration Award from TVU Network. - Awarded the Best Growth Partner of the Year by ClearOne. - Listed as a public limited company (PLC). - Changed par value per share from 10.00 baht to 1.00 baht, resulting in a tenfold increase of ordinary shares from 2.5 million to 25 million. - Increased registered capital from 25 million baht to 250 million baht by issuing 225 million new ordinary shares with a par value per share of 1.00 baht allocated as follows: (1) 150 million shares to existing shareholders, resulting in the increase of the Company's paid-up capital to 175 million shares (2) 70 million shares via the initial public offering (IPO) (3) 5 million shares to the Company's directors and employees
2014	- Began offering 75 million capital gain shares at 2.80 baht per share, consisting of 70 million shares via IPO and 5 million shares to the Company's directors and employees. - Traded ordinary shares on the Market for Alternative Investment (MAI) under the stock symbol "PCA" on June 23. - Appointed as a Premier Partner of Cisco.
2015	- Awarded THE MOST IMPROVED YEAR-ON-YEAR REVENUE INCREASE by Cobham. - PlanetFiber licenses being granted by National Broadcasting and Telecommunications Commission (NBTC) for Telecommunications Business Operation Licenses Type III on September 2, 2015
2016	- Awarded as the Excellent in Innovation Enterprise of Total Innovation Management Awards (TIM2016) by Stock Exchange of Thailand (SET), Market for Alternative Investment (MAI), and Nation Innovation Agency (NIA) - Awarded Excellence in Industry for APAC by Polycom - Awarded Platinum Partner by Polycom
2017	- Changed the Company's stock symbol from "PCA" to "PLANET". - Established PlanetFiber Co., Ltd as the subsidiary company for operating lease service for cable telecommunications network for client accessibility on August 16, 2017. - Being appointed as authorized distributor of General Dynamics SATCOM Technologies (GD Satcom) in Thailand, Laos, Myanmar and Vietnam. GD Satcom was as the global leading in satellite and wireless communications network system technology. - Appointed as the certified business partner of Airbus being as an international pioneer in the aerospace industry and telecommunications network technologies. - Awarded the private company giving importance and having merits on social and environment as well as collaboration with young generation to sustainable natural resource in the project of "2016 save the World Expo". - Conducted research and development the jammer "WT-Defender" with National Electronics and Computer Technology Center (NECTEC). - Verified PlanetComm T-Box 3.0 - the cell phone Jammer as the innovation product by National Science and Technology Development Agency (NSTDA) and published in Thailand's taxonomy innovation by Bureau of the Budget in June 2017. - Granted a testimonial from The Federation of Thai Industries (F.T.I) as the member developing products in local research and completing the registration of Thailand's taxonomy innovations. - Funding the innovation support in the Cloud PBX project from "Transform technology to capital" by National Innovation Agency (Public Organization).

Year	Milestone
2018	- Appointed as an authorized distributors of Stream Labs Television Computer Systems in Broadcasting System - Granted the certified by Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) on May 17, 2018 - "Voice over IP" with number and without number license was granted by National Broadcasting and Telecommunications Commission (NBTC) for operation PlanetCloud - Granted ISO 9001:2015 accreditation.
2019	- Established PlanetCloud Co., Ltd as the subsidiary company for hardware and software service on October 10, 2019. - Cisco Advanced Collaboration Architecture Specialized Partner - Cisco Premier Certified Partner - Cisco Express Specialized Partner - Polcom RealPresence Services Specialization, RealPresence Implementation Services Specialization and RealPresence Solutions Specialization - An Authorized Distributor of Extron - Cisco ASEAN Collaboration Workplace Transformation Champions - An Authorized Distributor of Extron - Cisco ASEAN Collaboration Workplace Transformation Champions

Shareholdings of PLANET in subsidiary

The Company holds 99.99% shares in subsidiary

1. PlanetFiber Co., Ltd
2. PlanetCloud Co., Ltd

Revenue	2017		2018		2019	
	(Million Baht)	%	(Million Baht)	%	(Million Baht)	%
Sale of Distributed Products						
- Telecommunication Systems	386.29	56.71	387.90	50.75	472.56	55.62
- Digital TV and Broadcast Systems	16.55	2.43	16.06	2.10	55.52	6.54
Total Sale of Distributed Products	402.84	59.14	403.96	52.85	528.08	62.16
Sale of PlanetComm Products	142.81	20.97	131.25	17.17	92.43	10.88
Service Revenue	129.59	19.02	214.45	28.06	214.64	25.27
Total Revenue From Sale and Services	675.24	99.13	749.66	98.09	835.15	98.34
Other Revenue*	5.93	0.87	14.63	1.91	14.06	1.66
Total Revenue	681.17	100.00	764.29	100.00	849.21	100.00

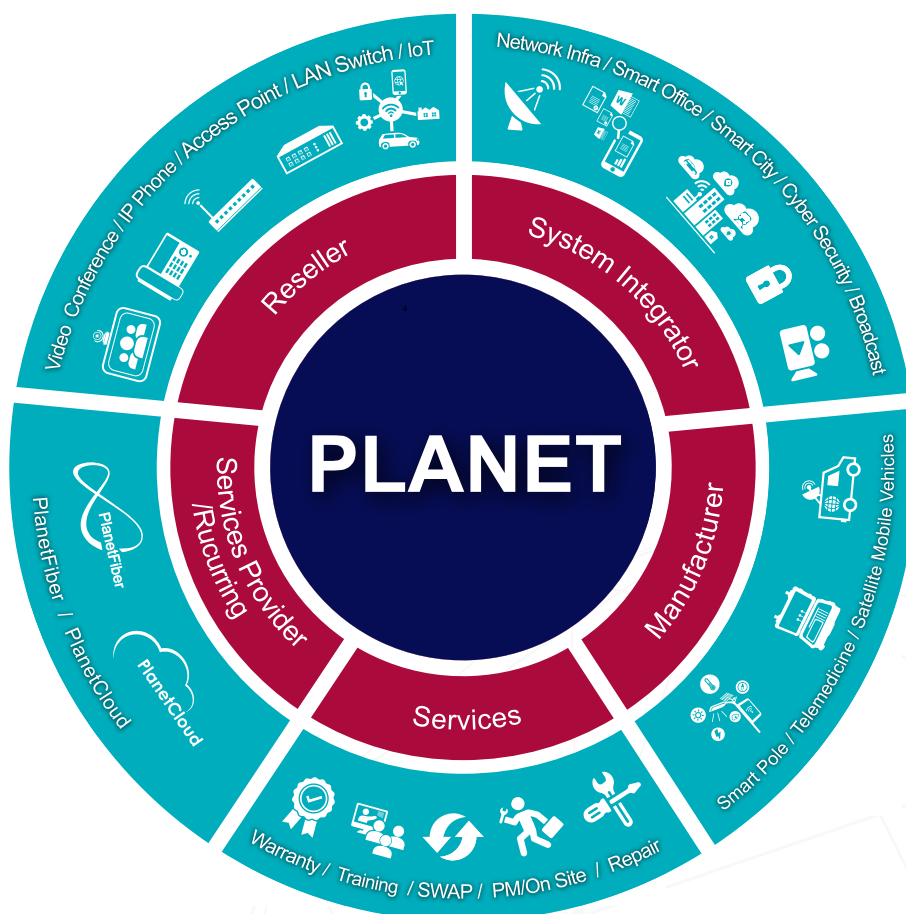
Note* :

Include exchange gain, sale of asset gain, rental income and interest income

Business Structure

The Company has a fully integrated telecommunications business structure consisting of 5 areas as follows:

1. Leading reseller of devices and telecommunication systems with the latest technology and high quality, consisting of Comtech, GD Satcom, Cisco, Thales, Evertz, etc.
2. System integrator contractor providing design, installation, and training services according to customer requirements. For maximum efficiency, value for money, consisting of: Network Infrastructure Solution, Smart Office Solution, Cyber Security Solution and Digital Broadcast Solution.
3. Manufacturers and distributors of telecommunication systems consists of small and medium sized satellite mobile vehicles for Television Stations, Mobile service providers and government agencies. Mobile Jammer and 1:1 Redundant LNB System for satellite stations.
4. Service Center provides after sales service for telecommunication systems and equipment which the company has distributed to customers. The contract is for a period of 1-5 years, consisting of product warranty, SWAP replacement, preventive maintenance, on-site services, and telecommunication equipment repair services (Telecom Repair Lab).
5. Digital Service Provider is a business that charges monthly or annually fees. For 1-5 years, consisting of 2 businesses which are
 - PlanetFiber provides 1 Gb high speed internet per second for condominiums and offices
 - PlanetCloud provides cloud services both Software as a Service (SaaS) and Platform as a Service (PaaS). CloudOffice Platform for Intelligent Offices, IoT Platform for Smart Cities, Telemedicine Platform for Medical Services



Business Overview

The Company is telecommunications and digital TV broadcasting technology provider; to provide a full range of services for design, installation, distribution of telecommunication systems and digital TV systems, fiber optic internet service for high-rise buildings and condominiums, Cloud Office service; and associated products for leading firms and organizations in the AEC (Asean Economic Community).

In addition, it engages in research and development (R&D) as well as the integration of devices into telecommunications solutions under the PlanetComm brand. With decades of experience in the industry, along with experts and full-scale test equipment, the Company is capable of rendering comprehensive telecommunications service. An overview 3 groups of products and services are as follows

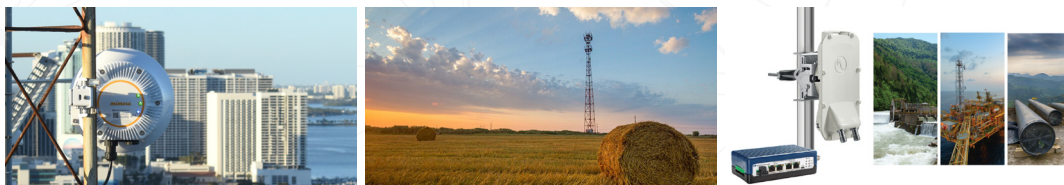
Group 1: Telecommunication technology products include

- Network Infrastructure Solution consisting of
 - Satellite Earth Station System: It is a digitally satellite high-speed digital communication reception and transmission network through C-Band and Ku-Band frequency.



Satellite Telecommunications System Devices

- Wireless Network System: It is a telecommunication network system with digitally satellite high-speed digital communication reception and transmission network through terrestrial radio frequencies of 2.4 GHz and 5.8 GHz.



Terrestrial High-Speed Wireless Telecommunication System

- Digital Radio Communications System: It is a telecommunication network system with digital data reception and transmission technology through VHF, UHF and HF radio frequencies.



Radio Telecommunications Systems Devices

- Optical Fiber Network System is a telecommunication network system with digital data reception and transmission through cable.



Optical Fiber Telecommunications System Devices

2. Smart Office Solution: It is a modern office telecommunications system, designed for video, audio and data telecommunications system through the internet with efficient compatibility, cost-efficiency and competitiveness enhancement including;

- Telepresence & Video Conference: It consists of products in the virtual teleconferencing group, multipoint conference unit, recording & streaming server and any other related systems.



Video Teleconference Telecommunications Systems Devices

- Centralized office telephone system (IP PBX / UC): It is a centralized telecommunications system, supporting the integration of various types of usage and communication in organization, such as IP (Internet Protocol Communication) phones, computer or mobile meeting system, messaging system or video conference, etc.



Centralized Telecommunications Systems Device

- Audio Conference: It contains products used for audio conferencing and in the conference room, such as Audio Conference system.



Audio Meeting System

- Closed Circuit Television (IP CCTV): It is a CCTV through the internet network, supporting H.265 technology and saving space for data storage.



Closed Circuit Television

- Internet network / Wi-Fi within the office

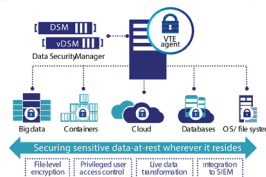
3. Cyber Security Solution consists of

- Network Ssecurity: the system operates encoding high level of data to avoid data hacking through internet connection between the source and destination for government agencies and military.



Information Security System Devices

- Transaction Security: It provides a high level of encryption during financial transactions, such as VISA credit cards, to prevent changes and theft of user's password for financial institutions.



Financial Transactions Security System Devices

- Fire Wall: The security system against cyber attacks, it prevents It prevents attacker from disturbing internet network in the office.

4. Digital Broadcasting Solution: It is an integrated digital television broadcasting system consisting of

- Television program production system, multimedia and content production studio include.

1. Sony TV camera system for studio (Professional 4K Camera)
2. Cobham's Wireless Professional Camera System
3. Sony and BroadcastPix studios video switcher
4. Evertz video router system, multi viewer system and infrastructure for studio, editing rooms, and master C Rooms
5. Dalet and EvertzMedia Asset Management (MAM) systems and automation for Master Controls (MCR) rooms.
6. TV broadcasting system via the 3G / 4G network of TVU



TV, Multimedia and Studio System Production Systems

- Content Distribution & Transmission

1. Video over fiber network: It is a device designed to support the transmission of digital television signals through fiber optic networks to be used in digital television broadcasting operations throughout the country



Optical Fiber Video Signal Transmission System

2. Television Headend Processing and Encoding System: It is a system for encoding and converting video signals to digital then compressed to a smaller size according to standard MPEG-2 / MPEG-4 to be used in television signals transmission, via ground network, satellite and internet. Currently, The Company is a distributor of world-class manufacturers, Harmonic, Evertz, AppearTV, etc.

3. Radio and Television Transmitter and basic network equipment (Infrastructure): It is a system and equipment for television transmitters for stations used to transmit digital television to home viewers in accordance with the DVB-T2 standard. The Company is currently a distributor and installation provider of Tredness TV transmission from Spain.

- Terrestrial digital television set-top box (Set Top Box / DVB-T2)



Terrestrially Digital Television Set-Top Box

5. PlanetComm's products include

- Satellite Mobile Vehicle: It is a mobile telecommunication vehicle with the installation of satellite dishes and internal communication devices such as satellite communication systems, wireless communication system, radio communication system, video conference system, via data encryption system screen, television broadcasting systems, etc., to be used in telecommunications and television broadcasting activities in which the Company is specialized in designing, developing and manufacturing a variety of mobile telecommunication vehicles to meet the customers requirement as follows;

1. Small Wireless Mobile Vehicle
2. Medium Wireless Mobile Vehicle
3. Large Wireless Mobile Vehicle
4. Trailer or Transportable SatCom Terminal for military operations
5. Mobile studios (Outside Broadcasting Van - OB Van) for live broadcasting



Mobile Telecommunications Vehicle

- Mobile phone and radio jammer for military operations and security.



Radio Jammer for Mobile Phone

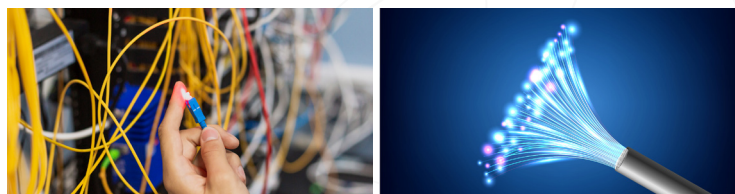
- Peripheral and Accessories, including

1. Cables and connectors for installing stations for mobile phone transmitters



Cable and Connecting Devices

2. Fiber Optic Components for High Speed FTTx Network



Optical Fiber Cable Telecommunication System Devices

Group 2: Telecommunications technology services :

The Company provides consultative services, designs, installations, including after-sales service for telecommunication equipment and systems, with over 25 years of experience. The Company is equipped with tools and equipment, a team of trained professional engineers, specialized in providing quality services, divided into 4 types, consisting of

1. Pre-Sale Service

- Providing consult and system design for telecommunication systems according to customer needs, for most efficient system, low investment and cost-efficiency investment

- Providing project proposal service as per customer requirements

2. Implement & Installation Services

- Providing project management, administration, project planning from the commencement to the completion of the project to meet customers requirements.
- Providing integration system by teams of specialists in specific technologies, system design, solutions to meet customers requirements.
- Providing installation, testing, and delivery as designed and required by customers.
- Providing training services for customers after completion of the project and new feature updates

3. After sales services

- Product Warranty (Extended Product Warranty)

1. Product Warranty: The product warranty will be valid for 1 year.

2. Free Factory Repair: in case of defective devices due to production or malfunction during the warranty, the Company will be responsible for delivering defective devices to the factory for repair or recovery free of charge within 60 days.

3. Software Updates and Upgrades. Customers have the right to upgrade to the latest software version for most efficient operation.

4. Help Desk / Telephone technical support (Customer consultation): The customer can ask for assistance in case of malfunction devices. The Company's engineers will provide technical support or troubleshooting for customers by call in normal working days (Monday-Friday 8:30 am - 5:30 pm)

- SWAP (backup equipment): The Company provides backup equipment in replacement of damaged devices to facilitate smooth operations of devices. The SWAP Replacement value depends on type of device.

- Preventive Maintenance Services : The Company will send staff to perform equipment maintenance as scheduled to avoid any damages or defections to the device as follows

1. Checking readiness of operation.

2. Improving and fixing when defects found

3. Cleaning

4. Upgrading the latest software version according to the terms of product warranty.

5. Suggesting techniques for uses of devices as per customers requirement.

6. Introducing new products and technologies to facilitate customers' work development and improvement.

- ONSITE Services: It is the service in case those customers encounter problems with device operation. After being notified and detected of equipment damage, the Company will send engineers to fix within 24 hours (the customer has the right to purchase the repair service when notified, in case that the customer purchased the maintenance services as scheduled only). There are 3 levels of service as follows

1. 5 working days for 8 hours (5X8)

2. 7 days for 8 hours (7X8)

3. 7 days for 4 hours (7X24)

- On-Call Service: It is the service in case of malfunction operations of customers' device. The On-Call Service is available for buying on individual time basis. Price depends on type of device and area of service.

- Repair Service: It is the service provided by engineers well-trained from manufacturer, specialized in and experience in devices, testing tools and high quality spare parts for good quality repair work which makes the Company acceptable by manufacturers and customers.

4. Rental service: It provides a variety of teleconferencing and digital TV broadcasting devices to meet customers needs.

Group 3: Telecom Service Providers: It is the telecommunication on a monthly service fee basis, consisting of

1. PlanetFiber provides high-speed internet through fiber optic networks for mid- and high-rise condominiums on monthly fee basis with internet speed from 100 MB - 1 GB.
2. PlanetCloud provides cloud services for the office on monthly fee basis consisting of
 - Cloud PBX office phone system
 - Cloud meeting
 - Cloud call / contact center system
 - Cloud CCTV
 - Cloud Wi-Fi

Market and competition

The Company has operated its business on telecommunications and digital television over 25 years as distributor, reseller and system integrator. The Company is aware of the importance on introduction of technologies and high quality services, forming professional team for efficient pre-sale and after-sale services. The Company' strategies are on advantageous competitiveness and strategic development for differentiation as follows;

Competitiveness

The company's products and services are unique characteristics which can be used to analyze competition of the communications equipment market in year 2019 as follows;

1. Network Infrastructure Market is the infrastructure necessary for mobile signal service providers government agencies, security agencies and television stations consisting of
 - Fiber optic networks are many service providers, including mobile signal service providers that self-invest.
 - Wireless Networks are fewer installations, but will be used as an additional network or as an ad hoc network. Investment is not high, and company has expertise and already sold to many government agencies.
 - Satellite communications networks are characterized by high flexibility, quick installation, ability to cover a wide area across the country both on the mountains, on islands, on mobile vehicles or on vessels. But the service fee and investment cost is high. Therefore, it was chosen only for important tasks such as mobile telephone services on the mountain or on islands, on ships, military agencies, government agencies and television stations. Currently, Thaicom Plc. is the sole satellite service provider. (Transponder) in Thailand which the concession will end in 2021. The government plans to open the skies for satellite business, the agencies can use the service from other satellite providers. This will expand the satellite market. Nevertheless, the company operates the business of selling satellite station equipment and mobile satellite communication vehicles for agencies for 25 years has high expertise and is a distributor of equipment from leading manufacturers. The company remains a leader in the satellite communications equipment market.
2. Communication market via visual, voice, and data (Collaboration) are used to communicate through the internet, covering all departments both public and private. Communication equipment consists of video conference systems, IP communications and telephony systems (UC / IP PBX) are large and constantly expanding and is one of the tools for digital transformation to increase the efficiency of both public and private agencies. In 2019, the company has distributed teleconferencing systems to approximately 400 private agencies and government sectors with a market share of more than 50%. This shows that the company is still a leading company in its field.
3. Digital TV market, although in 2019, digital TV operators are affected by disruption from the wave of changes in internet TV. Resulting in many television stations unable to continue business. However, the company has a wide variety of products and technology, it has sold television and radio transmitter system to television stations. Resulting in revenue from the digital TV market which still close to the target set.
4. The market of internet via fiber optic, at present, there are many large service providers providing fiber optic internet to the public on ground level. In this regard, PlanetComm has no policy to compete with the ground services. Therefore, The Company has a strategy to penetrate the market on tall buildings, Medium to high rise building or condominium. In 2019, The Company has already installed fiber network for 80 buildings and able to accommodate 50,000 units, having the advantage for most buildings that the company is the sole fiber optic internet service provider. Which provide high-speed internet at 1 Gb per second, many time more than VDSL and DOCCIS. Therefore, the company expects to expand the business by 2020.
5. Cloud Platform Provider market, the year 2019 is the beginning of moving towards to digital era. The market began to accept the use of cloud services such as Cloud Data Center, Cloud PBX, Cloud Meeting. The market has developed, and has demand for IoT devices and IoT Platform for smart city development, which is an opportunity to further grow the company's business.
6. Telemedicine market in year 2019, the NBTC has installed internet network at marginalized and remote areas. In order to provide equal treatment for people in remote areas, remote medical care is a part of the additional services of using the internet network with the increase in expected demand in the market by 2020.

Strengths

The Company has strengths that enhance competitiveness significantly as follows;

1. Digital Technology Leader: The Company has a expert engineering team who early access the technology resources. Therefore, able to fast apply the latest technology to the market, such as the Cloud IoT Platform, satellite communication systems, etc.
2. Partner with World Class Manufactures: The Company will directly be transferred the technology from manufacturer. Having enough knowledge to use technology such as Cisco, Thales, Comtech, Airbus, Poly, etc.
3. Trusted Providers: The Company operates the business of selling, designing, installing and after sales services for telecommunication systems for government agencies, military organizations and leading private organizations such as banks, factories, more than 1,000 people for more than 25 years, has been recognized and trusted in the work and can regularly present new technology
4. Service Center: To provides after sales service during the warranty for telecommunication systems that customers have invested in from the company for maximum efficiency.

Competitive strategy

1. New Products

To boost competitiveness and position the Company as a leader in telecommunications and digital TV markets in the AEC, the Company puts a strong emphasis on delivering innovative technologies with following policies:

Seek new products with high performance and sophistication, both from world-class telecommunications manufacturers for which the Company is a distributor and from new vendors that engage in cutting edge R&D. The Company can thus launch novel products and technologies in the market and maintain product and utility differentiation and to comprehensively serve customer needs.

2. Solution Sales

The Company has Develop R&D Team as well as engineer's proficient in integrated systems to customize solutions according to customer specifications and cater to different markets.

With the development of new types of services continuously, to meet ever-changing customer demands. The on-going development of new services, such as mobile satellite communications systems and on demand teleconference system, are part of the Company's sales strategy to enhance customer value added (CVA), for example, PlanetFiber 1Gbps high speed internet through fiber optic from the source to room unit, PlanetCloud, Software as a Service (SaaS.)

3. Professional Services

Held to strong 9001 standards of professionalism and customer care since 2001. ISO 9001 standards ensure that the Company's management maintains international quality and is subject to ongoing.

4. Retain the Existing Customers and Acquiring New Customers

With the availability of high-quality products and the latest technology. Personnel and engineers with expertise in design, fully integrated installation, work facilities in terms of location, reserve equipment, testing equipment, service center and past work experience, The Company is trusted by leading firm and organizations. Factory that can provide design, installation, telecommunication and digital TV systems for customers with quality and worthwhile investment.

As well as adding new products and developing new service platform to increase the number of new customers in new markets such as

- Smart Pole for smart city development, is the use of climate monitoring tools, dust concentration detector, telephone signal system, and at the electric car charts (EV), for example. The product is being offered to partners and government organizations which will initially be used to provide services in leading tourist districts
- Long distance treatment (Telemedicine) for hospitals and the health center by using technology that helps patients and medical staff to be able to talk to each other in real-time as well as communication through video conference system in which the conversational partner can connect face to face without restriction in time and place etc.

10 Technology trends in 2020.

Over the years, all countries worldwide, including Thailand, are aware of current and future technologies, especially artificial intelligence technology or AI and Machine Learning (ML), known as the most promising technology in 2020, because these technologies will be an important driver for Thai business sector which all industries are required to rely on the use of these technologies in order to increase production and service efficiency. According to Gartner, the consulting and Research Company, revealed 10 key strategic technology trends in 2020 under two concepts of People Centric and Smart Spaces as follows.

1. Hyperautomation

It is the integration of various automations to work on behalf of humans by application of advanced technologies, such as Artificial Intelligence or AI, Machine Learning or ML, finished softwares, tools and devices for automation, to support every process of hyperautomation including searching, analyzing, designing, automating, measuring, supervising, evaluating covering complicated devices and machineries or hyperautomation producing Digital Twin Organization which assists the Company to build up model for future prediction.

2. Multiexperience

It is the context change from humans' understanding in technology to be technology understands in human. The evolution of computers that increase interaction at many points. With wearable devices and advanced computer sensors such as Augmented Reality (AR), Virtual Reality (VR) and Mixed Reality (MR), it is expected that by 2028, the user experience will have a big change in relation to And the way users perceive and experience the digital world Including ways to interact and interact with the digital world All these changes, both in the form of cognition and interaction, will lead to a multi-sensory experience. (Multisensory) in many forms (Multimodal)

3. Democratization

Independent accessibility to technology means giving people accessible to techniques (such as ML, application development) or business expertise (such as sales processes, economic analysis) without long and costly training. Many costs, such as general developers as Data Scientists or system integrators without specialized expertise or programs developers or data creatinmodels without writing code. 4 important factors Accelerating Democratization trend include;

- Data collection and analysis tools used for scientists. Information will be extended to a professional developer community.
- Using AI tools for applications development
- Easier design process, based on automatelycdeveloppedadditional applications without code writingor code minimizing to enhance general developers' potential
- Personnel, out of IT field can use the tools and expertise systems for specific skills application.

4. Human Augmentation

It is the use of technology for cognitive and physical improvement. It is the important part of the augmentation user experienced in the physical field which improve or change human capabilities by implantation or installation of technology components on human body such as wearables items. Augmentation in cognitive part will be based on data accessibility and the use of applications on general computer systems, including interface multiexperience in a smart space environment, in which employees will try to use technology to enhance and expand their capabilities and experience and improve the workplace environment.

5. Transparency and Traceability

It is the protection and management of information with transparency and traceability. Due to the evolution of technology bringing to a crisis of reliability, consumers are more aware of personal information. Organizations give concern on their responsibility of data storage, like the GDPR law , applied worldwidein order to create the basic rules for various organizations including concept, operation supporting technologies and guidelines specially designed to support relevant regulations and supporting ethical and moral guidelines for the use of artificial intelligence (AI) and other advanced technologies, focusing on 3 main areas: (1) AI and ML (2) preservation, possession and personal information control and (3) ethical design

6. Empowered Edge

Edge Computing is the technology of data processing, gathering content and data storage near the endpoint. Empowered Edge can create intelligent spaces to take advantage of resources at the edge of the network in terms of increase of authorization and decisions for the edge of the network

Nowadays, due to necessity of IoT systems available in various devices in industries, for example, manufacturing or retailing industries, in the future, Edge Computing will be an important factor for every industry and every application. Because the periphery of the network is empowered with advanced computing resources and more specialized applications, Including more storage devices , complicated client equipment such as robots, drones, unmanned vehicles and opeating system which can bring to rapid change.

7. Distributed Cloud

Distributed cloud system or distributing public cloud services to various locations outside the physical data center of the cloud service provider unlike most public cloud services, centralized features (Centralized) but this distributed cloud is still controlled by the service provider. Distributed cloud allows the data center to be located anywhere for technical trouble shooting such as delays and regulatory challenges. This change will lead to a new era of cloud computing.

8. Autonomous Things

It's an automatic device that can be controlled independently, such as drones, robots, ships and devices using AI to interact with people or things around them, used in closed areas such as mines or warehouses. Prospectively, in the future, there will be changes from smart devices with single operation to a group of intelligent devices with integrated operation. They may be independent from humans or may be commanded by humans, for example, a variety of mechanical arms working together in an assembly plant. In the logistics business, the most effective solution is to use automated devices to transport parcels to targeted areas. The robot and drone traveling with vehicle may deliver the package to the recipient's destination.

9. Practical Blockchain

Blockchain is a network system for keeping accounts for online transactions, like a spider web used for storing financial transaction statistics and other assets in the future without intermediaries. It is a financial institution or the Blockchain liquidation bureau without intermediaries which makes the transaction costs cheaper and may result in an intermediary financial institution including various liquidation offices which will become unnecessary in the future. In case of complete replacement by this technology, for example, with a transaction through Bitcoin, a Token Code will be created to communicate with the Blockchain and check if the Bitcoin is reliable before preceding such transaction.

Nowadays, blockchain has not been popular among large organizations yet due to the lack of flexibility and collaboration, but in the future, in 2023 it is expected that the complete blockchain technology "Blockchain Complete" will be potential in changing industry and economy with AI and IoT compatibility.

10. AI Security

AI and ML are used to enhance human decision making in a variety of applications, enhancing opportunities to support the Hyperautomation system (Hyperautomation) and use of automation devices (Autonomous Things) for business development. However, there is some weakness on security from attacks in use of IoT, cloud computing, micro-services and systems that are widely connected in the smart space. Security teams must be aware of and utilize AI for data security, focusing on 3 main things, including

- System protection driven by AI
- Using AI for security improvement
- Anticipation on AI operation by the attackers against network.

Distribution Channel and Target Customers

The Company distributes its products and services using two methods as follows:

- Distribution of products and services directly to customers

Sale Department contacts customers directly to discuss products and services. Sales personnel are divided into five teams by target sector, due to different business methods and characteristics. The department is responsible for customer care and offering a variety of services, as well as customizing services to fulfill client specifications. The Company's customers include both public and private organizations categorized as follows;

a. Broadcasting Sectors are consisting of terrestrial, satellite, cable and internet protocol TV (IPTV) operators as well as related business. These operators broadcast video and audio signals to the general public locally. Examples include Bangkok Broadcasting & TV Co., Ltd (Channel 7), Royal Thai Army Radio and Television Station (Channel 5), True Visions Cable PLC., MCOT PCL, BEC Multimedia Co., Ltd (Channel 3), The One Enterprise Co., Ltd (GMM One) and Triple V Broadcast Co., Ltd. (Thairath TV).

b. Telecommunications Service Provider Sectors are consisting of service providers of information networks, mobile phone networks and internet networks. Example includes True Corporation PLC, Total Access Communications PLC (DTAC) and Thaicom PLC.

c. Commercial Sectors are consisting of businesses that require implementation of intra-network systems for company information, communications and applications. Examples include Toyota Motor Thailand Co., Ltd., CP All Public Company Limited, Nissan Motor (Thailand) Co., Ltd. and PTT Public Company Limited.

d. Public Sectors are consisting of public agencies and state enterprises that require to develop intra-organizational information and communications technology infrastructure systems. State procurement methods mostly involve procedures similar to those under government regulations, e.g. request for tender (RFT), e-Auction, etc. Public entities that engage telecommunications services include the Royal Thai Police Headquarters, Court of Justice, Ministry of Finance, Royal Thai Armed Forces Headquarters, Chulalongkorn University, Mahidol University, Kasetsart University, Metropolitan Electricity Authority and Provincial Electricity Authority.

e. International Sectors are consisting of agencies and organizations from foreign nations, particularly in ASEAN region such as Vietnam, Malaysia, Cambodia and Myanmar. Examples include Telekom Malaysia Berhad, Camintel S.A., Scope Tel Sdn.Bhd, and the Department of Civil Aviation (Myanmar).

- Distribution of Products and Services via Business Partners

The majority of the Company's business partners are also in the ICT industry, purchasing the Company's products and services in addition to their own, for sales and tenders. These partners include Samart Telcoms PCL., Loxley Wireless PLC, SVOIA PLC and Supreme Distribution (Thailand) Co., Ltd.

	2017		2018		2019	
	(million baht)	%	(million baht)	%	(million baht)	%
Distribution directly to customers	641.98	95.07	642.44	85.70	742.63	88.92
Broadcasting Sectors	123.86	18.34	112.48	15.00	82.38	9.86
Telecommunication service provider Sectors	67.61	10.01	100.68	13.43	269.16	32.23
Commercial Sectors	153.00	22.66	151.73	20.24	148.08	17.73
Public Sectors	278.24	41.21	259.95	34.68	218.91	26.21
International Sectors	19.28	2.86	17.60	2.35	24.10	2.89
Distribution via Business Partners	33.26	4.93	107.22	14.30	92.52	11.08
Total	675.24	100.00	749.66	100.00	835.15	100.00

History of business achievements by client organizations, project/product and revenue from 2016-2018

Year	Customer Name	Project / Product	Revenue (Mil. Bt.)
Telecommunications Products			
2019	Office of the Permanent Secretary	Video Conference System	12.43
2019	Communications and Electronics Royal Thai Air Force	VHF/UHF/AM Multiband Radio	24.61
2019	Court of Justice Thailand	Broadcasting System	4.67
2019	Department of Disaster Prevention and Mitigation	Video Conference Components	4.46
2018	Thaicom Public Company Limited	Maritime Satellite Communications Turnkey Solution for Royal Thai Navy	41.68
2018	Court of Justice Thailand	COJ Network Phase 2 - Computer Network System: 61 Sites	39.40
2017	Royal Thai Navy	RTN C4I Spare part - Control and Command Center System	36.44
2017	Royal Thai Army	Tactical Satellite Communication System	80.40
2017	Royal Thai Navy	Unified Communication System (IP PBX)	23.36
2017	Aeronautical Radio of Thailand Ltd.	Spare part for Satellite Communication	22.91
Broadcasting and Digital TV Products			
2019	The Government Public Relations Department 4, Phitsanulok	FM Radio 1kW for Radio Thailand, Sukhothai	6.42
2019	The Government Public Relations Department 2, Ubon Ratchathani	FM Radio 1kW for Radio Thailand, Mukdahan	6.35
2019	The Government Public Relations Department 6, Songkhla	AM Radio 10kW for Radio Thailand, Yala	8.99
2018	TOT Public Company Limited	Digital Terrestrial Television Broadcasting (DTTB) Network Monitoring on Service Availability	13.49
2017	MCOT Public Company Limited (MCOT)	10 Stations: MCOT Facilities for Digital TV Transmission Stations	79.76
2017	Thai PBS	Digital TV Transmitter	22.95
Products Distributed Under the PlanetComm Brand			
2019	Department Of Communication - Royal Thai Army	Telecom Maintenance for Mobile Station	9.10
2019	TrueMove H Universal Communication Co., Ltd	3G/4G Mobile Base Station	18.00
2018	Royal Thai Police	C-Band Satellite Mobile Vehicle	55.7
2017	Naval Ordnance Department	Jammer: WT-Defender	1.60

Pricing policy

The Company's pricing policy varies according to the type of product or service

1. Products for which the Company is an authorized distributor are priced based on product expense plus an appropriate markup percentage (cost-plus pricing), while accounting for market prices set by competitors.
2. Products under the PlanetComm brand are priced by accounting for the market prices of comparable products set by competitors.

Product Procurement

The Company selects and procures quality products from appropriate sources. Most products have been authorized for distribution by manufacturers due to the Company's expertise in product features. Regarding products for which it is not an authorized distributor, the Company acquires them through manufacturers on the Approved Vendor List. The List includes vendors that have been pre-screened by the Company for quality and services. Details are as follows;

1. Products related to Telecommunications Systems

a) Wireless Networks

Product Group	Type	Brand-Vendor
Satellite Communications	Satellite Modem	Comtech EF Data - Comtech - Comtech EF
	Up/Down Converter	Data Corporation
	Satellite Transceiver	Advantech – Advantech Wireless Inc.
	Satellite Antenna	Viasat - ViaSat, Inc.
	Very Small Aperture Terminal System	GD Satcom - SATCOM technologies
		Thinkom - ThinKom Solution, Inc.
		ETL – ETL Systems Ltd.
Terrestrial Communications	Wireless Broadband System	Norsat – Norsat International Inc.
		Gigasat – Ultra Electronics GigaSat
	Wi-Fi Communications System	Iridium - Iridium Communications Inc.
		Cambium – Various Vendors
		Cisco – Various Vendors
Radio Communications	Digital Radio Communications System	Mimosa – Mimosa Networks, Inc.
		Will-Burt – The Will-Burt Company
	Network Radio Communications System	DTC - Domo Tactical Communications Ltd.
		JPS Raytheon – Raytheon Company
	SCADA System	GE MDS – General Electric International, Inc.
		Barrett Communications
		Harris

b) Wired Networks

Product Group	Type	Brand-Vendor
Data Network	Router	Cisco - Cisco Systems, Inc
	Converter	Patton – Patton Electronics Company
Fiber Optic Network	Fiber-Based Signal Transfer Equipment	Calix – Calix, Inc.
	Fiber Optic Cables and Passive Components	3M – 3M Global Channel Services, Inc.
Security Network	Data Protection System	Thales – Thales Transport & Security (Hong Kong) Ltd.
		nCipher - nCipher Security Ltd.
	Information Technology Security System	SRAN - SRAN Technology Co., Ltd.
		Cobwebs - Cobwebs Technologies Ltd.
		BeyondTrust – BeyondTrust, Inc.
		LogRhythm – LogRhythm, Inc.

c) Telepresence and Collaboration Systems

Product Group	Type	Brand-Vendor
TelePresence and Video Conferencing	TelePresence Video Conferencing System and Feature Systems	Cisco - Cisco Systems, Inc
Unified Collaboration	IP Telephony	Poly – Poly Inc.
Audio Conferencing	Equipment for Meeting Room System	Extron Electronics Asia Pte Ltd. Kramer - Kramer Electronics Ltd. Clearone - ClearOne Communications, Inc.

2. Products Related to Broadcasting and Digital TV Systems

Product Group	Type	Brand-Vendor
Content production	Professional Studio Camera System	Sony – Sony Corporation
	Wireless Professional Camera System	DTC – Domo Tactical Communications Ltd.
	Video and Audio System	Evertz - Evertz Microsystems Ltd.
	Media Asset Management System	Sony – Sony Corporation
	3G/4G Broadcasting System	Evertz - Evertz Microsystems Ltd.
Content Distribution and Transmission		DALET – Dalet Digital Media Systems
		TVU - TVU Networks Corp.
	Television Headend System	Harmonic – Harmonic Inc.
	Television Transmitter System	AppearTV
	Network Design and Planning Software	Tredess – Tredess 2010 S.L.
	RF Component	Kathrein – Kathrein Indochina Co., Ltd. Jampro – Jampro Antennas, INC.

Authorized distributor agreements granted to the Company generally carry a term of 1-2 years, which is normal practice for distributor agreements in the IT industry. However, the Company has a good relationship with manufacturers and vendors based on long-standing business. Therefore, the Company strongly believes that it will continue to be the distributor for these manufacturers. Good business relationships benefit the Company in terms of technical assistance, special discounts, timely delivery, prevention of product shortage, etc. The Company purchases products from both local and overseas manufacturers and vendors.

Amount and proportion of products purchased by the Company from domestic and overseas source from 2017-2019

Source	2017		2018		2019	
	(Million Baht)	%	(Million Baht)	%	(Million Baht)	%
Domestic	334.00	52.92	286.67	62.78	516.32	77.84
Overseas	297.09	47.08	169.94	37.22	147.03	22.16
Total	631.09	100.00	456.61	100.00	663.34	100.00

Backlog

As of December 31, 2019, the company has backlog, approximately revenue 218 million baht, Which is expected to be completed by 2020, expected to be approximately 70 percent that will be delivered within first quarter and the rest will be delivered within second quarter.

Therefore, the company does not have any undelivered projects with values of 10% or more of total revenue as of 31 December 2019.

Environmental impact

As the company is a service provider and distributor of telecommunications and digital TV technology by providing a full range services of design, installation, distribution of communication systems and digital TV systems services. We are not a manufacturer. Therefore, we do not have operations that directly affect the environment. However, the company is committed to preventing pollution caused by system integrator services and other activities of the company in order to comply with environmental management standards as well as encouraging all employees to be aware and contribute and participate in environmental management such as waste separation, water and air pollution reduction by the following details in section 2 in the topic of "Responsibilities to society"

Risk Factors

1. Risks from Technological Changes

Operating in the telecommunication sector means that we are subject to rapid and ongoing technological changes, which can affect our performance in terms of inventory, overhead and opportunities to secure tenders for supplies and services.

Therefore, the Company is always prepared for such technological changes. With over 30 years of experience, our executives fully understand the IT industries. As a dealer for world-class manufacturers, we stay up to speed with new technologies and market trends. Our R&D team also stays abreast of technical developments. We encourage all related employees, especially those in the Engineering and Marketing Departments, to constantly undergo training in new technologies and products. The Company only retains products with constant inventory turnover. Part of the Company's competitive edge is our practice of holding audio conferences and telepresence video conferences with clients to respond quickly and adapt to their ever-changing demands. To reduce the risk of products becoming obsolete or depreciating, we place supply orders only when the Company has been awarded the contract.

2. Risks from Dependency on Major Distributors

Our business involves buying products from manufacturers or other distributors and selling them to our clients. We are business partners with Cisco Systems International B.V. (henceforth, "Cisco"), a world-renowned manufacturer of high quality, durable IT and telecommunication devices. Our purchases from Cisco in 2016, 2017 and 2018 constituted 7.4%, 15.8% and 9.02% of our total purchases during those respective periods. There is the risk of Cisco retailing their own products and ending their partnership with the Company.

However, this risk is remote because Cisco has clearly expressed intentions to expand business through their partners and distributors, which help the manufacturer reduce overhead and reach more customers. The Company has also maintained good relations with Cisco for a decade, during which we have improved our operations in compliance with CISCO standards. The Company was appointed as a Master Authorized Technology Partner for Cisco's Telepresence systems in Thailand in 2012, and received the Top Congeniality Collaboration Partner Award and Premier Certified Partner under the Cisco Channel Partner Program in 2013. However, one of the Company's policy is to maintain relationship with other partners to reduce risks from Dependency on Major Distributors.

3. Risks from Dependency on Staff

IT and telecommunications industries require people who have profound knowledge and expertise in design, installation, operation, marketing and consultation services. This competency is expected of engineers with proficiency certificates from CICO, CODAN, etc. Loss of qualified staff can adversely affect our business.

Therefore, the Company focuses on human resources development. Our engineers have certificates from CISCO and CODAN and have worked with us for over a decade; we encourage all of our employees to learn more about our products and technologies to improve their performance. We offer training, pay and fringe benefits similar to those offered by other companies in the same industry. Our engineers who have worked with us for over 10 years got the certificate from CISCO and CODAN. Therefore, the Company has policy to encourage our staffs' knowledge and training to get more certificate from CISCO, CODAN, and other partners.

4. Risks of Failure to meet Project Deadlines

The Company provides IT service under contracts that generally require 3 to 6 months to fulfill, depending on their size and complexity. Failure to deliver product within the project deadline will result in paying penalties which reduce revenue. However, we have never had to pay a significant penalty for failure to deliver on any project within the deadline.

To minimize these risks, our Project Management Office plans work schedules and resolves any timeframe issues to ensure the Company meets its deadlines.

5. Risks from Exchange Rates

Importing products for sales in Thailand means they are purchased in foreign currencies, mostly the US dollar, and sold in Thai baht. Therefore, the Company incurs certain risks from exchange rate fluctuation. In 2017-2019, products were purchased in foreign currencies equivalent to 297.09 million baht, 169.94 million baht, and 147.03 million baht respectively. Foreign purchases accounted for 47.03%, 37.22%, and 22.16% of our total purchasing in those periods.

To minimize risks from exchange rate fluctuation, the Company incorporates these currencies into the production and project cost calculations when drawing up contracts.

In 2017, the Company lost on foreign exchange rate for 5.14 million baht and the Company gained on foreign exchange rate, amounting of 4.57 million baht in 2018 due to the weak of USD against Baht appreciated in second half. In 2019, the company gained on foreign exchange rate amounting 1.97 million baht.

6. Risks from Fluctuating Contract Revenue

The Company largely depends on revenue from contracts with government agencies for supplies and services. Contract revenue accounted for 41.21%, 34.68%, and 26.21 % in 2017-2019 respectively that effected to the company's performance quarterly from the government agencies approved their budgets in the third and fourth quarter, which plays a factor in tenders for those periods. However, their budgets are now evenly distributed throughout the year, which translates to evenly distribute public contract revenue, led to more consistent revenue of the Company.

7. Risks from Dependency on Executives

Established by Mr. Prapat Ratlertkarn and Mr. Trevor John Thompson, who have been in industry for more than 30 years and currently assume important management roles, the Company heavily relies on them. While PlanetComm is exposed to a certain level of key person risk, Mr. Prapat Ratlertkarn and Mr. Trevor John Thompson, including their dependents, each hold 31.58% of paid registered shares. Therefore the two executives have a vested interest in maintaining the value of their assets in the Company and ensuring its growth and prosperity. Meanwhile, PlanetComm continues to hire more professionals to expand management.

The Assets of Business Operations

1. The details of assets of business operations

As at 31 December 31, 2019 The Company, The Company and Subsidiaries' Company had assets in the business operation as follow;

Type of Assets	Ownership	Obligation	Net Book Value As at 31 December 31, 2019 (Million Baht)
Leasehold Improvement	Owner	Non-Obligation	4.86
Testing Equipment and Network Equipment	Owner	Non-Obligation	247.07
Motor Vehicles	Owner	Some are under Obligation with Hire-Purchase Agreements	24.38
Furniture, Fixtures and Office Equipment	Owner	Non-Obligation	80.59
Total			359.90

2. Investment in Subsidiary and Associated Policy

PlanetFiber Co., Ltd.

On March 23, 2017, the Company's Board of Directors Meeting passed a resolution to approve the incorporation of PlanetFiber Company Limited with a registered capital of Baht 5 Million (500,000 ordinary shares of Baht 10 per share) in which the Company's interest is 100%. The subsidiary registered its incorporation with the Ministry of Chamber on August 16, 2017 with initially called up Baht 2.50 per share (called up 25% of registered capital), or a total of Baht 1.25 million. The Company paid in share capital in proportion to its interest, amounting to Baht 1.25 million. In August, 2019 The Company paid in full of share capital (100% of registered capital), or a total of Baht 5.00 million.

PlanetCloud Co., Ltd.

On August 8, 2019, the Company's Board of Directors Meeting passed a resolution to approve the incorporation of PlanetCloud Company Limited with a registered capital of Baht 5 Million (500,000 ordinary shares of Baht 10 per share) in which the Company's interest is 100%. The subsidiary registered its incorporation with the Ministry of Chamber on October 10, 2019 with initially called up Baht 2.50 per share (called up 25% of registered capital), or a total of Baht 1.25 million. The Company paid in share capital in proportion to its interest, amounting to Baht 1.25 million.

However, the Company may consider investing more in business that support and benefit to the Company's business or a related field in an industry with a growing trend. In consideration of the rate of return from the investment, the Company will perform operations to be in compliance and the announcement of Capital Market Supervisory Board and the Stock Exchange of Thailand, include the related laws. The company will send our commitments to impose policies, and/or will send a representatives to be an executives to participate in management, which depending on each case.

Conflict of laws

- None -

Management Structure

The Company management structure consists of the Board of Directors and four committees, including (1) Audit Committee, (2) Nomination, Remuneration and Corporate Governance Committee, (3) Risk Management Committee and (4) Executive Committee. The Directors, Audit Committee members, Executive Committee members and the Company's management have qualifications as stipulated under Section 68 of the Limited Public Company Act, B.E. 2535 and applicable SEC's announcements. The details are as follows:

1. Board of Directors

As of December 31, 2019, the Company's Board of Directors consisted of seven Directors including five Non-Executive Directors (1) as follows

Name - Surname	Title	Appointed as Director on
1. Dr. Ruttikorn Varakulsiripunth(1)	Independent Director & Chairman	June 21, 2018
2. Mr. Prapat Rathlertkarn	Director & Vice Chairman	April 27, 1994
3. Mr. Trevor John Thompson	Director	April 27, 1994
4. Dr. Wichai Laohmatvanich(1)	Independent Director & Chairman of Audit Committee	January 25, 2018
5. Mrs. Sutharak Soonthornpusit(1)	Independent Director & Audit Committee Member	December 30, 2011
6. Mr. Somkid Wangcherdchuwong(1)	Independent Director & Audit Committee Member	May 12, 2015
7. Mr. Thibdee Mangkalee(1)	Independent Director & Audit Committee Member	June 21, 2018

Note :

(1) Non-Executive Director

Authorized Directors

The Company's authorized persons are (1) Mr. Prapat Rathlertkarn and Mr. Trevor John Thompson jointly affix their signatures and the Company seal.

Scope of powers and duties of the Board

1. To operate and manage the Company's business according to applicable laws, the Company's objectives, Articles of Association and resolutions of shareholders' meeting, together with, make all efforts to protect the Company's interests.
2. To have the balance sheet and profit and loss statement prepared and audited at the end of the Company's accounting period, for presentation at the shareholders' meeting for review and endorsement.
3. To set targets, adopt guidelines and policies, make operation plans and allocate budgets, as well as oversee the management and administration of executives or persons assigned to such tasks to ensure compliance with the Company's policies.
4. To review, scrutinize and approve policies, orientations, strategies and operation plans including monitor, evaluate, and oversee the quarterly reports proposed by management.
5. To set the policy and oversee of the system to support the Anti-Corruption efficiency to ensure that the management realize and prioritize for Anti-Corruption and cultivate into the Company's culture.
6. To set the management structure, appoint Managing Director, Executive Committee and other Committee and designate the scope of their powers and duties.
 - The Executive Committee, the Managing Director and other Committees so appointed shall not have powers or duties to consider and approve any transactions that potentially cause conflict of interest with the Company or any of its affiliated companies (if any), otherwise approved in accordance with the Company's policies and criteria set forth by the Board of Directors.
7. To authorize as they see fit one or many Directors to perform any acts for and on their behalf with defined powers for a specific period, and to also revise or revoke such authorization at any time.
 - Such authorization shall not be for having powers or duties to consider or approve any connected transactions in conflict with the Company or its affiliated company (if any) in accordance with Notification of the Capital Market Supervisory Board or the Securities and Exchange Commission, otherwise approved in accordance with the Company's policies and criteria set forth by the Board of Directors.

In brief, the Authorizations (approval) of the Board are as follows:

1. To approve the setting and modification the Company's rules and regulations, organization structure, level of authorizations, finance and accounting policies, accounting improvement, and procurement regulations.
2. To approve annual business plan and budgeting, including annual investment.
3. To approve appointing authorize persons which related to bank and financial institutes.
4. To approve loan or increasing loan with bank and financial institutes complying with level of authorization.

Roles and Duties of Chairman

1. To act as leader of the Company's Board of Directors to supervise and oversee the management and operation of the Company's Executive Committee and other Committees to achieved the set objectives.
2. To act as chairman of the Company's Board of Directors and shareholders' meeting
3. To give award in case of draw votes by the Company's Board of Directors'

2. Audit Committee

As of December 31, 2019, the Company's Audit Committee was comprised of four (4) Independent Directors namely:

Name - Surname	Title	Appointed on
Dr. Wichai Laohmatvanich	Chairman of Audit Committee	February 23, 2018
Mrs. Sutharak Soonthornpusit	Audit Committee Member	December 30, 2011
Mr. Somkid Wangcherdchuwong	Audit Committee Member	February 23, 2018
Mr. Thibdee Mangkalee	Audit Committee Member	June 22, 2018

Ms. Wanwimol Jongsureeyapas is the Secretary of the Audit Committee.

Scope of powers and duties of Audit Committee

1. To audit the Company's account to ensure that financial reports contain complete and correct information.
2. To audit the Company's internal control and internal audit to ensure they are appropriate and efficient, to ensure the independence of internal audit personnel, to engage, transfer and disengage internal audit chiefs or any persons related to the internal audit.
3. To review the system of internal control, internal audit and risk management relating to the risk that may occurs from corruption and to follow by the anti-corruption policy to ensure that the operation is concisely, appropriately and efficiency, including to review whistle blowing policy.
4. To audit the Company with regard to securities and stock exchange laws and regulations and laws applicable to business operations.
5. To consider, recruit and appoint an independent auditor of the Company and set remuneration, to convene a meeting with the auditor at least once a year without management present as well as to approve and terminate hire for external auditor.
6. To examine connected transactions, to act in the best interests of the Company to ensure compliance with laws and the regulations of the stock exchange.
7. To issue the annual audit report signed by the Audit Committee Chairman for disclosure in the Company's annual report. The annual audit report must at least contain observations and recommendations on the following
 - (a) the correctness , completeness and reliability of the Company's financial statements.
 - (b) the adequacy of the Company's internal control.
 - (c) the Compliance with securities and stock exchange laws and regulations, or laws applicable to the Company's operations.
 - (d) the qualifications of the auditor.
 - (e) the connected transactions that may cause a conflict of interest.
 - (f) the number of meetings attended by each Audit Committee Member.
 - (g) the findings from duties performed as Audit Committee according to the Charter.
 - (h) the information to be given to shareholders and investors as required by the Audit Committee as set forth by the Board of Directors.
8. To perform other acts assigned by the Board of Directors, subject to the approval of the Audit Committee.

3. Nomination, Remuneration and Corporate Governance Committee

As of December 31, 2019, the Nomination, Remuneration and Corporate Governance Committee were comprised of three independent directors namely;

Name - Surname	Title	Appointed on
Mr. Somkid Wangcherdchuwong	Chairman of the Committee	February 23, 2018
Mrs. Sutharak Soonthornpusit	Committee Member	November 30, 2011
Dr. Wichai Laohmatvanich	Committee Member	February 23, 2018

Scope of powers and duties of Nomination, Remuneration and Corporate Governance Committee

1. Nomination

(1.1) To deliberate on the structure and number of members on the Board of Directors and Committee(s) and the professional background and expertise of each director or Committee member in relation to the nature of the Company's business and industries by Board Skill Matrix method.

(1.2) To deliberate on the qualifications of a candidate for independent director according to the Company requirements and SEC regulations.

(1.3) To set forth the criteria and procedures for recruitment and engagement of directors, and publish them in the Company's annual report and website. For example, the extension of directorships ;the engagement of new directors ;the nominations by shareholder or incumbent directors; and the recruitment of new directors via employment agencies or directory of professional directors.

(1.4) To establish a development plan for incumbent and new directors to understand their roles, the Company's businesses and developments.

(1.5) To make succession plan to ensure uninterrupted operations. This involves grooming people for CEO, CTO, and other high-level executives who may be nearing retirement or will otherwise no longer be able to perform their duties

2. Remuneration

(2.1) To establish rates of remuneration and other fringe benefits for directors in a clear and transparent manner and present them for approval by the Board of Directors or the shareholders' meeting.

(2.2) To ensure that directors receive remuneration proportionate to their duties and responsibilities.

(2.3) To lay guidelines on director performance assessment for consideration of annual rewards.

(2.4) To disclose in the Company's annual report the policies on remuneration and all types of payments.

(2.5) To propose the rates of remuneration for directors and Committee members to the Board of Directors and the shareholders' meeting for approval.

(2.6) To review proposals on the management of remuneration policies and other fringe benefits for employees and payment schedules and submit recommendations to the Board of Directors.

3. Corporate Governance

(3.1) To adopt corporate governance policies and submit them to the Board of Directors for approval; to follow up on practices to ensure compliance with said policies; to review said policies on a continual basis to ensure relevance.

(3.2) To monitor the Company's practices and ensure compliance with the corporate governance principles of the regulatory agencies such as SEC and SET.

(3.3) To assess the annual performance of the Chairman, Directors and Committee members.

(3.4) To self-assess their performance on a continual basis and report to the Board of Director

(3.5) To perform acts as required by laws, rules, notifications, regulations or orders of related authorities.

4. Risk Management Committee

As of December 31, 2019, the Risk Management Committee was comprised of three independent directors namely:

Name - Surname	Title	Appointed on
Mrs. Sutharak Soonthornpusit	Chairman of the Committee	Chairman of the Committee
Mr. Somkid Wangcherdchuwong	Committee Member	Committee Member
Dr. Wichai Laohmatvanich	Committee Member	Committee Member

Scope of powers and duties of Risk Management Committee

1. To set a clear agenda; to state, analyze and examine major risk factors; and to adopt strategies for managing risks.
2. To establish the Company's risk management measures for all departments.
3. To oversee and support on the risk management pertaining to the corruption, anti-corruption by evaluating the risk of corruption and to review its policy appropriately.
4. To communicate such measures to all employees and ensure their compliance.
5. To arrange for systematic and constant assessment / analysis of possible losses and damages in all stages of business operations.
6. To constantly improve risk management for the entire organization in line with international standards.

5. Executive Committee

As of December 31, 2019, the Executive Committee was comprised of two members:

Name - Surname	Title
Mr. Prapat Rathlertkarn	Chairman of Executive Committee
Mr. Trevor John Thompson	Vice Chairman of Executive Committee

Scope of Powers and Duties of Executive Committee

1. To propose targets, policies, annual budgets, business plans and strategies to the Board of Directors for approval.
2. To monitor the Company's operations and ensure compliance with the policies, plans and budgets as approved by the Board of Directors.
3. To consider and approve the Company's regular activities in line with the Board-approved budget.
4. To present organization structure and management to the Board of Directors for approval.
5. To appoint or hire consultants for Company management to ensure efficiency.
6. To determine the Company's profits or losses and propose interim dividend payments to the Board of Directors for approval.
7. To authorize person (s) to perform act (s) under its responsibilities or grant such person(s) the power for a period they see fit. The Committee reserves the right to revise or revoke such authorization or replace such person (s).
8. To perform other acts assigned by the Board of Directors.

Such authorization and responsibilities of the Board of Directors shall not be the authorization or assignment for the authorized person to give approval for any transactions that may be in conflict with oneself or any other persons (As defined by the notification of the Capital Market Supervisory Board and / or the Stock Exchange of Thailand And / or related agencies as specified) potentially having any gains or losses or any conflict of interests with the Company and/or its affiliated companies and /or any associated companies which the Board of Directors has no mandate to give approval for such transaction. Such transaction shall be proposed to the board of directors' meeting and / or the shareholders' meeting (as the case may be) for approval, unless the approval given for normal business transactions and normal commercial terms and conditions in accordance with the notification of the Capital Market Supervisory Board and / or the Stock Exchange of Thailand and / or related agencies as specified.

6. Company Secretary

The Company's Board of Directors' meeting no. 8/2017 held on September 7, 2017 resolved in favor of appointing Mr. Prapat Rathlertkarn to be the Company Secretary, effectively from September 8, 2017 onwards in compliance with Section 89/15 of the Securities and Stock Exchange of Thailand Act, B.E. 2535, revised by the Securities and Stock Exchange of Thailand Act (No.4), B.E. 2551.

The Secretary has the following duties and responsibilities:

1. To prepare and keep records of the following documents
 - (a) Registry of Directors
 - (b) Invitations to Board Meetings, minutes of Board Meetings and the Company's annual report
 - (c) Invitations to shareholders' meetings and minutes of shareholders' meetings
2. To keep records of connected transactions reported by directors and executives
3. To advise the related legal and regulations to the Board including oversee the Board activities.
4. To perform other acts as set forth by the Notifications of Capital Market Supervisory Board.

7. Management

As of December 31, 2019, the company has six managements as follows:

Name - Surname	Title
Mr. Prapat Rathlertkarn	President and Chief Executive Officer
Mr. Trevor John Thompson	President and Chief Technology Officer
Mr. Satit Rathlertkarn	Executive Vice President of Sale
Mrs. Ratana Suwan	Executive Vice President of Finance and Account
Miss Wannapha Weeracharoen	Vice President of Operation
Mr. Veerasak Athornchaikul	Vice President Marketing and Business Development

Note :

Chief Executive Officer (CEO) and Chief Technology Officer (CTO) shall limit to be as the director of three companies only.

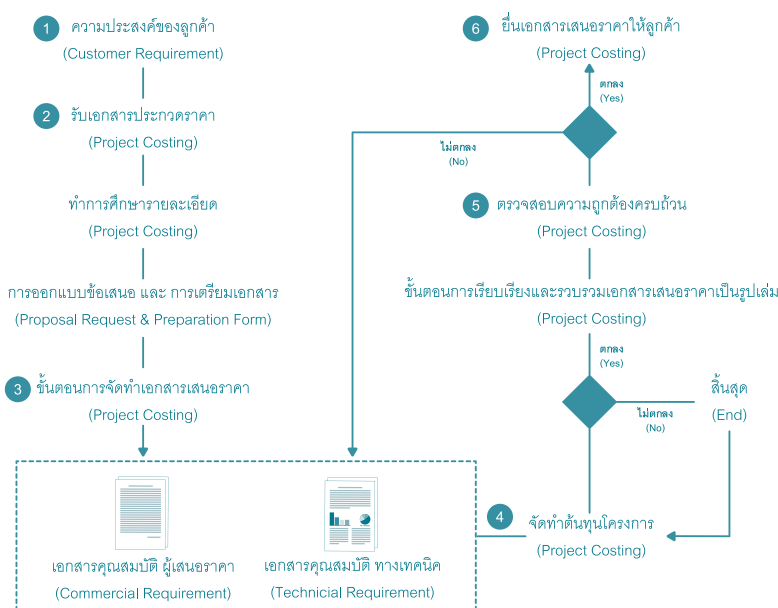
Scope of powers and duties of Executives

1. To oversee the Company's daily operations and managements.
2. To operate and manage the business according to policies, plans and budgets approved by the Board of Directors and/or the Executive Committee.
3. To adopt policies, make plans, build strategies and allocate annual budgets ;to propose them to the Executive Committee and the Board of Directors for approval.
4. To consider and approve the Company's regular transactions such as sale of goods and purchase of raw materials for the amount within the scope of powers granted by the Board of Directors ; to consider and approve the purchase of property with the budget approved by the Board of Directors.
5. To constantly follow up and assess the Company's operations; to prepare and submit reports on the performance, management and work progress to the Executive Committee, Audit Committee and Board of Directors.
6. To consider and approve the business contracts for values within the scope of powers granted by the Board of Directors.
7. The managements has duty to response on setting the system to support anti-corruption policy to communicate with the employees and related persons including, to review the proper process as well as others measurement to be in line with the change of the company's business, regulations, rules and legal requirements.
8. To issue orders, regulations, notifications and notes with respect to Company operations in compliance with its policies, for maintaining discipline in the organization and in the interests of the Company.
9. To perform other duties as assigned by the Executive Committee or the Board of Directors.

The Chief Executive Officer, or authorized equivalent who may have a conflict of interest with the Company, its affiliates, subsidiaries or related companies (as set forth in the Notifications of Capital Market Supervisory Board, the SEC or other competent agencies) may not approve any connected transactions, but propose such transactions to the Board Meeting or the shareholders' meeting for approval, the exception being approval of regular transactions on an individual basis as set forth in the Notifications of the Capital Market Supervisory Board, the SEC or other competent agencies.

Have served many state agencies, the Company has set forth legitimate and efficient procedures for tender approval with government offices as follows;

- 1.The Company's Sales Department receives terms of reference (TOR) for tender for customer's requirements.
- 2.The Sales Department shall study commercial and technical requirements carefully before decision for bid submission.
- 3.The Sales Department and Sales Coordinator prepare tender documents such as lists of equipment and devices, technical specifications and other essential documents required by the customer.
- 4.The Sales Coordinator collects the lists of equipment and devices and cost analysis. The Head of Sales Department performs a cost analysis and submit it for approval by authorized persons. Approval is granted only when authorized persons are sure that the Company potentially completes the project for the proposed contract price.
5. The Sales Department and Sales Coordinator jointly examine all the bid documents to verify accuracy and submit them for written approval by authorized persons.
6. The bid is then submitted on the date and time required by the customer. If the Company is awarded the contract, the Sales Department and Legal Department (in some cases) will carefully review the contract before signing. The authorized person will empower the employee in charge of the project to sign the contract.



Remuneration for Directors and Executives

1. Monetary Remuneration

1.1 Directors

The company's Board of Directors approved the remuneration structure for Directors in 2017 - 2019 as follows:

Year	Remuneration (Baht/person/year)
2017	Not exceeding 500,000 Baht (totally eight directors not exceeding 4,000,000 Baht)
2018	
2019	Not exceeding 500,000 Baht (totally seven directors not exceeding 3,500,000 Baht)

Remunerations for Executive Committee and other committees	2017		2018		2019	
	Monthly remuneration (Baht / person / month)	Attendance Fee (Baht / person / time)	Monthly remuneration (Baht / person / month)	Attendance Fee (Baht / person / time)	Monthly remuneration (Baht / person / month)	Attendance Fee (Baht / person / time)
1. Board of Directors						
- Chairman	30,000	10,000	30,000	10,000	30,000	10,000
- Directors	20,000	10,000	20,000	10,000	20,000	10,000
2. Audit Committee						
- Chairman	-	25,000	-	25,000	-	25,000
- Directors	-	25,000	-	25,000	-	25,000
3. Nomination, Remuneration and Corporate Governance Committee						
- Chairman	-	25,000	-	25,000	-	25,000
- Directors	-	20,000	-	20,000	-	20,000
4. Risk Management Committee						
- Chairman	-	25,000	-	25,000	-	25,000
- Directors	-	20,000	-	20,000	-	20,000

From 2017 to 2019, we have paid our Directors as follows;

(Unit : Baht)

Name - Surname	2017	2018	2019
Mr. Prapat Rathlertkarn	310,000	330,000	340,000
Mr. Trevor John Thompson	300,000	320,000	320,000
Mrs. Sutharak Soonthornpusit	460,000	535,000	510,000
Mr. Somkid Wangcherdchuwong	370,000	505,000	570,000
Dr. Ruttikorn Varakulsiripunth ⁽¹⁾	-	239,667	460,000
Dr. Wichai Laohmatvanich ⁽²⁾	-	440,000	595,000
Mr. Thibdee Mangkalee ⁽³⁾	-	216,667	480,000
Dr. Katiya Greigarn ⁽⁴⁾	480,000	200,000	-
Mr. Somphong Ouitrakul ⁽⁵⁾	510,000	145,000	-
Mr. Sanpat Sopon ⁽⁶⁾	430,000	-	-
Mr. Pramote Bhongse-tong ⁽⁷⁾	335,000	-	-
Total	3,195,000	2,931,334	3,275,000

Notes :

- (1) Dr. Ruttikorn Varakulsiripunth Dr. Ruttikorn Varakulsiripunth was appointed as Director and the Chairman on June 21 and June 22, 2018, respectively.
 (2) Dr. Wichai Laohmatvanich was appointed as Independent Director and Chairman of Audit Committee on January 25, 2018 and February 23, 2018, respectively.
 (3) Mr. Thibdee Mangkalee was appointed as Director and Audit Committee Member on June 21, 2018 and June 22, 2018, respectively.
 (4) Dr. Katiya Greigarn resigned from the Company's Directors and Chairman on April 30, 2018.
 (5) Mr. Somphong Ouitrakul resigned from the Company's Director on February 23, 2018.
 (6) Mr. Sanpat Sopon resigned from the Company's Director on December 25, 2017.
 (7) Mr. Pramote Bhongse-tong resigned from the Company's Director on December 25, 2017.

1.2 Remuneration for Management

From 2017 to 2019, we have paid our Management remuneration, including CEO and CTO of 23.59 Million Baht and 23.13 Million Baht and 22.62 Million Baht respectively, including monthly salary, bonus and contribution to provident fund.

Year	Number of Management (Person)	Remuneration (Baht)
2017	7	23,591,966.80
2018	6	23,128,277.97
2019	6	22,617,518.67

2. Other Remunerations

The Company has Director and Officer Liabilities Insurance (D&O) to Directors, Executives, and Management and training expenses of Thai Institute of Directors Association (IOD) and related institutes according to the Company's regulations.

Number of employees

1. Number of employees

From 2017 to 2019, total number of full time employees including managements and daily workers are 156 persons, 155 persons, and 145 persons respectively.

As of December 31, 2019, total number of the company's employees is 145 persons (including executives 7 persons) 139 of them are full-time employees and 6 persons are employed on daily basis. Details are as follows:

Department	Full-Time Employees (Persons)	Daily Worker (Persons)	Total (Persons)
Office of the President	8	-	8
Finance and Accounts Department	8	1	9
Marketing and Business Development Department	8	-	8
Sales Department	22	-	22
Operations Department	23	5	28
Technical Services Department	41	-	41
Human Resource Department	2	-	2
PlanetFiber Co., Ltd.	19	-	19
PlanetCloud Co., Ltd.	8	-	8
Total	139	6	145

2. Labor Disputes - None -

3. Remuneration for Employees

Monetary Remuneration

From 2017 to 2019, the Company paid 77.12 million Baht, 72.91 million Baht, and 75.63 million Baht respectively to our employees (excluding executives) in form of monthly salary, bonus, overtime payments and contributions to Workmen's Compensation Fund and other fringe benefits.

4. Personnel development Policy

Personal development policy is defined aimed at developing our employees at all levels from management and department heads to supervisors and operative levels to increase our efficiency. We offer trainings as follows;

1. Our employees, especially engineering staff are trained by specialists in work-related fields to enhance their efficiency and potential.
2. Improvement of working and management procedures, encouragement of teamwork, proper communication, time management and decision making. Our employees at all levels are trained by specialists.
3. Development in line with ISO 9001:2015 implemented by all related departments, and properly keeps records of training sessions. The quality management chief conducts in-house training.

We keep records of training courses undergone by all our employees for the purpose of performance assessment and promotion consideration. We also apply the Key Performance Index (KPI) to define and measure progress toward organizational goals.

Therefore, one of Company policy is the Talent Management program for screening, selection, development, and retention the potential staffs.

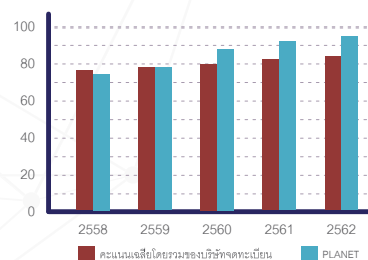
Corporate Governance

1. Corporate Governance Policy

The Company gives great importance on good corporate governance, which contributes to efficient, transparent and accountable management. Good governance strengthens the trust and confidence of shareholders, investors, stakeholders and other related parties. It is also useful for adding business value, enhancing competitiveness, as well as promoting sustainable growth in the long term as outlined by the Stock Exchange of Thailand.

The Board of Directors meeting No.6/2013 on July 16, 2013 resolved to enact the Company's Good Corporate Governance Policy being reviewed and approved by the Board of Director annually. The Company has participated with Corporate Governance Report of Thai Listed Company since 2015. From 2015 to 2019, the Company's average score are as below:

Year	Total Average score (%)		Recognition Level
	Total listed Company	PLANET	
2015	75	73	Good
2016	78	78	Good
2017	80	89	Very Good
2018	81	91	Excellence
2019	82	92	Excellent



The policy consists of five sections as follows:

Section 1 : Rights of Shareholders

The Company recognizes and values the basic rights of the shareholders, namely the right to buy, sell or transfer shares, the right to share in corporate profit, the right to obtain adequate information on the Company, the right to attend shareholder meetings, and the right to cast votes related to the appointment or removal of directors as well as appointing external auditors. Shareholders also have voting rights regarding decisions that affect the Company such as dividend allocation, establishing or amending the Articles and Memorandum of Association, capital increase or decrease, etc.

Therefore, the Company has made arrangements to encourage and facilitate shareholder rights.

1. Submit the notice of shareholder meeting at least seven days in advance, with details on the date, time, place, agenda items and complete supporting information related to items for consideration.
2. The Company offers a shareholder that is unable to attend the meeting an opportunity to appoint a Company's independent director or any person to attend on his/her behalf, by submitting a proxy form with the meeting notice.
3. Shareholders are given full opportunity to freely ask questions or make comments and recommendations.
4. After the meeting, the Company will prepare the minutes of meeting, in which correct and complete information is disclosed for shareholder verification.

Having become a public limited company and listing on the Stock Exchange of Thailand, the Company includes the opinions of the Board of Directors in the meeting notice and send the said notice to shareholders in advance for a period specified by the SEC or SET's electronic channel, the Company's website and newspaper advertisement pursuant to the Limited Public Companies Act. As a policy, all directors, especially sub-committee, chairpersons must attend the meeting in order to give explanations to or answer questions from the shareholders.

Section 2: The Equitable Treatment of Shareholders

It is company policy to protect the rights of all shareholders in an equal and fair manner, whether they be executive, non-executive, Thai, foreign, major or minor. After the initial public offering on the SET, the Company has allowed any shareholder unable to attend the meeting an option of appointing a Company's independent director or any person to attend and vote on his/her behalf. Minor shareholders can also nominate candidates for director positions well in advance.

The meeting is conducted according to the Company's Articles of Association and in the order of a predetermined agenda. Full details and supporting information of each agenda item are provided for shareholders well in advance. No items can be added to the meeting agenda without prior notice to the shareholders unless absolutely necessary, especially important agenda items that require time in order to make an informed decision.

The Board of Directors has established a measure against insider trading by related persons, which include directors, executives, employees, staff and relatives of aforementioned persons. Penalties are imposed for disclosure or use of information for personal gain. Regardless, the Company has acquainted directors and executives with their duty to report Company's securities held by themselves, their spouses and minor children, as well as any changes thereof to the SEC as stipulated by Section 59 and penalty clauses of the Securities and Exchange Act B.E.2535.

Section 3: Role of Stakeholders

With the satisfaction of all parties in mind, the Company pursues a policy that regards the rights of all stake holders fairly and transparently as follows;

(1) Shareholders

The Company endeavors to operate business with transparency in order to deliver satisfactory returns to shareholders and sustainable growth to the organization.

The Company upholds a principle to treat every shareholder without any discrimination and relies on equality of shareholders and awareness of fundamental rights of shareholders, for example, rights on buy and sell share, right of receiving profit share, rights on receiving adequate business information of the Company, rights on attending the meeting for voting shareholders or withdrawing director, appointing auditor and asking issues relevant to the company, for example dividend payment, stipulating or amending the Company's rules and regulations and memorandum of associations, decrease or increase of capital.

(2) Employees

The Company endeavors to treat employees equitably and fairly, while providing them suitable compensation, continual training and skill development for improved productivity, as well as a provident fund and other fringe benefits such as bonus, health insurance, life insurance, etc. However, there are no accidents, leaves and sickness of the employees from working in 2018.

Therefore, the Company emphasizes on safety on employee's life and health as follows;

- The Company commits to develop safety, health and working environment as per legal requirements.
- The Company will control and prevent loss from accident, fire and injury in workplace as well as maintain safe workplace for employees.
- The Company supports adequate and appropriate use of natural resources as per legal requirements; commit to develop human resources for knowledge and cultivating conscious in employees' safety and working environment.
- Safety and sanitation is important issue. The executives, supervisory levels and all employees are responsible for complying with legal requirements.

(3) Partners/ Suppliers

Any business alliance with any partners shall not bring any damage to the Company's reputation or any laws. The Company gives concern on equality of business operation and mutual benefits with partners. The Company commits to comply with commercial terms and conditions and sincere compliance with the partnership contracts without taking advantages.

Systematic procurement of goods and services in accordance with ISO 9001:2015 standards as following significant rules:

- a) Partners/ Suppliers selection: The Company shall consider the products' specification, market demand, technology development, reputation, price, marketing support, trade conditions, and delivery.
- b) Partners/ Suppliers evaluation: The Company shall evaluation major partners (both local and international) every year in the first quarter.
- c) Sub-contractor procedures: The Company set the Committee to evaluate and select the sub-contractors for arranging the sub-contractors list.

(4) Creditors

The Company commits to strictly comply with financial terms and conditions for credibility in terms of debt settlement, loan payment, interest and responsibilities in bonds.

(5) Customers

The Company endeavors to be attentive and responsible to customers by such means as equitable services, high-quality products and services, and the protection of customer confidentiality. Various business units and staff are assigned to respond quickly to clients with customer care, as well as satisfy customers or ensure standard goods and services in reasonable price, as well as maintain good and sustainable relationship under the good practices.

(6) Competitors

The Company endeavors to engage in fair competition, maintain acceptable standards of competition and refrain from unethical practices against competitors.

(7) Communities and Society

The Company realizes to operate its business with community, social and environmental responsibilities as well as safety, quality of life, natural resources conservation, efficient use of energy, awareness of quality of life of community and society. Some of its profits are contributed to payback and create community and society.

(8) Environment

The Company realized on environmental effects, be selecting technologies and innovative development for efficient use of energy. The Company followed by Corporate Social Responsibilities' policy through the project "We Care" of the topic Care Planet on "Corporate Social Responsibility" on 11.2 and 11.3 included sort out garbage into 4 types; (1) degraded waste or biodegradable waste (2) recycle waste (3) general waste (4) hazardous waste.

The Company also complies with guidelines of Human Rights of Universal Declaration of Human Rights of United Nations which are the standard rights practices to the Company's employees or other related parties as well as no violation against intellectual properties or copyrights. Moreover, please see more details about communities and society on the topic "Corporate Social Responsibility".

Section 4: Disclosure and Transparency

The Board of Directors realized on information disclosure with equitable, accurate, complete and transparent. This encompasses financial and non-financial information as stated by SEC and SET regulations and material information that affects the value of the Company's securities, which in turn influences decision-making by investors and stakeholders. The Company will disclose its information to the shareholders and the general public through SET channels and the Company's website.

The share ("PLANET") holding of director and management was reviewed by the Board of Directors' meeting quarterly.

As 31 December, 2019, the Board of Directors (included related persons) held the amount of 173,540,000 shares or 69.42% of the total number of shares. In 2017 - 2019, the Company's directors and executives held the following number of shares.

Directors and Management	Title	No. of Shares held as of 31 December			Remark
		2017	2018	2019	
Dr. Ruttikorn Varakulsiripunth	Chairman , Independent Director	-	-	-	Appointed as Director on June 21, 2018
Mr. Prapat Rathlertkarn	Director, Vice Chairman Chairman of Executive Committee, Chief Executive Officer	78,950,000	78,950,000	78,950,000	Including related persons
Mr. Trevor John Thompson	Director, Vice Chairman of Executive Committee Chief Technology Officer	78,950,000	78,950,000	78,950,000	Including related persons
Dr. Wichai Laohmatvanich	Independent Director, Chairman of Audit Committee Risk Management Committee Member, Nomination Remuneration and Corporate Governance Committee Member	-	-	0	Appointed as Director on January 25, 2018
Mrs. Sutharak Soonthornpusit	Independent Director, Audit Committee Member Chairman of Risk Management Committee, Nomination Remuneration and Corporate Governance Committee Member	50,000	50,000	50,000	
Mr. Somkid Wangcherdchuwong	Independent Director, Audit Committee Member Risk Management Committee Member, Chairman of Nomination Remuneration and Corporate Governance Committee	0	0	0	
Mr. Thibdee Mangkalee	Independent Director, Audit Committee Member	-	-	0	Appointed as Director on June 21, 2018
Mrs. Ratana Suwan	Executive Vice President of Finance and Account	-	5,120,000	5,120,000	Appointed on September 4, 2018
Mr. Sati Rathlertkarn	Executive Vice President of Sales	10,390,000	10,483,900	10,460,000	
Miss Wannapha Weeracharoen	Vice President of Operation	0	0	0	
Mr. Veerasak Arthomchaikul	Vice President of Marketing and Business Development	10,000	10,000	10,000	

The Board of Directors recognizes its responsibility to provide accurate and complete financial reports that have been proved in accordance with generally accepted accounting practices. Appropriate accounting policies are applied and regularly practiced, while adequate information is disclosed in financial statements. Furthermore, the Board has adopted an effective internal control system in order to ensure accounting records as accurate and sufficient to protect company assets, as well as identify system vulnerabilities for corruption or material irregularities. The Company has appointed an Audit Committee, comprised of non-executive directors responsible for examining financial reports, related transactions and the internal control system. The Audit Committee reports directly to the Board of Directors.

The Company has yet to attach a unit responsible for investor relations, due to a small number of activities. However, Mr. Prapat Rathlertkarn who is the person act as investor to contacts and provide company information in an accurate and complete manner to shareholders, and analysts and relevant agencies.

Moreover, in 2019 the Company reported our performance via set portal of Stock Exchange of Thailand and submitted news subjected to the company's performance for 7 times via 3 – 5 newspapers.

Section 5: Responsibilities of the Board of Directors

1. Structure of the Board of Directors

The Company's Board of Directors comprises of qualified persons who possess knowledge, competency and executive experiences in various organizations, thus enabling them to utilize such backgrounds and expertise in developing and setting corporate policies and business direction effectively for the utmost benefits of the Company and its shareholders. The Board of Directors plays a vital role in formulating policies and business concept, along with supervising, examining and monitoring performance of the Management, and also assessing to ensure that the Company's operating results are achieved as planned. Therefore, the Company's Directors are not allowed to hold directorship in more than five listed companies.

As of December 31, 2019, the structure of the Board of Directors consists of Independent Directors account for one third of Board members. At present, the Board of Directors consists of seven members who there are two executive directors and five non-executive directors which including four audit committee members. The Board has also appointed sub-committee to assist in overseeing the Company's operations as follows:

1.1 Executive Committee is consisting of two members to determine business direction and strategies. The committee is tasked with accomplishing the goals set by the Board, as well as smooth and flow management.

1.2 Audit Committee consisting of four non-executive directors with the rights and duties as specified in the Authorities and Responsibilities of the Audit Committee. The Committee performs specific tasks and proposes relevant matters to the Board for consideration and acknowledgement. At least one member must have a sufficient background in accounting to oversee the credibility of the Company's financial statements.

1.3 Nomination, Remuneration and Corporate Governance Committee (henceforth, "Nomination Committee") consists of three non-executive directors, with the Chairman of the Board also serving as Chairman of the Committee. The term of office for each member is the same as his/her term on the Board of Directors.

1.4 Risk Management Committee has members nominated and appointed by the Board from among the Company's directors and executives or other qualified persons. The committee members elect one member as Chairman of the Risk Management Committee. The Committee is responsible for determining risk management policies and frameworks which cover strategic risks, enterprise risks, financial risks, operational risks and external factors. Its responsibilities also include monitoring, examining and assessing risk management performance, overseeing the Company's compliance risk management policies as well as evaluating the risk management policies and system, system effectiveness and policy compliance. The committee reports the discharge of duty of the Board and its performance for the year to shareholders through the annual report. In addition, the Risk Management Committee appoints the executive committee in charge of (1) Identifying risk and conducting risk management review in line with Business Plan (2) Estimating relevant impacts (3) Setting preventive measures against risks (4) Monitoring results and update status of risk to the Risk Management Executive Committee and (5) Consistently and continually building innovations for risks management for staff.

The Board of Directors has established a policy that the Chairman of the Board must not be the same person as the Chief Executive Officer; in order to explicit segregate responsibilities between corporate governance policy-making and day to day management. The roles of the Board of Directors are also defined separately from those of executives. The Board of Directors is responsible for setting policies and supervising the operations of executives. Meanwhile, executives are responsible for managing the Company's businesses in accordance with the set policies. Although the Chairman of the Executive Committee is also the CEO, the Company has prevented autocracy by clearly defining the scope of powers and duties in the Company's Level of Authorization (LOA) in written.

The Company Secretary is appointed by the Board and takes responsibilities pursuant to the Securities and Exchange Act.

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

The Company's directors are to comply with the Code of Best Practices for Directors of Listed Companies enacted by the SET. Directors must understand and acquaint themselves with their entrusted roles, duties and responsibilities and relinquish their position with integrity in accordance with the laws, the Company's objectives and Articles of Association, as well as resolutions of the shareholders meeting. Therefore, the Board of Directors develop policies, business goals, corporate plans and budgets, including to review vision, mission and the company's strategy in previous year, while ensuring that management has implemented policies, plans and budgets effectively and efficiently in the best interests of the Company and its shareholders.

Policy on Conflict of Interest

The Company has laid out a policy to prevent any conflicts of interest that may arise from Company transactions. Persons with conflicts of interest are not permitted in the approval process for the transaction. The Board of Directors oversee this matter to ensure the Company's strict compliance with the laws on securities and exchange, relevant regulations and notifications, orders or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand, requirements related to the disclosure of connected transactions and the acquisition/disposal of material assets of the Company, including the accounted standards specified by the Institute of Certified Accounts and Auditors of Thailand.

Moreover, the Company has the Audit Committee, external auditors or independent specialists review and comment on product pricing and transactions. Transaction details are disclosed in notes of financial statements audited or reviewed by external auditors, the Company's annual registration statement (Form 56-1) and annual report (Form 56-2).

Internal Control System

Recognizing the importance of an internal control system at both management and operational levels, the Company has explicitly stated in writing the scope of duties and responsibilities of various roles. To maintain proper checks and balances, the Company has developed a control mechanism for the best utilization of assets and segregated duties and responsibilities for transaction approval, accounting and information records, and asset security. Additionally, it has ensured internal financial control systemizing financial reporting up the chain of responsibilities. The Internal Auditor is responsible for examining the Company's internal control system and reports directly to the Audit Committee

The Company has set clear and measurable goals. Management reviews the actual performance against projected targets on a monthly basis, through the assessment of external and internal risk factors to business operations, along with an analysis of contributory factors. The Company has also adopted measures to monitor the causes of risk factors and develop countermeasures to mitigate them. Related units have been assigned to report any progress or changes to the Board of Directors.

3.Board of Directors Meeting

3.1 Board of Directors

According to the Company's policy, the Board of Directors must hold a meeting at least once every three month and convene special meetings as necessary. The agenda items of each meeting must be clearly stated and sent out along with the meeting notice at least seven days prior to the meeting date to allow sufficient time for directors to review and prepare. Minutes of the meeting are recorded and then approved by the Board. The records must also be safely stored for future examination by the Board or related parties.

The Company set and informs the schedules of Board of Directors meeting every year in the fourth quarter. In 2019, the Board of Directors meeting shall be held on every month in the third week at 18.00 hrs. If there was the certify financial statement, the Board of Directors meeting would be held on Thursday (before submitting date) at 09.00 hrs.

The Board of Directors meeting shall be composed of the number of directors of not less than half of total number of directors. At the time of casting resolution, the number of attending directors shall not be less than two-third of total number of directors.

As at January 31st, 2019, non-executive directors including Dr. Ruttikorn Varakulsiripunth, Dr. Wichai Laohmatvanich, Mrs. Suttharak Soonthornpusit, Mr. Somkid Wangcherdchoowong, and Mr. Thibdee Mangkalee gathered for the unofficial meeting without administrative parties participation for general discussions for the Company management.

From 2017 to 2019, the Company held eleven meetings, nine meetings, and ten meetings respectively. In 2019, the average Directors attendance was 94.29% of total the Board of Director Meeting. The attendance record of each director are as shown below:

Directors' Name	2017		2018		2019	
	No. of Meeting Attendance	%	No. of Meeting Attendance	%	No. of Meeting Attendance	%
Dr. Ruttikorn Varakulsiripunth ⁽¹⁾	-	-	5/9	100	10/10	100
Mr. Prapat Rathlertkarn	11/11	100	9/9	100	10/10	100
Mr. Trevor John Thompson	9/11	82	8/9	100	8/10	80
Dr. Wichai Laohmatvanich ⁽²⁾	-	-	8/9	89	10/10	100
Mrs. Suttharak Soonthornpusit	9/11	82	9/9	100	8/10	80
Mr. Somkid Wangcherdchuwong	11/11	100	9/9	100	10/10	100
Mr. Thibdee Mangkalee ⁽³⁾	-	-	5/9	100	10/10	100

Notes :

(1) Dr. Ruttikorn Varakulsiripunth was appointed as the Independent Director on June 21, 2018.

(2) Dr. Wichai Laohmatvanich was appointed as Independent Director on January 25, 2018.

(3) Mr. Thibdee Mangkalee was appointed as Independent Director on June 21, 2018.

3.2 Audit Committee

From 2017 to 2019, the Audit Committee's meetings have been held on quarterly basis for five times, six times and seven times a year, respectively. Details of attendance are as follows;

Name- Surname	Title	No. of Meeting Attendance / Total No. of Meetings		
		2017	2018	2019
Dr. Wichai Laohmatvanich ⁽¹⁾	Chairman	-	4/6	7/7
Mrs. Sutharak Soonthornpusit	Member	5/5	6/6	5/7
Mr. Somkid Wangcherdchuwong ⁽²⁾	Member	-	4/6	7/7
Mr. Thibdee Mangkalee ⁽³⁾	Member	-	2/6	7/7

Notes :

(1) Dr. Wichai Laohmatvanich was appointed as Chairman of Audit Committee on February 23, 2018.

(2) Mr. Somkid Wangcherdchuwong was appointed as Audit Committee Member on February 23, 2018.

(3) Mr. Thibdee Mangkalee was appointed as Audit Committee Member on June 22, 2018.

3.3 Nomination, Remuneration and Corporate Governance Committee

The Company's Board of Directors Meeting No. 5/2014 on November 12, 2014 resolved to appoint the Nomination, Remuneration and Corporate Governance Committee (Nomination Committee) which shall hold the meeting at least twice a year and the committee members shall attend the meeting.

In 2017- 2019, one, two, and two Nomination Committee's meetings were held, respectively. Details of attendance are as follows:

Name- Surname	Title	No. of Meeting Attendance / Total No. of Meetings		
		2017	2018	2019
Mr. Somkid Wangcherdchuwong ⁽¹⁾	Chairman	1/1	2/2	2/2
Mrs. Sutharak Soonthornpusit	Member	1/1	2/2	2/2
Dr. Wichai Laohmatvanich ⁽²⁾	Member	-	1/2	2/2

Notes :

(1) Mr. Somkid Wangcherdchuwong was appointed as Chairman of Nomination, Remuneration and Corporate Governance Committee on February 23, 2018.

(2) Dr. Wichai Laohmatvanich was appointed as Nomination, Remuneration and Corporate Governance Committee Member on February 23, 2018.

3.4 Risk Management Committee

The Company's Board of Directors Meeting No. 5/2014 on November 12, 2014 resolved to appoint the Risk Management Committee which shall hold the meeting at least twice a year and the committee members shall attend the meeting.

In 2017- 2019, two, two, and two Risk Management Committee's meetings were held, respectively. Details of attendance are as follows:

Name- Surname	Title	No. of Meeting Attendance / Total No. of Meetings		
		2017	2018	2019
Mrs. Sutharak Soonthornpusit ⁽¹⁾	Chairman	1/2	2/2	2/2
Mr. Somkid Wangcherdchuwong	Member	2/2	2/2	2/2
Dr. Wichai Laohmatvanich ⁽²⁾	Member	-	1/2	2/2

Notes :

(1) Mrs. Sutharak Soonthornpusit was appointed as Chairman of Risk Management Committee on February 23, 2018.

(2) Dr. Wichai Laohmatvanich was appointed as Risk Management Committee Member on February 23, 2018.

4. Remuneration of Directors and Executives

The Company retains competent directors and executives by providing sufficient remuneration comparable to that of industry peers. Factors determining remuneration include professional background, duties, scope of roles and responsibilities, Remuneration for directors must be approved by the shareholders meeting. Meanwhile, remuneration for executives is in accordance with criteria and policy specified by the Board of Directors, taking into account the duties, responsibilities and performance of each executive.

5. Development of Directors and Executives

For continual enhancement of business operations, the Board has put forth a policy to encourage and facilitate training and learning activities. For persons involved in corporate governance, directors and executives, Audit Committee members, and the Company Secretary. Management courses are provided through the Thai Institute of Directors Association (IOD)

Directors and executives, Audit Committee members and the Company Secretary have taken IOD courses and other courses as follows;

Name	Title	Training Course Program
Dr. Ruttikorn Varakulsiripunth	- Chairman	- Director Accreditation Program (DAP) 153/2018 *
Mr. Prapat Rathlertkarn	- Vice Chairman - Chairman of Executive Committee - Chief Executive Officer - Company Secretary	- Chief Transformation Officer: CTO Course 2019 by SEAC, Thailand - Successful Formulation & Execution of Strategy (SFE) 28/2016 * - Advance Innovation Training no. 4 by National Innovation Agency (NIA) By Thailand Management Association (TMA) - Director Certification Program (DCP) 195/2014 * - Director Accreditation Program (DAP) 94/2012 *
Mr. Trevor John Thompson	- Director - Vice Chairman of Executive Committee - Chief Technology Officer	- Director Certification Program English Program (DCP) 207/2015 * - Director Accreditation Program (DAP) 95/2012 *
Dr. Wichai Laohmatvanich	- Independent Director - Chairman of Audit Committee - Risk Management Committee Member - Nomination Remuneration and Corporate Governance Committee Member	- Director Accreditation Program (DAP) 153/2018 *
Mrs. Sutharak Soonthornpusit	- Independent Director - Chairman of Risk Management Committee - Audit Committee Member - Nomination Remuneration and Corporate Governance Committee Member	- Director Certification Program (DCP) 219/2016 * - Director Accreditation Program (DAP) 103/2013 *
Mr. Somkid Wangcherdchuwong	- Independent Director - Chairman of Nomination Remuneration and Corporate Governance Committee - Audit Committee Member - Risk Management Committee Member	- Director Accreditation Program (DAP) 2006 *
Mr. Thibdee Mangkalee	- Independent Director - Audit Committee Member	- Director Certification Program (DCP) 267/2018*
Mrs. Ratana Suwan	- Executive Vice President of Finance and Account	- Director Certification Program (DCP) 188/2014* - Director Accreditation Program (DAP) 94/2012*
Mr. Satit Rathlertkarn	- Executive Vice President of Sales	- Advance Certificate Course in Public Administration and Law for Executives 2019, King Prajadhipok's Institute - Director Certification Program (DCP) 205/2015 * - Director Accreditation Program (DAP) 104/2013 *
Miss Wannapha Weeracharoen	- Vice President of Operation	- Successful Formulation & Execution of Strategy (SFE) 28/2016
Mr. Veerasak Arthornchaikul	- Vice President of Marketing and Business Development	- Advance Innovation Training no. 4 by National Innovation Agency (NIA) By Thailand Management Association (TMA)

Note :

Thai Institute of Directors Association (IOD) Courses

Furthermore, directors and managements attended others seminars arranged by the Thai Institute of Directors and other institutes consistently to gain knowledge and apply for working efficiency. In 2019, directors and managements attended the seminars such as Chief Transformation Officer: CTO Course by SEAC, Thailand Advance Certificate Course in Public Administration and Law for Executives 2019, King Prajadhipok's Institute etc.

6. Nomination of Directors and Top Executives

The nomination and appointment of directors is conducted through the shareholder meeting. Qualified candidates are selected by the Nomination Committee based on their experience, knowledge, proficiency and prerequisite qualifications under the law. Subsequently, the candidate is elected by the shareholder meeting according to the criteria and procedure stipulated in the Articles of Association.

6.1 Composition and Appointment of the Board of Directors

The Composition, nomination, appointment, removal or retirement of directors are specified in the Articles of Association, which is summarized as follows:

1. The Board of Directors consists of at least five directors and at least half of the total number of directors must reside in the Kingdom of Thailand. The directors must possess qualifications as specified under the law.

2. Directors are elected by the shareholder meeting according to the following criteria and procedure:

- Each shareholder has a number of votes equal to the number of shares held

- Each shareholder may allocate all his/her votes to elect one or several candidates. However, in an election for multiple directors, the shareholder must allocate his/her votes equally

- Candidates receiving the most votes in descending order are elected to the number of positions required at a given meeting. In the event of a tie for the final position, the Chairman of the meeting will cast the awarding vote.

3. At every annual general meeting, one-third (1/3) of the directors shall vacate in proportion. If the number of directors is not a multiple of three, the number of directors closest to one-third (1/3) shall vacate. Unless otherwise specified by the articles of association, the directors vacating from office in the first and second years after the registration of the company shall be selected by drawing lots. In subsequent years, the director who has held office longest shall vacate. A director who vacates office under this section may be re-elected.

4. Any director intending to resign from office can submit a resignation letter to the Company. The resignation is effective on the date the letter is received by the Company.

5. If a directorship falls vacant for reasons other than by rotation, the Board will elect a person with suitable qualifications and legal prerequisites to fill the vacancy at the next Board of Directors meeting, unless the remaining term of the former director is less than two months. The replacement director retains office only for the remaining term of his/her predecessor. The Board of Directors' resolution represents a vote of not less than three-fourth the number of remaining directors.

6. The shareholder meeting can remove any director from office before his/her retirement by rotation by a vote of not less than three-fourths the number of shareholders in attendance and entitled to vote. The vote must represent not less than one-half the number of shares held by shareholders in attendance and entitled to vote.

6.2 Composition and Appointment of Independent Directors

Definition "Independent Director"

Independent Director means the external director who does not hold the position of executive or the company's employee, non executive director or director who has authorized to sign and independent from the major shareholder, the executive and related persons and be able to protect the shareholders' advantage consistently as well as beware of the conflict of interest between the company and relate persons.

The Board of Directors consider a candidate's qualifications for an independent directorship according to the Public Limited Companies Act, law on securities and exchange, notifications of the Capital Market Supervisory Board, a relevant notifications, regulations and/or rules. The Board also considers a potential nominee's proficiency, work experiences and other relevant qualities. The candidate is subsequently nominated to the shareholder meeting in final voting. The number of Independent directors must be at least one-third of the Board, as well as, at least three members. Independent Directors serve a term of three years each time (but total term shall not over 9 years).

As of December 31, 2019, five Independent Directors consisted of:

Independent Directors' Name	Title	Appointed Date	Total Terms
Dr. Ruttikorn Varakulsiripunth	- Chairman	June 21, 2018	1 year 6 months 9 days
Dr. Wichai Laohmatvanich	- Chairman of Audit Committee - Risk Management Committee Member - Nomination Remuneration and Corporate Governance Committee Member	January 25, 2018	1 year 11 months 7 days
Mrs. Sutharak Soonthornpusit	- Audit Committee Member - Chairman of Risk Management Committee - Nomination, Remuneration and Corporate Governance Committee Member	December 30, 2011	8 years
Mr. Somkid Wangcherdchuwong	- Audit Committee Member - Risk Management Committee Member - Chairman of Nomination Remuneration and Corporate Governance Committee	May 12, 2015	4 years 7 months 19 days
Mr. Thibdee Mangkalee	- Audit Committee Member	June 21, 2018	1 year 6 months 9 days

Qualifications of Independent Director

1. Must hold no more than 1% of total shares with voting rights in the Company, its parent company, subsidiaries, affiliates or juristic persons with possible conflicts of interest (hence forth, the Company, its parent company, etc") including shares held by the director's affiliate.
2. Has not served as executive director, employee, staff, salaried advisor, or controlling person in the company, parent company, etc. for at least two years from the date of submitting the application to the SEC.
3. Has no familial relation, either biologically or legally, to executives, major shareholders, controlling persons, or persons to be nominated as executives or controlling persons of the Company or its subsidiaries. Familiar relations include, but are not limited to father, mother, spouse, sibling or in-law.
4. Has neither a conflict of interest via business relations with the Company, its parent company, etc that may impede his/her independent discretion, nor served as a major shareholder, non-independent director or executive of those with business relations to the Company, its parent company, etc. for at least two years from the date of submitting the application to the SEC.
5. Has neither served as an external auditor for the Company, its parent company, etc, nor been a major shareholder, non-independent director, or managing partner of an audit firm which employs external auditors to the Company, its parent company, etc for at least two years from the date of submitting the application to the SEC.
6. Has neither been a professional service provider of any kind who received an annual service fee exceeding 2 million Baht from the Company, its parent company, etc, not in the event the professional service provider is a juristic person, been a major shareholder, non-independent director, executive or managing partner of a professional service provider for at least two years from the date of submitting the application to the SEC.
7. Has not served as a director appointed as a representative of the Company's directors, major shareholders or shareholders related to major shareholders.
8. Does not possess any other characteristics that render him/her incapable of giving independent opinions on the Company's operations.

6.3 Composition and Appointment of the Audit Committee

The Board of Directors appoint members of the Audit Committee which consists of at least three independent Company directors qualified under securities and exchange legislation as well as the notification, regulations and/or rules of the Stock Exchange of Thailand. The term of office for each Audit Committee member is three years and the independent directors that chair the Audit Committee must possess additional qualifications as follows:

1. Not a director being assigned by the Board to make decisions on the business operations of the Company, its parent company, subsidiaries, same-level subsidiaries, affiliates or juristic persons with possible conflicts of interest
2. Not a director of its parent company, subsidiaries or same-level subsidiaries that are listed companies.
3. Has sufficient knowledge and experiences to perform duties as a member of the Audit Committee. At least one member must have sufficient knowledge and experiences to review the credibility of financial statements.

6.4 Orientation of New Director

It is necessary and advantage to arrange orientation for the new director to understand the business and the operations of the Company as well as understanding the director's role to work efficiency and gain more benefit for the Company. Thus, the Board of Director has set the orientation for new director every time and assigns company secretary to provide the information to the new director.

When Nomination Committee considers the qualified person and proposed to the Board of Director for approval. The Company would provide the important information before and after position as director that separates into three processes (1) during invited to be director (2) after appointing as director from Annual General Meeting (3) before the first of the Board of Director's meeting

7. Self-Assessment of the Board of Directors and Top executives

To be conducted annually, the self-assessment of the Board of Directors and top executives is divided into three parts as follows:

1) Self-assessment of individual directors.

It shall be the tool for supporting directors to review their own roles and to guide for development efficiency and effectiveness. Self-assessment of individual directors shall evaluate the following skills:

- | | |
|---------------------------------|---------------------|
| 1. Strategy | 4. Diligence |
| 2. Ethic and Value | 5. Self Development |
| 3. Knowledge in Directors' Role | |

2) Self-assessment of the Board:

The Company applied Self-assessment of the Board from Stock Exchange of Thailand which consisted of

- | | |
|---|---|
| 1. Structure and Character of the Board | 4. Board's performance of duties |
| 2. Role and Responsibility of the Board | 5. Relationship with Management |
| 3. Board Meeting | 6. Self-development of directors and executive development. |

The Self-assessment of the Board and individual directors shall be arranged by the Company Secretary every year. After all directors evaluated both self-assessments, Company Secretary shall gather and summarize for reporting to the Board of Directors Meeting.

3) Self-assessment of top executives

The Company applies the said self-assessment from Stock Exchange of Thailand instruction. The evaluation results will benefit for develop the top executives not only performance but also effectiveness. The self assessment comprises of three sections as follows:

Section 1 Status of Achievement

Section 2 Performance Measure consists of

- | | |
|-----------------------------------|--|
| 1. Leadership, | 6. External Relation |
| 2. Strategy Formulation | 7. Human Resource Management/ Relation |
| 3. Strategy Execution | 8. Succession |
| 4. Financial Planning/Performance | 9. Product/Service Knowledge |
| 5. Relationship with the Board | 10. Personal Character. |

Section 3 Development

The Self-assessment of the top Executives shall be arranged by the Company to Executive Committee every year. After all top Executives evaluated self-assessments, Secretary of Executive Committee shall gather and summarize for reporting to the Chairman of Executive Committee (CEO) to use comments and recommendations derived from the assessment to enhance their performance and optimize corporate governance practices.

8. Succession of the Company's Top Executive Management

The Company's Board of Directors gives importance on succession plan to have the Company be always ready to respond in the event that some of directors become incompetent. The Board of Directors will assign the Nomination, Remuneration and Corporate Governance committee to create the succession plan. The succession plan will include development plan for Chairman, or Chief Executive Officer, Chief Technology Officer including top executive management aimed at being always ready and continual operation plan with nominating successor in case of their retirement, or incompetency for continual flow operation.

9. Control over the Use of Internal Information

1. The Company's directors, executives, employees and staff at all levels as prohibited from disclosing or exploiting confidential and/or internal information of the Company for their own or other persons' benefit, either directly or indirectly

2. The Company's directors, executives, employees and staff at all levels as well as their relations are prohibited from using internal information that may affect the value of the Company's securities for either direct or indirect trading, before said information is officially disclosed to the public, regardless of the intended purpose. Those who violate this regulation shall be subjected to disciplinary actions.

3. The Company has acquainted its directors and executives with their duty to report the Company's securities held by themselves or their relatives including changes thereof, to the Office of the SEC. in accordance with Section 59 and penalty provisions of the Securities and Exchange Act, B.E.2535.

4. The Company's directors, executives, employees and staff, as well as their relatives are prohibited from trading the Company's securities during one month period prior to the disclosure of its financial statements to the public.

Therefore, the Company shall announce above matters to directors, executives, employees and staffs.

10. Audit Fee

EY Corporate Services Limited has been the Company's auditor from 2012 to 2017. As the resolution of 2019 Annual General of Shareholders Meeting, it approved ANS Audit Co., Ltd. being as the Company's auditors and Ms.Kultida Pasurakul, CPA license no. 5946, has been audited for first year of the Company. The proposed external auditor is neither a connected person nor a person with conflict of interest. With all due knowledge and independence in auditing, Ms.Kultida Pasurakul is also an auditor approved by the Office of the Securities and Exchange Commission (SEC).

In 2017-2019, the Company and its subsidiary paid audit fees as follows;

	(Unit: Baht)		
	2017 ⁽¹⁾	2018	2019
Planet Communications Asia Public Company Limited			
- Audit Fees	1,230,000	1,200,000	1,370,000
- Other services	80,000	None	None
PlanetFiber Co., Ltd. (Subsidiary)			
- Audit Fees	80,000 ⁽²⁾	250,000	250,000
- Other services	470	None	None
PlanetCloud Co., Ltd. (Subsidiary)			
- Audit Fees	-	-	90,000 ⁽³⁾
- Other services	-	-	None
Total	1,390,470	1,450,000	1,710,000

Notes :

(1) EY Corporate Services Limited was the Company's auditor from 2012 to 2017.

(2) PlanetFiber Co., Ltd. was established on August 2017.

(3) PlanetCloud Co., Ltd. was established on October 2019.

Corporate Social Responsibilities: (CSR)

1. Corporate Social Responsibility and Sustainable Development Policy

Market for Alternative Investment (mai), the Board of Directors realized on Sustainability Development Roadmap: SD Roadmap by the Securities and Exchange Commission (SEC). The said SD Roadmap emphasizing on three points comprising of : (1) CG in Substance: Board and executives drive the company to achieve its performance with good governance and sustainability in real practice, (2) CSR in Process: Responsible to social and environmental concerns that embedded in day-to-day business operation. Change agent that influences others to respect CSR, and (3) Anti-Corruption: Commitment not to initiate or facilitate any corruption practices.

The Board granted the Corporate Governance Policy which realized on direct and indirect corporate social responsibility. The Board also encouraged the Company to participate in Private Sector Collective Action Coalition against Corruption (CAC) in quarter 4/2014.

To ensure in the Company's anti corruption policy, the Company defined responsibilities, practice, and requirement of any business that related to corruption. In 2016, the Company also provided and announced "our Anti- Corruption Policy, Code of Conduct, and Whistle Blowing Policy" in writing. For submit to certify CAC, in 2017, the Company reinforced our Anti-Bribery and Anti-Corruption Policy and all related documents and practices which the details are shown in Anti-corruption Section. Finally, Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) certified the Company as its member on May 17, 2018.

In 2019, the Company maintained and conduct our business under Sustainability Development Roadmap: SD Roadmap as above with our mission on "Commitment to Integrated Services with High Quality Products, Competitive Price, Just-in-Time Delivery, Pre-Sales and After-Sales Supports by Professional Engineering Team, in line with Optimization and Cost Efficiency of Technology for Customer Satisfaction".

With our notion to conduct business with sustainability development, corporate social responsibility, good corporate governance, and capability in risk management. The Company also realizes on not only 8 CSR principles of Securities and Exchange Commission of Thailand (SEC) comprising of: (1) Good governance, (2)Anti-corruption, (3) Respect on Human Rights, (4) Fair labor practices, (5) Responsibilities to consumers, (6) Environmental protection, (7) Community and Social Development Collaboration, and (8) CSR Innovation and Innovative Expansion but also the Global Goals for Sustainable Development (17 SDGs) certified by UN General Assembly at New York that consisted of: 1) No poverty 2) Zero hunger 3) Good health and well-being 4) Quality education 5) Gender equality 6) Clean water and sanitation 7) Affordable and clean energy 8) Decent work and economic growth 9) Build industry, innovation and infrastructure 10) Reduce inequality 11) Sustainable cities and communities 12)Responsible consumption and production 13) Take urgent action to combat climate change and its impacts 14) Conserve water resource 15) Life on land 16) Peace and justice strong institution 17) Partnerships for the goals. The Company intends to develop our sustainability in Environment, Social, Governance or ESG.

2. CSR-in-Process

The Company has conducted CSR in form of various kinds of social supports, for example, donation and making social merits which is a part of CSR in terms of CSR after Process only. Thus, the Company expands our CSR-in-Process to ESG via our project namely "WE CARE".

The Company started developing CSR in Process in Quarter 4/2014 under the project named "WE CARE" , focused in 3Ps including Care People, Care PlanetComm, and Care Planet. The project is social and environmental responsibility policy aimed at cultivating PLANET staff's conscious and awareness in their responsibility for themselves, customers, stakeholders, partners, society and environment.

3. Actions and Report Preparations

Since 2014, our “WE CARE” activities affected both direct and indirect to the Company through 8 CSR principles of Securities and Exchange Commission of Thailand (SEC) and the Global Goals for Sustainable Development (17 SDGs) of UN as follows:

PLANET : “ WE CARE ” Activities		CSR in Process	CSR after Process	8 CSR * Principles of SEC	17 SDGs ** by UN
1. Care People					
Happy Money	Providing loaning program /provident fund /annual bonus / uniform for employee	✓		3, 4	1,2
Happy Soul	Annual merit-making Alms to Buddhist Monk Ceremony	✓		3, 4	16
Happy Relax	Team Building / New Year Party / Health & Recreation Activities Clubs	✓		3, 4	10
Happy Family	Employee's family participation in New Year Party/ Granting employee's spouse or children to buy corporate group insurance	✓		3, 4	10
Happy Brain	Annual training program/ On the job training program	✓		3, 4	4
Happy Body	Health and recreation activities clubs /corporate group insurance / annual medical check-up	✓		3, 4	3
2. Care PlanetComm					
Good Place	Good Office's environment, Happy Workplace	✓		4	16
Good Profit	Trusted provider	✓		4, 5	8,9,12
Good Governance	Good governance policy/ CSR projects / Anti –Corruption	✓		1,2,5	12,16
Good Reputation	Trusted provider	✓		5	8, 12
3. Care Planet					
Save Energy	Saving energy, energy saving light bulbs	✓		6	7
Save Paper	Reducing use of paper and printing ink	✓		6	7
Save Society	Donation /Opening for student trainees / Join other social responsibilities with other organizations		✓	7	4
Save Environment	Reducing waste and plastic bottles / wet and dry waste segregation	✓		6	7,13

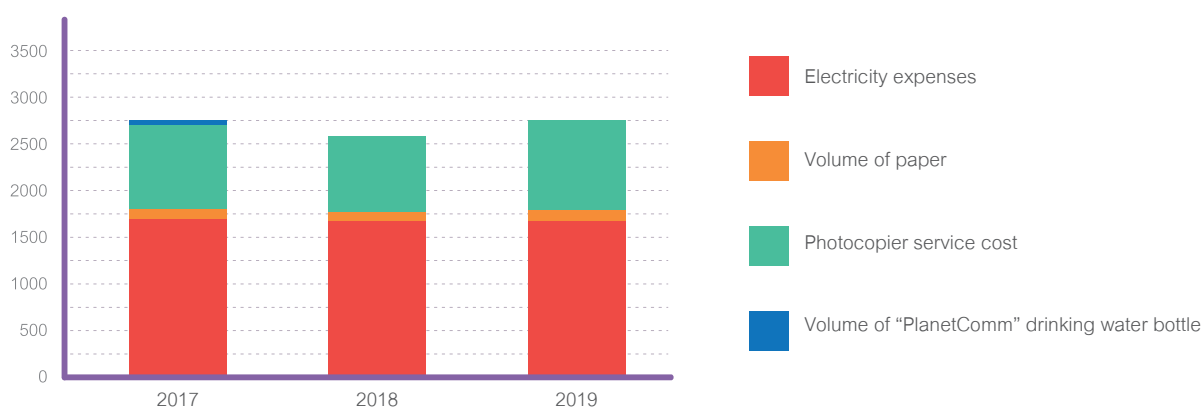
At initial phase, PLANET defines goals, action plans and indicators as follows:

Goal	Action Plan	Indicator
1) Saving energy	1.1 Turn-off the light during lunch break 1.2 Turn-on air-conditioner at 25 °C and turn it off after use 1.3 Setting safe mode on computer	- Lower electricity and electricity consumption rate fee
2) Reducing use of paper and printing ink	2.1 Setting authorized person for color-printing order 2.2 Avoiding unnecessary printing 2.3 Recycling re-used paper and print both sides	- Lower purchase of paper - Lower photocopy service
3) Reducing use of plastic bottle	3.1 Installing more drinking water strainers 3.2 Using glass instead of “PlanetComm” bottle 3.3 Using glass instead of plastic glass	- Lower purchase of “PlanetComm” Bottle Drinking Water

"WE CARE" project performance from 2017 – 2019 were shown in table of expenditures as below:

(Unit : Thousand Baht)

Goal	Indicator	2017	2018	2019
1. Saving energy	Electricity expenses	1,651	1,644	1641
2. Use of paper	Volume of paper	112	112	116
	Photocopier service cost	973	835	994
3. Use of plastic bottle	Volume of "PlanetComm" drinking water bottle	16	0	0
Total Costs		2,752	2,591	2,751



It was found that total expenses of the "WE CARE" project in 2017 to 2019 were decline, continuingly. In 2019, total expenses increased about 6.17% or 160,000 Baht from previous year. As of 2019 the company has installed more photocopy service, the result of papers and service expenses has increased. However, the Company still continued and developed our "WE CARE" Project.

The Management reported the progress of CSR in Process to the Board of Director Meeting every quarter and non-disclosure in Annual Report in accordance with rules and regulations of Stock Exchange of Thailand (SET), and Exchange Commission of Thailand (SEC). However, the Company plans to make the Sustainability Development Report, separately.

4. CSR-after-Process

The Company continues social activities every quarter in form of collaborative activities with other organizations and own activities.

The activities in 2019 as follows:

- Giving desktop calendars for Braille calligraphy production to the Foundation for the Blind in Thailand under the Royal Patronage
- Donating funds for the Phramongkutklao Hospital's Foundation
- Donating funds for the Children's Hospital Foundation
- Donating funds for Thai with Disability Foundation for The Wheelchair for the Disabled Project
- Donating scholarships for Volunteer Development and Service Club ,Thai-Japanese Technology Student Club, The project for creating smiles for children in occasion of Children's Day
- Donating scholarships for the Scholarship Project for Children of Government Officials and Navy Official Personnel Region 1

Anti-Bribery and Anti-Corruption

Anti-Bribery and Anti-Corruption

Background

End of 2014, the Company signed on declaration of intent in the Private Sector Collective Action Coalition against Corruption Project. Then, the management improved our operation and internal control to comply with the said anti-corruption concept and the Company granted the first version of Anti- Corruption Policy and Whistle Blowing Policy in 2016.

In 2017, the Company resubmitted declaration of intent in the Private Sector Collective Action Coalition against Corruption Project to ensure that the Company conducted our business under good corporate governance and anti-corruption policy that against both direct and indirect corruption.

Finally, Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) certified the Company as its member on May 17, 2018.

Anti-corruption policy

Planet Communications Asia Public Company Limited is the telecommunications and digital TV service provider for designing, commissioning, selling integrated telecommunications and digital TV systems. Our vision has been set clearly with our commitment on creating new future of innovative organization with sustainable economic, social and environmental growth, emphasizing on good corporate governance, transparency, accountability, particularly any relevant processes or risks for corruption in the Company as well as all kinds of direct or indirect corruptions. The Company defines its anti-corruption policy as follows;

1. Directors, Managements, Employees, Stakeholders and Subsidiary are aware of all kinds of direct or indirect corruptions in all businesses, all countries and all relevant organizations. Compliance with the anti-corruption policy and action requirements shall be regularly reviewed in accordance with business change, rules and regulations and legal requirements.
2. Anti-corruption policy measures are an integral part of the business operation and responsibilities of the Company's directors, management, employees, stakeholders and subsidiary to take part in giving opinions about compliance with anti-corruption policy.
3. The Company develops anti-corruption policy to be in accordance with relevant laws including ethical code of conducts. Risk shall be assessed in relevant activities or risks to misconduct and corruptions and arranged as actions guidelines for associated persons.
4. The Company shall not act or support all kinds of bribery for all activities under its custody as well as control for charity donation, donation to political parties and offer for gift and support for activities to be transparent and have no intention to improperly convince the public and private sector.
5. The Company shall properly, regularly organize the internal control to avoid misconducts, particularly sale, marketing and purchasing tasks.
6. The Company shall provide the Company's directors, management and staff knowledge against misconduct and anti-corruption for enhancing honest, good faith and responsibilities as well as showing the Company's commitment.
7. The Company shall arrange the mechanism of transparent and accurate financial statement.
8. The Company shall promote several modes to allow employees and relevant persons are able for whistle blowing and to ensure protection for the whistleblower, without unfair turnover or persecution and nominating personnel monitoring all receiving whistle blowing reports.

Whistle blowing policy, Malpractice and Corruption

Objectives

Board committee is aware of the importance of "Whistle blowing Policy" as a tool for the company to acknowledge about unlawful conduct, non-compliance with the Company's rules and regulations and unethical business practices from staff, stakeholders and outsiders which can cause damage to the Company's properties and reputation.

This policy is aimed at making the staff be confident and their whistle blowing report will be seriously responded. The whistleblower's information will be strictly kept confidential to avoid worrisome from unfair actions, for example, revenge or threat and to encourage the staff to report clues or concerning. The Company does not have the policy for demotion, penalty or giving negative effects to staff who denying to corruption.

Confidentiality guidelines

Protecting whistleblowers or information giver acting in good faith, the Company will keep their name, address or any information confidentially. Only persons who in charge of investigating incident will be accessible to the information.

Whistle blowing procedures

The whistle blowing report and investigation process is as follows;

1. Complaint and Whistle Blowing method

Shareholders, employees and stakeholders are able to report clues that offenses against laws, the Company's rules and regulations, business ethics or any incidents which potentially cause harm to Chairman of the Board/ Chairman of the Audit Committee by sending letter by post to the following address or through the Company's website. The Whistle blowing report will be kept confidentially to avoid any disturbance to the whistleblower.

Channel for whistle blowing is as following address:

Chairman of the Board/ Chairman of the Audit Committee
Planet Communications Asia Public Co., Ltd.
157, Ramindra 34, Tha-Raeng,
Bang Khen, Bangkok 10230

Any whistleblowers are able to report for misconduct or non-conformance against the Company's business ethics to the following persons;

1. Reliable Supervisor
2. Chairman of the Audit Committee
3. Chairman of the Board
4. Company Secretary

2. Investigation Process

2.1 The recipient of whistle blowing report will collect information about unlawful conduct, non-compliance with the Company's rules and regulations and unethical business practices or appoint qualified person to proceed the investigation.

2.2 After collect all factual information, the recipient will send documents and/or evidences to the Chairman of the Board or Chairman of the Audit Committee.

2.3 The Chairman of the Board or Chairman of the Audit Committee will investigate and analyze the case. In case that information is true as report, the case will be reported to the Company's Audit Committee for further consideration.

2.4 If the investigation result found no evidence of wrongdoing as per report, no penalty will be imposed by the Company to the whistleblower.

If the investigation result found the evidence of wrongdoing, the penalty such as verbal or written warning, job suspension, discharge or legal proceeding will be applied.

2.5 The Company will investigate the whistle blowing report independently and fairly until obtain enough information. Disciplinary penalties will be applied follow the whistle blowing and anti-corruption policy.

2.6 The Company will keep the whistleblower updated about the investigation result for the whistleblower who disclosed the address, telephone numbers, email or other modes of communications. However, the Company may not be able to disclose the investigation process or disciplinary penalty.

3. Protective for whistleblower or complainant

1. The complainant, whistleblower and witness will be protected. Their information will not be disclosed to other persons only to the recipient of the whistleblowing report, the Chairman of the Board or Chairman of the Audit Committee.

2. The Company will protect and not allow the threatening or forcing happen to the whistleblower including to person who cooperate in investigation.

3. In case of the whistleblower is threatened should immediately inform to reliable supervisor for proper protection by depending on seriousness and importance of the whistle blowing issue.

4. The Company's executive or staff is not allowed to discharge, suspend, penalize or threat the whistle blower or complainant for offense or corruption. Any breaching persons will be imposed for disciplinary penalty.

5. The Company will be fair and protect its staff. No demotion, penalty or negative effects will be given to any staff who denied the corruption, although that action will bring to the Company loss of opportunity.

6. This whistle blowing policy will be reviewed and updated as necessary and appropriate at least once a year.

In 2019, The Board of Directors has reviewed the Anti-Corruption Policy and the Anti-Bribery Policy in the Board of Directors's meeting No. 8/2019 on November 7, 2019

In 2019, the Company continued its collaboration with public, private and state enterprise sectors for acknowledgement of other organizations' anti-corruption policies

Internal Control and Risk Management

The Board of Directors' Meeting No. 1/2019, held on February 25, 2019 with the Audit Committee, evaluated the Company's internal controls through consulting management. Conclusions were drawn on five aspects of internal controls, summarized as follows:

1. Organizational Control and Environmental Measures
2. Risk Management Measure
3. Management Control Activities
4. Information and Communication Measure
5. Monitoring

The Board of Directors has considered the Company to have arranged adequate internal controls with major shareholders, directors, management and all stakeholders, as well as other company operations.

1. Internal Control Management

The Company's Audit Committee has deemed the Company's internal controls and internal audit to be adequate and effective. In terms of the Company's performance, the audit has to be in accordance with SEC announcement and SET rules and regulations. The Audit Committee's meeting is held at least very quarter to consider and manage financial reporting for adequate disclosure. Connected transactions, i.e. transactions with potential conflicts of interests were considered in accordance with related laws and Capital Market Supervisory Board's requirements. An independent auditor attended the Audit Committee Meetings to advise as necessary. Details are shown in Audit Committee Report.

The Company has appointed P&L Internal Audit Co., Ltd. to perform the Company's internal control system since 2011. The auditor reported system evaluations to the Audit Committee every quarter and the Company has always executed improvements as per auditor recommendations.

2. Internal Audit's Observation on Internal Control System

In 2019, the Internal Audit observed the Company's operations in major aspects. Improvement suggestions were given for more check and balance in every operating system, led to continuous internal controls and good corporate governance as ultimate goal. The audit showed a suitable internal control system, it was further showed that the Company followed the auditor's remedial suggestions in 2019, auditing and monitoring operation process were conducted by the auditor and following observations were proposed;

Audit on Operation Process of	Observations / Suggestions
(Expenditure Cycle)	- To revise the working regulations in accordance with actual operation - To prepare the vendor assessment form for the year 2018 in accordance with the Company's regulations. - To follow up the vendor who has not come to receive check and to update the vendor status in the system - To consult with IT department in case that some purchase requisition number is missing, and not running in order. - To define the period of preparing purchase order after receiving purchase requisition. To review the pending purchase requisition in the system - To emphasize the staff not to delete, but cancel transaction - To emphasize the staff to comply with the working procedure on finance, petty cash and allowances, to prepare accurate and complete record
(Inventory Management)	- To prepare complete, updated working process on inventory and warehouse management and to review it in the time as stipulated by the Company. - To communicate with Technical Services Team for up-to-date inventory inspection. - To emphasize the staff to always specify complete information and signing date before taking inventory - To clearly classify the out-of-date stock and prepare obsolete inventory or defective inventory reports - To consider the installation of additional closed circuit television (CCTV) and fire extinguisher as fit to the warehouse area - To additionally consider the insurance application for STB garage
(Operations – Technical Services Department)	- To set up working process to cover the project management process and goods receipt from Repair Lap. To clearly set the written review cycle - To set the authorization to cover the product testing process - To propose the internal performance indicators of the Technical Services department for management's review - To internally communicate within the Technical Services Department and notify the requestor to completely, accurately record in the TSRF system - To consult with the IT department to lock certain channels in the TSRF system to be recordable by the Technical Services department only. - To communicate with the requestor to always record the work data in the TSRF system so the Technical Services Department can take actions. - To communicate with relevant parties that in case of elapse of completion date, the expected date shall be updated - To regularly record operation data, to regularly review recorded data by supervisor - Upon implementation of new system, authorized persons for accessibility concerning the Technical Services' records will be re-set.
(After-sales service and support work)	- To update the organizational structure and propose the management for approval - To review the completely substantial working procedures. - To review the authorization to cover substantial processes - To review and ensure the collection of complete contract documents, service reports, and "Request For Loan" documents. - To record the monitoring in the maintenance control register and stamped "Completed" in the "Preventive Maintenance Report" document. - To completely specify the information and sign in the Service Report - To sign for revision in the documents in case of any replacement of products. To specify correct status in the report, in case of status change. - To make a complete survey on customers satisfaction in accordance with the Company's regulations. - To follow up DEMO and conduct a complete search for DEMO according to the DEMO control register

3. Auditor's Observation on Internal Control System

- None -

Connected Transaction

1. Nature of Relationship

The Company has had connected transactions with persons that may cause a conflict of interest. These persons include shareholders and/or executives as well as related companies. This refers to companies that may have a conflict of interests or have relationship with shareholders and executives of the Company Relationships are summarized as follows:

Person that may have a conflict of interest	Nature of Relationship
P&T Asset Co., Ltd.	- The same directors include Mr. Prapat Rathlertkarn and Mr. Trevor John Thompson. - Operate property leasing business with the same shareholders. Mr. Prapat Rathlertkarn and Mr. Trevor Thompson (including related persons) collectively hold 63.16% of share of the Company as of December 31, 2018 and hold the 99.94% of shares in P&T Asset as of December 31, 2019.
Mr. Prapat Rathlertkarn*	- Serves as vice chairman, president and chief executive officer of the Company and Company Secretary. - Holds 78,950,000 shares in the Company (including holdings of related persons), accounting for 31.58% of the total paid-up shares of the Company as of December 31, 2019.
Mr. Trevor John Thompson*	- Serves as vice chairman, president and chief technology officer of the Company. - Holds 78,950,000 shares in the Company (including holdings of related persons), accounting for 31.58% of the total paid-up shares of the Company as of December 31, 2019.

Note :

Mr. Prapat Rathlertkarn and Mr. Trevor John Thompson have entered into an agreement with the Company affirming that they would not operate any business that competes with the Company. This extends to assuming the role of a partner, major shareholder or director of any company whose business competes with the Company. All management executives have also entered into an agreement with the Company, affirming that while they are employed by the Company, they cannot operate any business that is of the same nature and compete against the Company. This includes being a partner, major shareholder or director of any company whose business competes with the Company. For at least one year, executives cannot be employed by any company that compete with the Company and will not disclose any information about the Company, including the products sold and the products for which the employee was responsible. These terms and conditions are specified in the Non-Disclosure Agreement, into which Company employees have been entered. Evidence of damages to the Company directly or indirectly due to employees such as utilizing its confidential knowledge or customer database, or bidding against the Company can result in litigation against said employee. If PlanetComm is aware of the former employee's new workplace or business, the Company will coordinate with and inform the new employer that the Company may claim damages in order to protect its business operations.

2 Details of connected transactions

As at December 31, 2019, the details of connected transactions are disclosed in the note number 5 of the financial statements as follows:

(1) Sales and general administration

Person that may have a conflict of interest	Nature of transaction	Transaction value (Mil. Baht) 2019	Nature and justifications of transactions
1. P&T Asset Co., Ltd.	Leasing	14.24	1. Leasing of building. Total area is 3,269 square meters leased at 836,450 Baht per month. The Company leases the building from P&T Asset for office space. The lease rate is in accordance with an SEC approved independent appraiser. The 3-year lease agreement is effective from January 1, 2012 to December, 2014, after which the Company can renew the agreement for another 3 year term. The lease rate of the second agreement (January 1, 2015-December 31, 2017) will be increased by 10% (in accordance with the appraisal report dated September 30, 2011 by American Appraisal (Thailand) Company Limited approved by the SEC.) 2. Leasing of warehouse. Total area is 430 square meter. Lease rate is 51,600 Baht per month from November 1, 2014 to October 31, 2017. The Company has the right to renew the agreement for another three years. The lease rate will be increased by 10% (in accordance with the appraisal report dated November 3, 2014 by American Appraisal (Thailand) Company Limited). 3. It is a rental cost for 528 sq.m Storage Building, with rental rate at 220 Baht per sq.m. in total of 116,160 Baht per month. Duration of renting is three years and the renting will be increasing every three years at 5%. The Contract starts date on 01 January 2017 until 31 December 2019 (As according to the Appraisal Report of American Appraisal (Thailand) Limited dated 09 January 2017). P&T Asset agrees to extend the lease for another 3 years if the lease rate is at market rate. If the market rate is not available, the Company would engage and SEC-approved independent appraiser to appraise a new lease rate. If the new lease contract is in accordance with the rate appraised by the independent appraiser, P&T Asset agrees to extend the lease contract for another 3 years. The lease extension will be proposed to the Board of Directors. Members of the Audit Committee need to be present at all meetings to consider the approval.

(2) Pledge transactions

Person that may have a conflict of interest	Transaction value (Mil. Baht)			Person that may have a conflict of interest
	2017	2018	2019	
1. P&T Asset Co., Ltd.	Mb. 490.00	Mb. 490.00	Mb. 500.00	The mortgage of the P&T Asset building has no associated compensation from the Company. The transaction is deemed appropriate and was executed because it helped the Company in securing a loan from a commercial bank for working capital.

3. Measures or procedures for approving transactions

The Company defines measures to govern connected transactions executed between the Company and persons who may have a conflict of interest. The Audit Committee reviews the justifications of a transaction by considering whether they are in line with normal business transactions and by comparing with the market price for similar transactions. If the Audit Committee does not possess expertise in reviewing the transaction, the Company would appoint an independent specialist, e.g., an external auditor, a property appraiser or a law firm, to review and report on the transaction for consideration by the Audit Committee. The Committee will then submit the transaction proposal for approval by the Board of Directors or the shareholders.

In addition, the Company does not allow its executives and stakeholders that are involved either directly or indirectly to participate in approving connected transactions. The Board ensures that the Company is in compliance with the Securities and Exchange Act, as well as, rules, regulations, instructions or conditions stipulated by the Capital Market Supervisory Board and the SET. This includes regulations relating to the disclosure of transactions and acquisition or disposal of material assets owned by the Company and its subsidiaries, as well as financial reporting standards stipulated by the Federation of Accounting Professors and the Thai Certified Public Accountants. Transaction shall be disclosed in the notes to the financial statements reviewed and audited by the Company's external auditor.

4. Future connected transactions

The Company may continue to execute connected transactions considered to be part of normal businesses operations. The Company defines a clear policy on transactions where prices and terms are similar to transactions executed with unrelated persons and companies, including property leasing and loan pledges. The Audit Committee considers transactions in accordance with rules and its justifications on a quarterly basis.

The Audit Committee also reviews transactions that may not be considered normal business practice and indicates reasons for the transaction before execution. The Committee strictly follows the aforementioned measures and approval process. Nevertheless, as for future transactions that may constitute a conflict of interest, the Board would ensure that the Company is in compliance with the Securities and Exchange Act, as well as, rules, regulations, instructions, or conditions stipulated by the Capital Market Supervisory Board and the SET. This includes regulations relating to the disclosure of transactions and the acquisition or disposal of material assets owned by the Company and its subsidiaries, as well as financial reporting standards stipulated by the Federation of Accounting Professions and the Thai Certified Accountants.

Management Discussion and Analysis (MD&A)

1. Overview of Operating Performance

The Company provides telecommunications and digital TV technology services covering three product categories, namely:

Target customer

The company is engaged in distributing various services and being a service provider for various customer groups including ;

- (1) Private agencies such as industrial plants, medium and large companies, banks and financial businesses
- (2) Government agencies such as security agencies, government agency, state enterprises, educational institutions and hospitals
- (3) Television stations
- (4) Telecommunications service providers, such as fixed line service providers, mobile service provider, internet service provider, and satellite communication service providers

Industry situation

Industries that affect the Company's operations include the ICT industry and digital TV industry, both of which play a vital part in the country's infrastructure. The government defined its policy to develop the country into the Thailand 4.0 era for internal competitiveness enhancement. One of the policies is to develop 4G telephone network systems, resulting in greater public and private sector investments in technology and ICT systems. Which are favorable to the Company's growth.

(A) Revenue

The Company's total revenue amounted to 681.17 million Baht in 2017, 764.29 million Baht in year 2018, and 849.21 million Baht in year 2019. The Company's total revenue in 2019 included revenue from sales and service and other revenues, figured as 98.35 % and 1.65%. The Company's revenue can be summarized as follows;

1.) Revenue from sales and services

In 2017-2019, the Company earned revenue from sales and services of 675.24 million Baht, 749.66 million Baht, and 835.15 million Baht respectively. In 2019, the revenue was divided into sales of distributed products, sales of PlanetComm products and service revenue of 528.08 million Baht, 92.43 million Baht, and 214.64 million Baht respectively, figured as 63.23%, 11.07% and 25.70 % respectively.

Revenue from sales and services	2017		2018		2019	
	(Mil. Baht)	%	(Mil. Baht)	%	(Mil. Baht)	%
Revenue from distributed products	402.84	59.66	403.96	53.89	528.08	63.23
Revenue from PlanetComm products	142.81	21.15	131.25	17.51	92.43	11.07
Revenue from Services	129.59	19.19	214.45	28.61	214.64	25.70
Total revenue from sales and services	675.24	100.00	749.66	100.00	835.15	100.00

1.1 Revenue from distributed products

The Company's revenue from 2017-2019 distributed products totaled 402.84 million Baht, 403.96 million Baht, and 528.08 million Baht, figured as 59.66 %, 53.89 % and 63.23 % respectively of the total sales and services revenue. The products distributed by the Company are divided into two main groups, namely (a) products related to telecommunications systems and (b) products related to broadcasting and digital TV systems which can be summarized as follows:

Revenue from distributed products	2017		2018		2019	
	(Mil. Baht)	%	(Mil. Baht)	%	(Mil. Baht)	%
(a) Telecommunications systems	386.29	95.87	387.90	96.03	472.56	89.49
(b) Broadcasting and digital TV systems	16.55	4.13	16.06	3.97	55.52	10.51
Total revenue from distributed products	402.84	100.00	403.96	100.00	528.08	100.00

(a) Revenue from products related to telecommunications systems

In 2017-2019, the Company recorded revenue from distributed products related to telecommunications systems at 386.29 million Baht, 387.90 million Baht, and 472.56 million Baht respectively, equal to 95.87 %, 96.03 % and 89.49 % respectively.

In 2017, the Company had revenue from distributed telecommunications products of 386.29 million Baht or 95.87% of total sales of distributed products, decreasing from the same period last year by 8.29%. The decrease comes from Thailand market competitive.

In 2018, the Company had revenue from distributed and telecommunication product of 387.90 million Baht or 96.03% of distributed products, being similar to the previous year.

In 2019, the Company generated its revenue from products from being a distributor in the telecommunication system group, equal to 472.56 million baht or 89.49 percent of the total revenue from the Company's distributed products, which was lower than previous year due to greater sale proportion of television broadcasting system and digital TV.

(b) Revenue from products related to broadcasting and digital TV systems

In 2017-2019, revenue from broadcasting and digital TV products distributed by the Company amounted to 16.55 million Baht, 16.06 million Baht, and 55.52 million Baht respectively, figured as the ratio to revenue from distributed products, equal to 4.13 % 3.97 % and 10.51 % respectively.

In 2017, the revenue from broadcasting and digital TV products distributed by the Company was decreased to 16.55 million Baht or reduced 80.09% from year 2016, the income reduce, affected from Broadcast provider has invested in wireless network instead broadcasting system.

In 2018, the revenue from broadcasting and digital TV products distributed by the Company was 16.06 million Baht which similar to the previous year.

In 2019, the total revenue of the broadcasting system and digital TV system group was 55.52 million Baht, as 245.79 % increasing from 2018 due to its expanded project with greater sales for this customer group

1.2 Revenue from PlanetComm Products

In 2017-2019, the Company's PlanetComm products revenue totaled 142.81 million Baht, 131.25 million Baht, and 92.43 million Baht respectively, accounting for 21.15 %, 17.51 % and 11.07 % of total sales and services revenue respectively.

In 2017, PlanetComm products revenue amounted to 142.81 million Baht or 21.15% of revenue from sales and services, as 47.04% increasing from year 2016. The increased revenue from PlanetComm Set top box, as the policy of the government to cancel analog system.

In 2018, PlanetComm products revenue amounted to 131.25 million Baht or 17.51% of revenue from sales and services, as 8.10% decreasing from year 2017. The decrease revenue from sale decline of PlanetComm Set top box.

In 2019, the Company generated its revenue from sales of products under the Company's own brand in the amount of 92.43 million baht, equivalent to 11.07 percent of its revenue from sales of goods and services, which was 29.6 percent lower than 2018.

1.3 Revenue from services

The Company's services revenue comes mostly from maintenance and repair services. In 2017-2019, the Company had services revenue of 129.59 million Baht, 214.45 million Baht and 214.64 million Baht respectively, accounted for 19.19 %, 28.61 %, and 25.70 % of total sales and services revenue respectively.

In 2019, the Company recorded services revenue breakdown as follow;

- Installation service of 81.75 million Baht.
- Maintenance service of 79.43 million Baht
- Repair service of 23.17 million Baht
- Communication equipment rental income of 0.12 million Baht
- Cloud service income of 11.60 million Baht
- Hi-speed internet service 18.57 million Baht

2.) Other revenues

In 2017-2019, the Company had other revenue of 5.93 million Baht, 14.63 million Baht and 14.05 million Baht, accounted for 0.87 %, 1.90 %, and 1.65 % of total revenue, respectively.

In 2017, the other revenue was 5.93 million Baht. The Key components included gain on exchange rate 5.14 million, interest income 0.29 million Baht, and other revenues 0.50 million Baht.

In 2018, the other revenue was 14.63 million Baht which consisted of interest income 0.31 million Baht, gain on exchange rate 4.57 million Baht, profit for asset sale 7.97 million Baht, and other revenues 1.78 million Baht.

In 2019, the Company's other revenues totaled 14.05 million baht, consisting of profit from its sale of assets of 6.06 million baht and others of 7.99million baht.

1.) Costs and expenses

Main expenses of the Company consist of sales and services costs, sales and administrative expense and interest expense. In 2017-2019, the Company's total costs and expenses amounted to 719.51 million Baht, 754.91 million Baht, and 846.53 million Baht respectively, as per the following details.

Sales and services costs and Gross Profit Margin (GPM)

The sales and services costs are regarded as main expenses of the Company. In 2017, the sales and services cost was 541.83 million Baht, 586.46 million Baht in 2018 and 679.80 million Baht in 2019, accounting for 77.61%, 78.23 % and 81.40 % of total sale and service revenue, respectively. The Company's sales and services cost can be divided into the cost of sales cost distributed products, the cost of PlanetComm products sales and the cost of services. Details are as follows:

1.1 Products distributed by the Company

The sales cost of products distributed by the Company in 2017-2019 amounted to 311.44 million Baht, 314.37 million Baht, and 485.04 million Baht respectively. The sales cost of distributed products can be divided into two groups, namely (a) products related to telecommunications systems and (b) products related to broadcasting and digital TV systems

(a) Products related to telecommunications systems

In 2017-2019, the sales cost of telecommunications products distributed by the Company was 297.32 million Baht, 299.58 million Baht, and 443.47 million Baht respectively, figured as a GPM of 23.03 %, 22.77 %, and 6.16 % respectively.

In 2017, the Company made a lower margin of telecommunications product, the cost was 297.32 million Baht, figured as a GPM of 23.03% due to high competitors and distributors in the market. Thus, the Company had to use pricing strategy against the competitors.

In 2018, the Company GPM was decreased from 23.03% to 22.77% because of high competition.

In 2019, the Company's initial gross profit in the telecommunication system group was 29.09 million baht or 6.16 % which significantly decreased from the Company's high-cost large-scale projects and other high-cost projects as well.

(b) Products related to broadcasting and digital TV systems

In 2017-2019, the cost of broadcasting and digital TV products distributed by the Company was 14.12 million Baht, 14.79 million Baht, and 41.57 million Baht respectively or a GPM of 14.69 %, 7.88 %, and 25.13 % respectively. In this regard, the gross profit margin of products in the television broadcasting system and digital TV systems in 2019 generated good profit and greater sales.

1.2 Products under PlanetComm brand

The sales cost of PlanetComm products in 2017-2019 was 130.54 million Baht, 116.41 million Baht, and 78.28 million Baht respectively, representing a GPM of 8.59 %, 11.31%, and 15.31 % respectively.

In 2017, the sales cost of PlanetComm products was 130.54 million Baht, representing a GPM of 8.59%. As the Company recognized some cost of Set Top Box by recording its allowance for diminution in value in 2016, the said cost of Set Top Box would lower that the normal cost when the company sold plentiful of Set Top Box in 2017.

In 2018, the sales cost of PlanetComm product was 116.41 million Baht, representing a GPM of 11.31%, increasing from previous year due to other high GPM PlanetComm products were sold more than Set Top Box.

In 2019, the cost of sales of the product under the name PlanetComm was 78.28 million baht, with a initial gross profit of 15.31 percent, greater from 2018 due to other products sales with more profits.

1.3 Services cost

In 2017-2019, the Company's service cost was 99.85 million Baht, 155.16 million Baht, and 116.48 million Baht respectively. These costs include the cost of services, the cost of warranty and maintenance paid to manufacturers or distributors, the cost of salaries for post-sale service department and amortization. In 2017-2019, the Company's GPM from services was 22.95 %, 27.65 %, and 45.73 % respectively.

2. Sales expense

The Company recorded sales expense in 2017 of 61.10 million Baht, 54.81 million Baht in 2018, and 45.75 million Baht in 2019, equal to 8.97%, 7.17%, and 5.39 of total revenue respectively.

In 2019, the Company's sales expense decreasing 9.06 million Baht from previous or, about 16.53 %. The decrease comes from sales representative expense, commission and sales promotion.

3. Administrative expense

In 2017-2019, the Company's administrative expense was 102.56 million Baht, 100.63 million Baht, and 104.36 million Baht representing 15.06%, 13.17%, and 12.29% respectively of total revenue.

In 2019, the Company's administrative consisted of 48% for personnel expenses, 27% for operation expense, 12% for depreciation, and 14% for rentals expense. Administrative expenses for the year 2019 was 3.73 million baht , increasing from the previous year. Since remunerations set for employees increase was 2.19 million baht increased and administrative expenses in 2018 decreased from the decrease of bad debts reserve of 3.08 million baht

4. Financial expense

In 2017-2019, the Company incurred financial expense of 14.02 million Baht, 13.02 million Baht and 16.62 million Baht, accounting for 2.06%, 1.70 %, and 1.96 % respectively of total revenue. Finance expense comprised of interest expense from use of L/I, P/N and LC/TR loans, which were current loans for domestic and international purchase orders, long term loan for investment with finance institutes, and bank fee.

In 2019, The Company's financial expenses increased from the previous year by 3.60 million baht , arisen from the Company's payment for front end fees and more paid interest from Trust Receipt loans.

(c) Net Profit and Net Profit Margin (NPM)

In 2017, the Company's net loss amounted to 31.62 million Baht figured as 4.64%. In 2018, the Company's net profit amounted to 5.88 million Baht or 0.77% of total revenue. In 2019, the company had a net loss of 1.00 million Baht and other comprehensive losses from re-measurement of employees' benefits on actuarial science principle of 0.02 million baht, resulting in total comprehensive loss for the year 2019 equal to 1.02 million baht, equal to Percentage (0.12) of total revenue

Return on equity

The return on equity ratio was (7.60%) in 2017, 1.44% in 2018, and (0.24%) in 2019. The Company did not paid dividend due to continuous losses in 2018. The company had its net profit of 5.88 million baht. No dividends are paid, because it was the first year when the Company's net profit returned and the amount was not much which needed to be used in the Company's operation. In2019, the Company had net loss, therefore, dividends cannot be paid

2. Financial Position

(a) Assets

In 2017-2019, the Company's total year-end assets amounted to 848.07 million Baht, 813.75 million Baht, and 893.86 million Baht respectively. Key assets include trade receivables and other account receivables, inventory, land, plant and equipment. In 2017, the key assets to total asset ratios were 33.16 %, 21.16 %, and 17.54 % respectively. In 2018, the key assets to total assets ratio were 48.82 %, 6.59 %, and 18.62 % respectively. In 2019, The company's total assets increased by 80.11 million baht as a result of an increase in trade receivables. The details of assets can be summarized as follows ;

Assets	As of December 2019		As of December 2018		As of December 2017	
	Million Baht	%	Million Baht	%	Million Baht	%
Current Assets						
Cash and Cash Equivalents	34.31	3.84	25.42	3.12	15.84	1.87
Trade and Other Receivables - Net	436.37	48.82	273.98	33.67	281.26	33.16
Accrued Income	75.86	8.49	106.28	13.06	71.83	8.47
Inventories - Net	58.87	6.59	95.62	11.75	179.42	21.16
Advances for Purchases of Goods	22.04	2.47	22.12	2.72	38.02	4.48
Other Current Assets					8.55	1.01
Total Current Assets	627.45	70.2	523.4	64.32	594.92	70.15
Non - Current Assets						
Restricted deposits at Financial Institutions	21.4	2.39	63.9	7.85	57.15	6.74
Land, Building and Equipment	166.46	18.62	154.55	18.99	148.72	17.54
Intangible Assets - Net)	12.19	1.36	12.9	1.59	5.06	0.59
Deferred Tax Assets	7.85	0.88	11.53	1.42	16.36	1.03
Other Non - Current Assets	58.51	6.55	47.47	5.83	25.86	3.05
Total Non - Current Assets	266.41	29.8	290.35	35.68	253.15	29.85
Total Assets	893.86	100	813.75	100	848.07	100

Trade and other receivables

The Company had trade receivables before doubtful accounts deduction amounted 289.61 million Baht at year end 2017, 268.14 million Baht at year end 2018 and 434.28 at year end 2019 figured as 34.15 %, 32.95 %, and 48.58 of total assets respectively. The Company has a policy to grant a credit terms from 30-90 days to general customers. At year end of 2017-2019, the Company recorded an average collection period of 194.71, days, 152.66 days, and 155.23 days respectively.

(Outstanding Period)	As of December 31, 2017		As of December 31, 2018		As of December 31, 2019	
	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Undue	99.77	34.45	74.38	27.74	51.67	11.90
Overdue						
Less Than 3 months	147.53	50.94	30.33	11.31	96.58	22.24
3 – 6 months	3.45	1.19	0.97	0.37	192.62	44.35
6 – 12 months	8.46	2.92	88.69	33.08	1.30	0.30
Over than 12 months	30.40	10.50	73.77	27.50	92.11	21.21
Total trade receivable	289.61	100.00	268.14	100.00	434.28	100.00
Less Allowance for doubtful Account	(10.47)		(7.41)		(7.24)	
Total Net trade receivable	279.14		260.73		427.04	
Other receivables	2.12		3.79		9.33	
Total Net trade receivable and other receivable	281.26		264.52		436.37	

The above table indicates that paid or undue receivables of the Company as of 2017-2019 years ends accounted for 34.45, 27.74 %, and 11.90 % respectively of total trade receivables, before allowances for doubtful accounts. During these year-end periods, receivables that were less than 3 month overdue amounted to 147.53 million Baht, 30.33 million Baht, and 96.58 million Baht accounted for 50.94 %, 11.31 %, and 22.24 % respectively of total trade receivables, before allowance for doubtful accounts; those that were to 3 to 6 months amount of 3.45 million Baht, 0.97 million Baht, and 192.62 million Baht respectively. or overdue accounted for 1.19 %, 0.37 %, and 44.35 % respectively of total trade receivables, before allowance for doubtful accounts.

At the end of 2019, receivables overdue not more than 3 months increased significantly, due to the Company's sale of products in large-scale project to a customer who has not received payment at the end of the period. The amount of receivables overdue more than 6 months reduced. However, there was more than 12 months overdue receivables from 2018 which payments was gradually made, giving result on lower amount of receivables

Regarding its allowance for doubtful account policy, the Company estimates potential loss incurred from each debtor based on creditability, organizational stability, payment history, aging profile and the prevailing economic circumstances. Debtors are divided into two main types as follows

1. Government agencies and state enterprises for which no allowance is made.
2. Private organizations, for which the Company will consider allowance based on the period in default. The allowance is estimated as a percentage of the debt value in default as follows;

(No. of default Days)	Allowance for doubtful account rate
> 180 Days	20% of total default debts
> 240 Days	40% of total default debts
> 365 Days	100% of total default debts

Inventory

At 2017-2019 year-ends, the Company had inventory, before allowance for diminution in value of inventory, amounted to 207.77 million Baht and 112.51 million Baht, and 71.98 million Baht respectively mostly with finished goods accounting for 91.18%, 78.64 %, and 66.57 % respectively. The Company must retain sufficient stock of certain goods based on customer demand, e.g. audio conference system, Telepresence systems, etc.

At the end of 2017, the quantity of finished goods was 189.45 million baht. In 2018, the value of finished goods decreased by 100.97 million baht from the remaining 2017 at 88.48 million baht, most of which were the Set Top Box with great sales. In 2019, finished goods decreased from 2018 by 40.56 million baht, remaining 47.92 million baht.

Inventory	As of December 31, 2017		As of December 31, 2018		As of December 31, 2019	
	Mil. Baht	%	Mil. Baht	%	Mil. Baht	%
Finished goods	189.45	91.18	88.48	78.64	47.92	66.57
Work in process	16.43	7.91	11.92	10.59	19.35	26.88
Spare parts and Supplies	0.69	0.33	0.36	0.32	-	
Good in Transit	1.20	0.58	11.76	10.45	4.71	6.55
Total inventories	207.77	100.00	112.51	100.00	71.98	100.00
Less : Reduce cost to net realisable value	(28.35)		(16.89)		(13.11)	
Total net inventories	179.42		95.62		58.87	

In determining an allowance for diminution in value of inventories, the management is required to make estimates of the loss on damaged and slow moving inventories, and the net realizable value of inventories, as well as technology disruption. The Company reserved for allowance 28.35 million Baht at the end of 2017, 16.89 million Baht at the end of 2018, and 13.11 million Baht at the end of 2019.

The policy of allowance for diminution in value of inventories is as follows:

Age of inventory	Rate of allowance for diminution in value of inventories	Value of Inventory as of December 31, 2019 (Mil. Baht)	(Value of allowance for diminution in value of inventories as of December 31, 2019) (Mil. Baht)
1-2 years	10%	4.83	0.44
2-3 years	20%	13.57	1.54
3-4 years	30%	6.15	1.85
4-5 years	40%	2.90	1.16
years and over *	100%	12.09	7.02

Leasehold improvement and Equipment - NET

The Company's Leasehold improvement and Equipment totaled 148.72 million Baht at the year-end 2017, 154.55 million Baht at the year-end 2018, and 166.46 million Baht at the year-end 2019 figured as 17.54 %, 18.99 %, and 18.62 % respectively.

In 2017, the Company invested 0.88 million Baht for test equipment, 4.21 million Baht for office equipment and 56.89 million Baht for fiber-optic installation asset.

In 2018, the Company invested 1.13 million Baht for office equipment and 15.14 million Baht for asset in installation.

In 2019, the Company invested 7.14 million Baht for test equipment, 2.09 million Baht for office equipment and 12.86 million Baht for transportations.

4. Intangible Assets

The Company separated intangible assets from equipment. In 2017 -2019 , the Company's intangible assets amounted 5.06 million Baht, 12.90 million Baht and 12.19 million Baht or 0.59%, 1.59% and 1.36% respectively of total asset. The Company's intangible assets was software for process management and control.

(b) Liquidity

Cash flow

In 2017-2019, the Company recorded cash flows from operations of 66.87 million Baht, 127.38 million Baht and (125.55) million Baht, respectively. The cash flow from operations in 2017 increased 10.07 million Baht due to the reduced of inventory. In 2018, the cash flow from operation increased 60.51 million Baht because of performance profit and reduces of inventory and in 2019; the negative cash flow was 125.55 million baht, mainly due to an greater accounts receivables and payment of creditors

The cash flow from the Company's investing activities in 2017-2019, was 53.37 million Baht, 31.52 million Baht and 47.29 million Baht, respectively. In 2018, the Company cash flow used for equipment and intangible asset at 26.55 million Baht and restricted deposits at finance institutions increasing of 6.56 million Baht. And in 2019, the Company received from investment, cash of 40.99 million baht due to decrease of the restricted deposits

The cash flow from the Company's financing activities.

In 2017, cash flow from financing activities was 0.96 million Baht, from short-terms loan 34.69 million Baht while the repayment for the short-term and long-terms loan was 23.03 million Baht and payment for interest was 10.70 million Baht.

In 2018, cash flow from financing activities was 86.28 million Baht from short-term loan payment was 75.92 million Baht and payment for interest 10.88 million Baht.

In 2019, the Company spent cash for financing 92.90 million Baht. The main reason was is expenditure of short-term loan for big purchases.

(Unit : Million Baht)	2017	2018	2019
Cash Flow from (used in) operating activities	63.25	127.38	(125.55)
Cash Flow from (used in) investment activities	(53.37)	(31.32)	40.99
Cash Flow from (used in) finance activities	0.96	(86.28)	92.90
Net increase (decrease) in cash and cash equivalents	10.84	9.58	8.34

Liquidity ratios

As of 2017-2019 year end, the Company recorded a current ratio of 1.42 times, 1.39 times, and 1.42 times, respectively and a quick ratio of 0.99 times, 1.14 times, and 1.11 times, respectively. In 2017, the difference between the quick and the current ratios was quite substantial due to a high proportion of inventory to current assets. In 2018, there was small difference of the said ratios because of significantly reduce in inventory.

The Company's cash cycle was 275.69 days in 2017, 174.41days in 2018, and 149.02 days in 2019. The significant reduction of cash cycle were (1) average sale period decrease was 134.96 days in 2017, 85.67 days in 2018, and 41.48 days in 2019 (2) collection date decrease from 2017 -2019 were 194.74 days, 152.66 days, and 155.23 days, respectively.

	2017	2018	2019
Current ratio (time)	1.42	1.39	1.42
Quick ratio (time)	0.99	1.14	1.26
Average collection period (days)	194.74	152.66	155.23
Average sales period (days)	134.96	85.67	41.48
Payment period (days)	54.01	63.91	47.68
Cash Cycle (days)	275.69	174.41	149.02

(c) Source of fund

Liabilities

At 2017-2019 year end, the Company had total liabilities of 447.67 million Baht, 400.70 million Baht and 481.83 million Baht, respectively. The Company's liabilities structure, most of its liabilities were current liabilities used in business opearations, which was 93.90% of total liabilities in 2017, and 94.01% of total liabilities in 2018, and 93.85% of total liabilities in 2019 year end.

In 2018, the most current liabilities included loans from financial institutions, which mostly are overdraft and LC/TR and trade receivable of 83.58% of total liabilities in 2019 year end.

Shareholder's equity

In 2017 year end, the shareholder's equity was 400.40 million Baht, as 31.62 million Baht decreased from 2016 because of the Company's net loss.

In 2018 year end, the shareholder's equity was 413.05 million Baht, as 12.66 million Baht increased from 2017 because of the Company's net profit of 5.88 million Baht and other comprehensive profit of 6.78 million Baht.

In 2019 year end, the shareholder's equity was 412.04 million Baht, as 1.02 million Baht decreased from 2018 because of the Company's net loss of 1.00 million Baht. and other comprehensive net loss of 0.02 million Baht.

Capital Structure

In 2017 – 2019 year end, the Company's debt to equity ratio was 1.12 times, 0.97 times, and 1.17 times,. The Company's capital structure was not much difference because the Company's liability are short-term loan from finance institute and trade payable which were limited credit.

13. Financial Ratio

Financial Ratio		2017	2018	2019
Liquidity Ratio				
Current Ratio	(Time)	1.42	1.39	1.39
Quick Ratio	(Time)	0.99	1.14	1.26
Cash Flow Ratio	(Time)	0.16	0.32	0.00
Account Receivable Turnover	(Time)	1.87	2.39	2.35
Average Collection Period	(Days)	194.74	152.66	155.23
Inventory Turnover	(Time)	2.70	4.26	8.80
Average Days Sale	(Days)	134.76	85.67	41.48
Account Payable Turnover	(Time)	6.76	5.71	7.65
Average Payment Period	(Days)	54.01	63.91	47.68
Cash Cycle	(Days)	275.68	174.41	149.02
Profitability Ratio				
Gross Profit Margin	(%)	19.76	21.84	18.60
Operating Profit Margin	(%)	(5.63)	1.23	0.32
Other Income Margin	(%)	0.87	1.91	1.65
Cash to Make a Profit Ratio	(%)	(260.05)	568.53	(0.65)
Net Profit Margin	(%)	(4.64)	0.77	(0.12)
Return on Equity (ROE)	(%)	(7.60)	1.44	(0.24)
Efficiency Ratio				
Return on Assets	(%)	(3.75)	0.71	(0.12)
Return on Fixed Asset	(%)	(2.22)	21.63	15.96
Total Asset Turnover	(Time)	0.81	0.92	0.99
Financial Policy Ratio				
Debt to Equity Ratio	(Time)	1.12	0.97	1.17
Interest Coverage Ratio	(Time)	0.31	3.93	2.83
Coverage Obligation	(Time)	0.63	3.40	-
Dividend Payment	(%)	-	-	-

Non-Finance Key Performance Indicator

The Company offers comprehensive services related to the design, installation and sales of telecommunications and broadcast / digital TV systems along with associated products including provides lease service for Passive Fiber Optic Component for client accessibility. Thus, the Company has annual customer satisfaction survey which is the one of Non-Finance Key Performance Indicator. From 2017-2019, the results of our customer satisfaction were 98.68%, 99.41% and 99.46%, respectively.

Management's Responsibility for the Financial Statements

The Management gives importance on conducting the company's duties and responsibilities in line with good governance policy, preparation of accurate and complete information for financial statements and financial information technology in the annual report. The company's Financial Statements are prepared in accordance with generally accepted accounting principles. The company selects to implement appropriate accounting policies and consistently complies with them with careful judgment. Efficient internal control system is implemented to ensure credibility of financial statements, good security system for assets protection, good preventive system against corruption and misconduct. Some related items potentially causing conflict of interests all are commercial real lists based on generally reasonable and optimal business transactions and legal compliances which the inspecting committee has reported the company's Board of Directors, operation results including their comments given and shown in the company's annual report.

The company's Board of Directors considers that the company's internal control system is satisfactory level and provides reasonable confidence in credibility of the company's financial statements as at December 31, 2019. The company's auditor performs his/her audit, based on generally accepted accounting principles with his/her opinion given for accurate financial statements significantly in accordance with generally accepted accounting principles.



Dr. Ruttikorn Varakulsiripunth
Chairman, Board of Directors



Mr. Prapat Rathlertkarn
President & Chief Executive Officer

Signed on February 25, 2020

Audit Committee Report

The Company's Audit Committee consists of four qualified Independent Directors which one of them is expertized and experienced in accounting and financing. The Audit Committee's responsibilities are assigned by the Company's Board of Directors, in line with notifications by Capital Market Supervisory Board and rules and regulations by Stock Exchange of Thailand.

In 2019, there were seven times of Audit Committee's meeting completely attending the meeting which constituted a quorum. The Audit Committee's report made on quarterly basis. Discussions and reviews made by the Audit Committee, Executives, Internal Auditor and related Auditors were concluded as follows;

1. Financial Statements and Non-Financial Statements Review

The Audit Committee, Executives, Internal Auditor and related Auditors collectively reviewed quarterly and annual 2019 financial statements of Planet Communications Asia Public Company Limited. without presence by Administrative Department. The purpose of this review was to discuss about independence of responsibilities, auditor's opinions, inquiry to auditor about accuracy of financial statements, significant adjustment of financial statements which affect its financial statements in terms of properness of accounting entries and scope of audit. Disclosure of accurate, complete information and independence of auditor ensures that the financial statements was prepared in accordance with generally accepted accounting principles and related rules and regulations, accurate and reliable accounting system and financial statements including adequate and in-time disclosure for the benefit of investors and financial statements users. The Audit Committee reviewed operating performances of each department and compares its action plan and operating performance by inquiring issues, giving opinions, determining solutions to ensure proper and transparent operations.

2. Review on Risk Management Assessment

The Audit Committee reviewed to ensure that Company's risk management assessment is in compliance with its risk management policy and follow up progress of key risk management by determining risk factors. Potential effects on risk management make the Company reliable on its systematic risk management assessment and make the system comprehensive for all employees for the Company's value-added business.

3. Corporate Governance Review

The Audit Committee reviewed the Company's compliance with code of ethics and corporate governance. It was concluded that the Company's directors and employees strictly complied with its corporate rules and regulations. The Company's Board of Directors enhanced its staff at all levels to be consistently and continuously adhered to code of ethics and moral, in line with the principles by the Stock Exchange of Thailand for transparency and ethics , led to confidence by its shareholders, investors, customers, partners and all related parties.

4. Internal Control System Review

The Audit Committee reviewed internal control system to assess adequacy and properness of internal control system in accordance with internal control standards and guidelines stipulated by The Securities and Exchange Commission and the Stock Exchange of Thailand as well as review on audit results as per the approved audit plan and audit report. The Company's executives continuously monitored actions as per its recommendations, comments and the Audit Committee's opinions shown in the audit report including internal control improvements to be in accordance with changing situations. The result of internal control review showed no significant weakness or defections. It was determined by the Audit Committee that the Company's implemented internal control system and risk management system is adequate and proper. Internal control system was also assessed by auditor. The result showed no significant weakness potential affecting the Company's financial statements.

5. Review on Related Business Laws Compliance

The Audit Committee reviewed the Company's compliance with laws on Securities, rules and regulations by the Stock Exchange of Thailand and The Securities and Exchange Commission and other relevant laws on business. The result was the Company's compliance with relevant applicable laws.

6. Review on connected transactions or transactions potentially with conflict of interest

The Audit Committee reviewed the said transaction and determined that the Company's transaction was general, reasonable trading transaction free from conflict of interest and in accordance with the rules and regulations by Stock Exchange of Thailand and The Securities and Exchange Commission.

7. Review on compliance with anti-corruption measures

The Audit Committee reviewed internal control measures, as well as compliance with anti-corruption measures. Risks management and gave necessary guidelines. The Company was accepted for membership on the projects of Sector Alliance on Anti-Corruption on May 17, 2018. The internal audit in the last years included a review for internal control system to ensure that adequate and proper compliance with anti-corruption measures.

8. Appointment of Auditor

Considering knowledge, experience, competency, qualification and operating performance of ANS Audit Co., Ltd. for the past accounting year, ANS audit Co., Ltd. is dependent and experienced in auditing the Company's financial statement under accuracy and reliability. In the Company's Shareholder's Meeting, the Audit Committee proposed to the Company's Board of Directors to review and appoint staff of ANS Audit Co., Ltd. as the Company's auditor in 2019 including Mr. Atipong Atipongsakul, as a holder of the certificated registration no. 3500 or Mr. Vichai Ruchitanont, as a holder of the certificated registration no. 4054 or Mr. Sathien Vongsanan, as a holder of the certificated registration no. 3495 or Ms. Kultida Pasurakul, as a holder of the certificated registration no. 5946 or Mr. Yuttapong Chuamuangpan, as a holder of the certificated registration no. 9445 for further consideration.



Dr. Wichai Laomatvanich

Chairman, Audit Committee, Planet Communication Asia Public Company Limited

February 25, 2020

Financial Statements

Independent Auditor's Report

To the Shareholders and the Board of Directors of Planet Communications Asia Public Company Limited:

Opinion

I have audited the consolidated and separate financial statements of Planet Communications Asia Public Company Limited and its subsidiaries, and of Planet Communications Asia Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2019, the consolidated and separate statements of profit or loss and other comprehensive income, statements of changes in shareholders' equity and statements of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of Planet Communications Asia Public Company Limited and its subsidiaries, and of Planet Communications Asia Public Company Limited, respectively, as at December 31, 2019, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Key Audit Matters

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

Revenue from sales of equipment including designation and installation

Risk

Planet Communications Asia Public Company Limited ("the Company") has revenue from sales of equipment including designation and installation for the year ended December 31, 2019 of Baht 300 million. The Company recognized revenue when performance obligations satisfied over the period of the contract using an input method to measure progress towards complete satisfaction of that performance obligation by reference to the actual cost of services provided incurred to the end of the period as a proportion of the total cost of services expected to be provided at completion of the performance obligation under the term of contract. The recognition of revenue, therefore, relies on estimates on the progress towards completion of the performance obligation satisfied under each contract. Profit or loss on contracts is a key risk for the audit because of the judgment involved in preparing suitable estimates of the forecast service costs on such contracts which could affect the amount of revenue recognized in the year ended December 31, 2019.

Auditor's Response

My audit procedures included selecting samples of those contracts that could have a significant impact on the Group's financial results in order to:

- Read the contracts to consider the conditions relating to revenue recognition.
- Inquire with management concerning the terms of and risks associated with these contracts relevant to revenue recognition and estimates of possible loss.
- Assess the appropriateness of Management's estimated total cost of services by verification with reliable sources of external and internal audit evidence.
- Examine the accounting transactions related to revenue recognition that were recorded through journal vouchers, in order to detect any irregularities.
- Verify the service costs incurred with purchase documents.
- Test the calculations of the actual cost of services provided incurred to the end of the period as a proportion of the total cost of services expected to be provided at completion of the performance obligation under the term of contract.
- Compare the progress toward complete of performance obligation satisfied with the information from the Management.

Carrying amounts of fiber optic network equipment

Risk

According to Note to Financial Statements No.11, the Company invested in the fiber optic network equipment which majority services in condominium at a net book value of Baht 124 million as at December 31, 2019. Weakening economic condition in Thailand, however, slowed demand in the condominium market. This is an indication of impairment of the fiber optic network equipment. Management determined the recoverable amount for the fiber optic network equipment from the value in use model by applying a discounted cash flow approach. Key assumptions used in the discounted cash flow included:

- The cash flow forecasts derived from internal forecasts and assumptions around the future performance.
- The discount rate and the long-term growth rate, including the assessment of risk factors and growth expectation of the relevant factors.

I focused on this area because the determination of its recoverable amounts is dependent on a number of assumptions which involved significant management judgment.

Auditor's Response

My procedures in relation to management's assessment of the recoverability of the fiber optic network equipment included:

- Required to the cash flow forecasts of fiber optic network equipment that have been approved by the management.
- Understanding and assessing the reasonableness of key assumptions for the cash flow forecasts of fiber optic network equipment made by Management such as the discount rate as compared to the Company's weighted average borrowing cost, the growth expectation rate of customer's number around the future performance and service income rates which is in comparison with the current and historical data.

Other Information

Management is responsible for the other information. The other information comprises the information include in Annual Report but does not include the consolidated and separate financial statements and my auditor's report thereon. The Annual Report for the year 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 consolidated and separate financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

I communicate with 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 consolidated and separate 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.



Kultida Pasurakul

Certified Public Accountant Registration Number 5946

ANS Audit Company Limited

Bangkok, February 26, 2020

PLANET COMMUNICATIONS ASIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION

Unit: Baht

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
ASSETS					
Current Assets					
Cash and cash equivalents	6	34,308,974	25,962,945	32,338,029	25,220,518
Trade and other current receivables - net	5, 7, 27.4	449,873,514	273,977,576	455,805,217	274,013,349
Contract assets		75,855,850	106,257,752	75,855,850	106,257,752
Inventories - net	8	58,867,942	95,623,559	58,867,942	95,623,559
Advances for purchases of goods		<u>22,046,062</u>	<u>22,119,252</u>	<u>21,996,036</u>	<u>22,119,252</u>
Total Current Assets		<u>640,952,342</u>	<u>523,941,084</u>	<u>644,863,074</u>	<u>523,234,430</u>
Non-Current Assets					
Restricted deposits at financial institutions	9	21,400,000	63,360,417	21,400,000	63,360,417
Investment in subsidiaries	10	-	-	6,249,963	1,249,993
Leasehold improvement and equipment - net	11	166,462,297	154,550,882	166,058,331	154,045,582
Intangible assets - net	12	12,185,882	12,900,859	12,185,882	12,900,859
Deferred tax assets	13	7,853,419	11,531,289	7,752,151	11,531,289
Other non-current assets	5, 14	<u>45,010,388</u>	<u>47,466,683</u>	<u>45,010,388</u>	<u>47,466,683</u>
Total Non-Current Assets		<u>252,911,986</u>	<u>289,810,130</u>	<u>258,656,715</u>	<u>290,554,823</u>
Total Assets		<u>893,864,328</u>	<u>813,751,214</u>	<u>903,519,789</u>	<u>813,789,253</u>

PLANET COMMUNICATIONS ASIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION

Unit: Baht

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Short-term borrowings from financial institutions	15	338,359,080	206,219,306	338,359,080	206,219,306
Trade and other current payables	5, 16	64,328,325	113,281,583	64,086,372	113,129,998
Contract Liabilities		36,792,905	29,024,284	36,792,905	29,024,284
Current portion of long-term borrowings from financial institutions	17	10,500,000	20,200,000	10,500,000	20,200,000
Current portion of liabilities under financial lease agreements	18	2,238,252	7,954,807	2,083,234	7,810,961
Total Current Liabilities		452,218,562	376,679,980	451,821,591	376,384,549
Non-Current Liabilities					
Long-term borrowings from financial institutions	17	-	10,500,000	-	10,500,000
Liabilities under financial lease agreements - net	18	14,060,438	2,921,700	13,872,066	2,577,459
Non-current provisions for employee benefit	19	15,547,326	10,592,964	15,040,984	10,592,964
Total Non-Current Liabilities		29,607,764	24,014,664	28,913,050	23,670,423
Total Liabilities		481,826,326	400,694,644	480,734,641	400,054,972

Notes: Note to Financial Statements is be a part of these financial statements

PLANET COMMUNICATIONS ASIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION

Unit: Baht

	Notes	Consolidated Financial Statements	Separate Financial Statements		
		December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
SHAREHOLDERS' EQUITY					
Share Capital					
Authorized share capital					
Common shares					
250,000,000 ordinary shares, Baht 1 par value		250,000,000	250,000,000	250,000,000	250,000,000
Issued and paid-up share capital					
250,000,000 ordinary shares, Baht 1 par value		250,000,000	250,000,000	250,000,000	250,000,000
Share premium on ordinary shares		129,163,346	129,163,346	129,163,346	129,163,346
Capital surplus on share-based payment		17,117,100	17,117,100	17,117,100	17,117,100
Retained earnings					
Appropriated					
Legal reserve	20	10,894,585	10,442,042	10,894,585	10,442,042
Unappropriated		4,862,971	6,334,082	15,610,117	7,011,793
Other components of shareholders' equity		-	-	-	-
Total Shareholders' Equity		412,038,002	413,056,570	422,785,148	413,734,281
Total Liabilities and Shareholders' Equity		893,864,328	813,751,214	903,519,789	813,789,253

Notes: Note to Financial Statements is be a part of these financial statements

PLANET COMMUNICATIONS ASIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2019

Unit: Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
REVENUES					
Revenues from sales		620,513,430	535,210,429	620,513,430	535,210,429
Revenues from services	21	214,641,445	214,450,770	214,641,445	214,450,770
Other income	5, 24	14,053,885	14,630,166	14,347,514	14,626,910
Total Revenues		849,208,760	764,291,365	849,502,389	764,288,109
EXPENSES					
Cost of sales		(563,320,150)	(430,776,478)	(563,320,150)	(430,776,478)
Cost of services		(116,475,476)	(155,678,345)	(116,475,476)	(155,678,345)
Selling expenses		(45,747,891)	(54,804,995)	(44,406,264)	(54,775,933)
Administrative expenses	5	(104,363,854)	(100,626,930)	(95,904,927)	(100,186,577)
Finance costs		(16,614,610)	(13,025,921)	(16,565,567)	(12,966,006)
Total Expenses		(846,521,981)	(754,912,669)	(836,672,384)	(754,383,339)
Profit before tax expense		2,686,779	9,378,696	12,830,005	9,904,770
Tax expense	23	(3,683,365)	(3,503,621)	(3,779,138)	(3,503,621)
Profit (loss) for the years		(996,586)	5,875,075	9,050,867	6,401,149
Other comprehensive income (loss):					
Components of other comprehensive income that will not be reclassified to profit or loss					
Profit (loss) on remeasurements of defined benefit plans - net income tax		(21,982)	6,783,366	-	6,783,366
Total comprehensive profit (loss) for the years		(1,018,568)	12,658,441	9,050,867	13,184,515
Basic earnings (loss) per share (Baht)		(0.00)	0.02	0.04	0.03
Weighted average number of ordinary shares (Shares)		250,000,000	250,000,000	250,000,000	250,000,000

Notes: Note to Financial Statements is be a part of these financial statements

PLANET COMMUNICATIONS ASIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019

Unit: Baht

Consolidated financial statements									
	Notes	Equity attributable to shareholders' equity of the Company							
		Retained earnings (deficit)				Other comprehensive income			
		Share capital issued and fully paid-up	Share premium on ordinary shares	Capital surplus on share-based payment	Appropriated	Unappropriated	Profit (loss) on remeasurements of defined benefit plans	Total Other components of shareholders' equity	Total Shareholders' Equity
Balance as at January 1, 2018		250,000,000	129,163,346	17,117,100	10,073,000	(5,955,317)	-	-	400,398,129
Changes in shareholders' equity for the year:									
Transferred to retained earnings					-	6,783,366	(6,783,366)	(6,783,366)	-
Total comprehensive profit for the year					-	5,875,075	6,783,366	6,783,366	12,658,441
Legal reserve	20	-	-	-	369,042	(369,042)	-	-	-
Balance as at December 31, 2018		250,000,000	129,163,346	17,117,100	10,442,042	6,334,082	-	-	413,056,570
Changes in shareholders' equity for the year:									
Transferred to retained earnings		-	-	-	-	(21,982)	21,982	21,982	-
Total comprehensive loss for the year		-	-	-	-	(996,586)	(21,982)	(21,982)	(1,018,568)
Legal reserve	20	-	-	-	452,543	(452,543)	-	-	-
Balance as at December 31, 2019		250,000,000	129,163,346	17,117,100	10,894,585	4,862,971	-	-	412,038,002

Notes: Note to Financial Statements is be a part of these financial statements

PLANET COMMUNICATIONS ASIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019

Separate Financial Statements								Unit: Baht
		Share capital issued and fully paid-up	Share premium on ordinary shares	Capital surplus on share-based payment	Retained earnings (deficit)	Other comprehensive income	Total Shareholders' Equity	
Notes					Appropriated	Unappropriated	Profit on remeasurements of defined benefit plans	Total Other components of shareholders' equity
	Balance as at January 1, 2018	250,000,000	129,163,346	17,117,100	10,073,000	(5,803,680)	-	400,549,766
	Changes in shareholders' equity for the year:							
	Transferred to retained earnings				-	6,783,366	(6,783,366)	-
	Total comprehensive profit for the year				-	6,401,149	6,783,366	13,184,515
20	Legal reserve	-	-	-	369,042	(369,042)	-	-
	Balance as at December 31, 2018	250,000,000	129,163,346	17,117,100	10,442,042	7,011,793	-	413,734,281
	Changes in shareholders' equity for the year:							
	Total comprehensive profit for the year	-	-	-	-	9,050,867	-	9,050,867
20	Legal reserve	-	-	-	452,543	(452,543)	-	-
	Balance as at December 31, 2019	250,000,000	129,163,346	17,117,100	10,894,585	15,610,117	-	422,785,148

Notes: Note to Financial Statements is be a part of these financial statements

PLANET COMMUNICATIONS ASIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

Unit: Baht

	Consolidated Financial Statements		Separate Financial Statements	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
Cash Flows from Operating Activities				
Profit (loss) for the years	(996,586)	5,875,075	9,050,867	6,401,149
Adjustments to reconcile net income (loss) to net cash provided by (used in) operation activities:				
Tax expense	3,683,365	3,503,621	3,779,138	3,503,621
Depreciation	27,649,804	27,314,691	27,514,679	27,183,221
Amortization of intangible assets	1,752,760	1,522,746	1,752,760	1,522,746
Equipment write-off	40,573	-	40,573	-
Bad and doubtful debts (reversal)	2,146,697	(3,067,987)	2,146,697	(3,067,987)
Reversal loss on diminution in inventories	(3,772,673)	(11,462,856)	(3,772,673)	(11,462,856)
Gain on disposal fixed assets	(6,060,276)	(8,129,939)	(6,060,276)	(8,129,939)
Long-term employee benefits	4,926,884	1,980,895	4,448,019	1,980,895
Unrealised (gain) loss on exchange rate	779,204	(442,876)	779,204	(442,876)
Interest incomes	(269,411)	(306,161)	(267,041)	(306,161)
Finance costs	16,614,610	13,025,921	16,565,567	12,966,006
Gain from operating activities before changes in operating assets and liabilities	46,494,951	29,813,130	55,977,514	30,147,819
Changes in operating assets - (Increase) Decrease				
Trade and other current receivables	(176,150,965)	21,347,384	(182,231,842)	21,292,705
Contract asset	30,401,903	(34,423,760)	30,401,903	(34,423,760)
Inventories	15,271,055	77,726,242	15,271,055	77,726,242
Advances for purchases of goods	(1,932,387)	15,905,536	(1,882,362)	15,905,536
Other non-current assets	8,715,810	(2,945,086)	8,715,810	(2,945,086)
Changes in operating liabilities - Increase (Decrease)				
Trade and other current payables	(49,110,250)	17,906,124	(49,015,671)	17,888,735
Contract Liabilities	7,768,621	11,858,123	7,768,621	11,858,123
Cash provided by (used in) operating activities	(118,541,262)	137,187,693	(114,994,972)	137,450,314
Payment for long-term employee benefits	-	(1,268,653)	-	(1,268,653)
Payment for withholding tax	(7,004,845)	(8,540,196)	(7,004,845)	(8,540,196)
Net cash provided by (used in) operating activities	(125,546,107)	127,378,844	(121,999,817)	127,641,465

Notes: Note to Financial Statements is be a part of these financial statements

PLANET COMMUNICATIONS ASIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

Unit: Baht

	Consolidated Financial Statements		Separate Financial Statements	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
Cash Flows from Investing Activities				
Cash paid for investment in subsidiary	-	-	(4,999,970)	-
Acquisition of equipments	(837,163)	(18,799,142)	(803,369)	(18,799,142)
Acquisition of intangible assets	(667,930)	(7,746,786)	(667,930)	(7,746,786)
(Increase) decrease in restricted deposits at financial institutions	41,960,417	(6,555,793)	41,960,417	(6,555,793)
Interest received	269,411	306,161	267,041	306,161
Cash received from disposal fixed assets	264,487	1,470,002	264,487	1,470,002
Net cash provided by (used in) investing activities	<u>40,989,222</u>	<u>(31,325,558)</u>	<u>36,020,676</u>	<u>(31,325,558)</u>
Cash Flows from Financing Activities				
Increase (decrease) in short-term borrowings				
from financial institutions	132,301,050	(75,919,441)	132,301,050	(75,919,441)
Payment of liabilities under finance lease agreements	(2,583,526)	(5,430,788)	(2,438,831)	(5,284,925)
Cash received from long-term borrowings	-	45,000,000	-	45,000,000
Repayment for long-term borrowings	(20,200,000)	(36,900,000)	(20,200,000)	(36,900,000)
Interest paid	<u>(16,614,610)</u>	<u>(13,025,921)</u>	<u>(16,565,567)</u>	<u>(12,966,007)</u>
Net cash provided by (used in) financing activities	<u>92,902,914</u>	<u>(86,276,150)</u>	<u>93,096,652</u>	<u>(86,070,373)</u>
Net increase in cash and cash equivalents	8,346,029	9,777,136	7,117,511	10,245,534
Cash and cash equivalents at the beginning of the years	<u>25,962,945</u>	<u>16,185,809</u>	<u>25,220,518</u>	<u>14,974,984</u>
Cash and cash equivalents at the end of the years	<u>34,308,974</u>	<u>25,962,945</u>	<u>32,338,029</u>	<u>25,220,518</u>
Supplemental disclosures of cash flows information				
1) Non-cash transaction				
Transfer inventories to fiber optic network equipment	24,954,882	17,532,768	24,954,882	17,532,768
Transfer inventories to intangible assets	302,354	-	302,354	-
Assets acquisition payable	75,750	1,638,711	75,750	1,638,711
Liabilities under financial lease agreements	13,837,711	3,390,000	13,837,711	3,390,000

Notes: Note to Financial Statements is be a part of these financial statements

Notes to Financial Statements

PLANET COMMUNICATIONS ASIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

1. GENERAL INFORMATION

Planet Communications Asia Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the distribution, installation and maintenance of telecommunication equipment. The registered office of the Company is at 157 Soi Ramindra 34, Ramindra Road, Kwaeng Tarang, Khet Bangkhen, Bangkok.

2. BASIS FOR PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP") and applicable rules and regulations of the Thai Securities and Exchange Commission.

The financial statements are presented in compliance with the stipulations of the Notification of the Department of Business Development dated October 11, 2016, issued under the Accounting Act B.E. 2543.

The financial statements have been prepared in the Thai language and expressed in Thai Baht unless otherwise stated. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant in the Thai language, an English translation of the Thai version of the financial statements is provided.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

2.2 Basis for preparation of the consolidated financial statements

a) The consolidated financial statements included the accounting transactions of the Company and the following subsidiaries. (together referred to as "the Group")

Particulars	Country of incorporation	Nature of business	Percentage of shareholding	
			2019	2018
<u>Subsidiary Companies</u>				
PlanetFiber Company Limited	Thailand	Rendering high speed internet service and all concerning services with Fiber-Optic network	100%	100%
PlanetCloud Company Limited	Thailand	Sales and Services of software, functional application with terminal devices via the Cloud	100%	

On October 10, 2019, the Company invested in PlanetCloud Company Limited, with a registered capital of Baht 5 million (500,000 ordinary shares of Baht 10 per share) in which the Company's interest is 100%.

On November 19, 2018, the Company entered into the joint venture agreement with Bliss-Tel Public Company Limited named "Bliss-Planet Joint venture" for bidding of the National Broadcasting and Telecommunications Commission's hi-speed internet in the remote area (Zone C) group 2 north 2 project. The term of this agreement determined the right and responsibilities concerning investment for the project, income and expenses, and controlling the project operation, are under Bliss-Tel Public Company Limited.

Under the agreement, Bliss-Tel Public Company Limited agreed to purchase a material and equipment from the Company as a mutual agreed quantity in the agreement. Moreover, the Company is granted a priority entity to submit a sub-contractor agreement quotation to Bliss-Tel Public Company. In case the Company's quotation price is same price as others, Bliss-Tel Public Company has to select the Company as a sub-contractor for this project.

b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

c) Subsidiaries is fully consolidated, being the date on which the Company obtains control, and continues to be consolidated until the date when such control ceases.

d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

New financial reporting standards

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

During the year 2019, the Company and its subsidiaries have adopted the revised and new financial reporting standards and interpretations (revised 2018) which are effective for fiscal periods beginning on or after January 1, 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 Company's and its subsidiaries' 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.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

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

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

Financial reporting standards related to financial instruments

The set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

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

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

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 Company and its subsidiaries is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue recognition

Sales of goods

Sales of goods are recognized at the point in time when control of the asset is transferred to the customer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Revenue from sales of equipment including designation and installation

Revenue from sales of equipment including designation and installation are recognized when performance obligation satisfied over the period of the contract using an input method to measure progress towards complete satisfaction of that performance obligation by reference to the actual cost of services provided incurred to the end of the period as a proportion of the total cost of services expected to be provided at the completion of performance obligation under the term of contract.

The recognised revenue which is not yet due according to the contracts has been presented under the caption of "Contract asset" in the statement of financial position. The amounts recognized are reclassified to trade receivables when the Group's right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The amounts which the Group has received or is due from customers with the obligation to transfer services to customers is presented under the caption of "Contract liability" in the statement of financial position. Contract liabilities are recognised as revenue when the obligation satisfied under the term of contract.

Rendering of services

Revenue from support and maintenance service contracts are recognized over a fixed period of time and therefore revenues are recognized on a straight-line basis.

Revenue from internet service are recognized when services have been rendered.

Interest income

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

3.2 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.

3.3 Trade receivables

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

3.4 Inventories

Inventories are valued at the lower of cost (under the first in-first out method) and net realisable value.

3.5 Investment

Investment in subsidiaries, presented in the separate financial statements, is stated at cost less allowance for impairment loss (if any).

3.6 Leasehold improvement and equipment/Depreciation

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

Leasehold improvement	3	years (Lease term)
Fiber optic network equipment	10	years
Testing equipment	5	years
Furniture, fixtures and office equipment	3, 5	years
Motor vehicles	5	years

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

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

3.7 Intangible assets

Intangible assets are initially recorded at cost less accumulated amortization and accumulated allowance for impairment (if any).

Amortization computed on cost amounts is charged to the statement of income on a straight-line basis over the estimated useful lives in 5 - 10 years

3.8 Related party transactions

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

They also include associated companies and individuals which directly or indirectly own a voting interest in the Group and the Company that gives them significant influence over the Group and the Company, key management personnel, directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

3.9 Long-term leases

Leases of assets 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 are depreciated over the shorter of the useful life of the asset and the lease period.

The Assets 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 the straight-line basis over the lease term.

3.10 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.

Gains and losses on exchange rate are included in determining income.

3.11 Impairment of assets

At the end of each reporting period, the Group performs impairment reviews in respect of the assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

3.12 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 and other long-term employee benefits

- Defined contribution plans

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

- Defined benefit plans and other long-term employee benefits

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 and is serviced by external fund managers. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

The employee benefit obligations in relation to severance payment pursuant to the labor law and other defined benefits are recognised as a charge to results of operations over the employee's service period. It is calculated by the estimation of the amount of future benefit to be earned by the employee in return for the service provided to the Group through the service period up to the retirement age and the amount is discounted to determine the present value. The reference discount rate is the yield rate of government bonds as at the reporting date. The calculation is based on the actuarial technique using the Projected Unit Credit Method.

When the actuarial assumptions are changed, the Group recognizes actuarial gains or losses in other comprehensive income in the period in which they arise.

3.13 Share-based payment

Transfers of the Group's equity instruments by its shareholders to parties (including employees) that have supplied goods or services to the Group are treated as share-based payment transactions, unless the transfer is clearly for a purpose other than payment for goods or services supplied to the Group. The Group records the excess of the fair value at transfer date over the transfer price as an expense in profit or loss, and as the capital surplus on share-based payment in the shareholders' equity.

3.14 Provisions

Provisions are recognised when the Group has 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.

3.15 Income tax

Income tax expenses for the year comprise current and deferred tax. Current and deferred taxes are recognised in profit or loss except to the extent that they relate to items recognised directly in shareholders' equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the end of reporting period date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of reporting period date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change their judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of reporting period date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.16 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 applies 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 measures 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 categories 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 determines 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.

3.17 Basic earnings (loss) per share

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

4. 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 follows.

4.1 Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

4.2 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.

4.3 Allowance for diminution in value of inventories

In determining an allowance for diminution in value of inventories, the management is required to make estimates of the loss on damaged and slow moving inventories, and the net realisable value of inventories.

4.4 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

4.5 Impairment of Assets

The Group consider an asset as impaired when there is an indication that the asset may be impaired. If any such indication exists when there has been a significant decline in the fair value, the Company and subsidiaries make an estimate of the asset recoverable amount. The determination of the recoverable amount is requires judgment. An impairment loss is recognized as an expense in the statement of profit or loss.

4.6 Allowance for impairment of investment

Management reviews the allowance for impairment of investment in subsidiaries by considering the operating result and the future business plan of the subsidiary companies. Such consideration is based on Management's judgment.

4.7 Leasehold improvement, equipment and intangible assets

Management determines the estimated useful lives and residual values for the Company's leasehold improvement, equipment and intangible assets. Management will revise the depreciation charge where useful lives and residual values previously estimated have changed or subject to be written down for their technical obsolescence or no longer in use.

4.8 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.

4.9 Provision for losses on projects

The management applied judgement in estimating the loss they expect to be realised on each project, based on estimates of anticipated costs that take into account the progress of the project and actual costs incurred to date, together with fluctuations in costs of materials, labour and the current situation.

4.10 Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans 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.

4.11 Revenue from sales of equipment including designation and installation

The measuring progress towards complete satisfaction each of contracts, management determined is based on the information available on the date of the report, focused on the specified goals, performance obligation satisfied and the estimated total contract costs.

5. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at prices based on market value or, where no market value exists, at contractually agreed prices.

Relationships with related parties that control the Company or are being controlled by the Company or have transactions with the Group were as follows:

Company	Relationship
PlanetFiber Company Limited	Subsidiary Company
PlanetCloud Company Limited	Subsidiary Company
P&T Asset Company Limited	Common shareholders and directorships
North Phuket Land Company Limited	Common shareholders and directorships

The pricing policies among the Company, subsidiaries and related party are as follows:

- The rental expense to related company were carried based on contract price which was determined by independence appraisal.
- The Rental income and service income to related company were charged at the rate based on an agreement.

Significant transactions with the related parties for the years ended December 31, 2019 and 2018 are as follows:

Unit: Thousands Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Other income				
Subsidiary Company				
PlanetFiber Company Limited	-	-	296	-
Related company				
P&T Asset Company Limited	139	-	139	-
Total	139	-	435	-

หน่วย: พันบาท

	งบการเงินรวม		งบการเงินเฉพาะกิจการ	
	2019	2018	2019	2018
Administrative expenses				
Related company				
P&T Asset Company Limited				
Rental expense	14,240	14,250	14,240	14,250
Electricity and Water	1,652	1,715	1,652	1,715
Property Taxes Expense	1,588	1,514	1,588	1,514
Total	17,480	17,479	17,480	17,479

Significant balances with related parties as at December 31, 2019 and 2018 are as follows:

Unit: Thousands Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2562	2561	2562	2561
Trade and other current receivables				
Other current receivables				
Subsidiary Companies				
PlanetFiber Company Limited	-	-	5,309	185
PlanetCloud Company Limited	-	-	815	-
Total	-	-	6,124	185
Prepaid expenses				
Related company				
P&T Asset Company Limited	540	487	540	487
Total	540	487	6,664	672
Other non-current assets				
Deposits (presented in the other non-current assets)				
Related company				
P&T Asset Company Limited	1,000	1,000	1,000	1,000
Trade and other current payables				
Other current payables				
Related company				
P&T Asset Company Limited	-	2,631	-	2,631

Key management personnel compensation

Key management personnel compensation for the years ended December 31, 2019 and 2018 consisted of:

Unit: Thousands Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Short-term benefits	21,953	22,487	21,631	22,487
Post-employment benefits	2,728	635	2,728	635
Other long-term benefits	-	6	-	6
Total	24,681	23,128	24,359	23,128

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2019 and 2018 consisted of:

Unit: Thousands Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Cash	101	107	92	104
Cash at banks	34,208	25,856	32,246	25,116
Total	34,309	25,963	32,338	25,220

7. TRADE AND OTHER CURRENT RECEIVABLES - NET

Trade and other current receivables - net as at December 31, 2019 and 2018 consisted of:

Unit: Thousands Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2562	2561	2562	2561
<u>Trade receivables - other parties</u>				
Post dated cheques	-	11,193	-	11,193
Undue	51,669	63,190	51,669	63,190
Over due				
Less than 3 months	96,583	30,329	96,583	30,329
3 - 6 months	192,620	965	192,620	965
6 - 12 months	1,298	88,688	1,298	88,688
Over than 12 months	92,108	73,771	92,108	73,771
Total	434,278	268,136	434,278	268,136
Less Allowance for doubtful account	(7,239)	(7,407)	(7,239)	(7,407)
Total trade receivables - net	427,039	260,729	427,039	260,729
<u>Other current receivables</u>				
Other current receivables	331	46	331	30
Other current receivables - subsidiary companies	-	-	6,124	185
Installment sale other receivable	10,327	12,968	10,327	12,969
Less Non-current	(7,374)	(10,497)	(7,374)	(10,497)
Advance payment for employee	710	1,272	710	1,142
Prepaid expenses	3,752	4,618	3,596	4,618
Value added tax receivables	1,094	4,619	1,091	4,618
Refundable Deposit	13,500	-	13,500	-
Others	495	222	461	219
Total other current receivables	22,835	13,249	28,766	13,284
Total trade and other current receivables - net	449,874	273,978	455,805	274,013

The outstanding balance of trade receivables which past due over 12 months is state enterprise, totaling Baht 85.34 million which the Company transfer the right of receiving payment to the financial institution as a security for long-term loan from such financial institution. (Note 17)

Installment sale other receivable for non-current of Baht 7.37 million presented in the other non-current assets. (Note 14)

8. INVENTORIES - NET

Inventories as at December 31, 2019 and 2018, consisted of:

Unit: Thousands Baht

Consolidated Financial Statements / Separate Financial Statements						
	Cost		Reduce cost to net Reduce cost to net realisable value		Inventories - net	
	2019	2018	2019	2018	2019	2018
Finished goods	47,915	88,475	(13,114)	(16,887)	34,801	71,588
Work in process of projects	19,356	11,918	-	-	19,356	11,918
Spare parts and supplies	-	361	-	-	-	361
Goods in transit	4,711	11,757	-	-	4,711	11,757
Inventories - net	<u>71,982</u>	<u>112,511</u>	<u>(13,114)</u>	<u>(16,887)</u>	<u>58,868</u>	<u>95,624</u>

During the year 2019, the Group reversed the reduce cost of inventories by Baht 3.77 million (Baht 3.77 million for the Company) and in the year 2018, the Group reduced cost of inventories by Baht 11.46 million (Separate financial statements: Baht 11.46 million). This was included in cost of sales.

9. RESTRICTED DEPOSITS AT FINANCIAL INSTITUTIONS

The Group has pledged these deposits as security against bank guarantees issued by banks on behalf of the Group and as security for credit facilities obtained from banks.

10. INVESTMENT IN SUBSIDIARIES

Investment in subsidiary companies stated at the cost method in the separated financial statements as at December 31, 2019 and 2018, consisted of:

Unit: Thousands Baht

Separate Financial Statements						
	Percentage of Investment (%)		Paid-up capital		Cost Method	
	2019	2018	2019	2018	2019	2018
<u>Subsidiary Companies</u>						
PlanetFiber Company Limited	100.00	100.00	5,000	1,250	5,000	1,250
PlanetCloud Company Limited	100.00	-	1,250	-	1,250	-
Investment in subsidiaries					<u>6,250</u>	<u>1,250</u>

On August 6, 2019, the Company has fully paid for the shares of PlanetFiber Company Limited and maintains shareholding in that company of 100%.

On January 31, 2019, the Company's Board of Directors Meeting passed a resolution to approve the incorporation of PlanetCloud Company Limited, with a registered capital of Baht 5 million (500,000 ordinary shares of Baht 10 per share) in which the Company's interest is 100%. The subsidiaries registered its incorporation with the Ministry of Commerce on October 10, 2019 with initially called up Baht 2.50 per share (called up 25% of registered capital), or a total of Baht 1.25 million. The Company paid in share capital in proportion to its interest, amounting to Baht 1.25 million.

11. LEASEHOLD IMPROVEMENT AND EQUIPMENT - NET

Leasehold improvement and equipment - net as at December 31, 2019 and 2018, consisted of:

Unit: Thousands Baht

Consolidated Financial Statements							
	Leasehold improvement	Fiber optic network equipment	Testing equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
Cost :							
As at January 1, 2018	4,858	75,197	89,129	79,207	26,299	46,362	321,052
Additions	-	4,450	15,635	1,127	3,390	15,143	39,745
Transfer	-	20,266	10	-	-	(20,276)	-
Disposals/write off	-	(4)	(18,019)	-	(3,399)	-	(21,422)
As at December 31, 2018	4,858	99,909	86,755	80,334	26,290	41,229	339,375
Additions	-	11,029	7,145	2,092	12,858	6,514	39,638
Transfer	-	40,479	1,804	(1,804)	-	(40,479)	-
Disposals/write off	-	-	(53)	(31)	(14,768)	-	(14,852)
As at December 31, 2019	4,858	151,417	95,651	80,591	24,380	7,264	364,161

Unit: Thousands Baht

	Consolidated Financial Statements						
	Leasehold improvement	Fiber optic network equipment	Testing equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
Accumulated depreciation :							
As at January 1, 2018	4,858	10,426	68,800	68,506	19,742	-	172,332
Depreciation for the year	-	10,273	7,960	4,638	4,444	-	27,315
Depreciation on disposals/ Write off	-	-	(11,424)	-	(3,399)	-	(14,823)
As at December 31, 2018	4,858	20,699	65,336	73,144	20,787	-	184,824
Depreciation for the year	-	14,355	8,206	2,170	2,919	-	27,650
Depreciation on disposals/ Write off	-	-	(7)	-	(14,768)	-	(14,775)
As at December 31, 2019	4,858	35,054	73,535	75,314	8,938	-	197,699
Net book value :							
As at December 31, 2019	-	116,363	22,116	5,277	15,442	7,264	166,462
As at December 31, 2018	-	79,210	21,419	7,190	5,503	41,229	154,551
Depreciation presented in statement of profit or loss for the year :							
2019							27,650
2018							27,315

Unit: Thousands Baht

งบการเงินเฉพาะกิจการ

Cost :

	Leasehold improvement	Fiber optic network equipment	Testing equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
As at January 1, 2018	4,858	75,197	89,129	79,207	25,640	46,362	320,393
Additions	-	4,450	15,635	1,127	3,390	15,143	39,745
Transfer	-	20,266	10	-	-	(20,276)	-
Disposals/write off	-	(4)	(18,019)	-	(3,399)	-	(21,422)
As at December 31, 2018	4,858	99,909	86,755	80,334	25,631	41,229	338,716
Additions	-	11,029	7,145	2,058	12,858	6,514	39,604
Transfer	-	40,479	1,804	(1,804)	-	(40,479)	-
Disposals/write off	-	-	(53)	(31)	(14,768)	-	(14,852)
As at December 31, 2019	4,858	151,417	95,651	80,557	23,721	7,264	363,468

Unit: Thousands Baht

	Separate Financial Statements						Total
	Leasehold improvement	Fiber optic network equipment	Testing equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	
Accumulated depreciation :							
As at January 1, 2018	4,858	10,426	68,800	68,506	19,720	-	172,310
Depreciation for the year	-	10,273	7,960	4,638	4,312	-	27,183
Depreciation on disposals/ Write off	-	-	(11,424)	-	(3,399)	-	(14,823)
As at December 31, 2018	4,858	20,699	65,336	73,144	20,633	-	184,670
Depreciation for the year	-	14,355	8,206	2,167	2,787	-	27,515
Depreciation on disposals/ Write off	-	-	(7)	-	(14,768)	-	(14,775)
As at December 31, 2019	4,858	35,054	73,535	75,311	8,652	-	197,410
Net book value :							
As at December 31, 2019	-	116,363	22,116	5,246	15,069	7,264	166,058
As at December 31, 2018	-	79,210	21,419	7,190	4,998	41,229	154,046
Depreciation presented in statement of profit or loss for the year :							
2019							27,515
2018							27,183

As at December 31, 2019 and 2018, the Group had motor vehicles which were acquired under finance lease agreement with net book value of Baht 15.39 million (Baht 15.01 million for the Company) and Baht 5.34 million (Baht 4.84 million for the Company), respectively.

As at 31 December 2019 and 2018, certain items of leasehold improvement and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 136 million (Separate financial statements: Baht 136 million) and Baht 122 million (Separate financial statements: Baht 122 million), respectively.

12. INTANGIBLE ASSETS - NET

Intangible assets - net as at December 31, 2019 and 2018, consisted of:

Unit: Thousands Baht

Consolidated Financial Statements / Separate Financial Statements			
	Intangible Assets	Asset Under Construction	รวม
Cost :			
As at January 1, 2018	5,695	-	5,695
Additions	5,750	3,612	9,362
As at December 31, 2018	11,445	3,612	15,057
Additions	373	665	1,038
Transfer	4,277	(4,277)	-
As at December 31, 2019	16,095	-	16,095
Accumulated amortization :			
As at January 1, 2018	634	-	634
Amortization for the year	1,522	-	1,522
As at December 31, 2018	2,156	-	2,156
Amortization for the year	1,753	-	1,753
As at December 31, 2019	3,909	-	3,909
Net book value :			
As at December 31, 2019	12,186	-	12,186
As at December 31, 2018	9,289	3,612	12,901

13. DEFERRED TAX ASSETS

Movements in deferred tax assets during the year were as follows:

Unit: Thousands Baht

	Consolidated financial statements				Separate financial statements		
	At January 1, 2019	Profit (loss)	Other comprehensive of income	At December 31 2019	At January 1, 2019	Profit (loss)	At December 31 2019
Deferred tax assets							
Allowance for doubtful accounts	1,481	368	-	1,849	1,481	368	1,849
Allowance for doubtful accountsof inventories	3,377	(754)	-	2,623	3,377	(754)	2,623
Non-current provisions for employee benefit	2,119	985	5	3,109	2,119	889	3,008
Unused tax loss	4,554	(4,282)	-	272	4,554	(4,282)	272
Total	11,531	(3,683)	5	7,853	11,531	(3,779)	7,752

Unit: Thousands Baht

Consolidated financial statements / Separate financial statements				
	At January 1, 2018	Profit (loss)	Other comprehensive of income	At December 31 2018
Deferred tax assets				
Allowance for doubtful accounts	2,095	(614)	-	1,481
Allowance for diminution in value of inventories	5,670	(2,293)	-	3,377
Non-current provisions for employee benefit	3,672	143	(1,696)	2,119
Unused tax loss	4,924	(370)	-	4,554
Total	16,361	(3,134)	(1,696)	11,531

14. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, 2019 and 2018, consisted of:

Unit: Thousands Baht

Consolidated Financial Statements / Separate Financial Statements		
	2562	2561
Refundable withholding income tax	35,757	28,386
Deposits	1,879	8,584
Installment sale other receivable		
Non-current	7,869	11,380
Less Deferred interest income	(495)	(883)
Installment sale other receivable - net	7,374	10,497
Total	45,010	47,467

15. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Short-term borrowings from financial institutions as at December 31, 2019 and 2018, consisted of:

Unit: Thousands Baht

	Interest rate (percent per annum)		Consolidated Financial Statements / Separate Financial Statements	
	2019	2018	2019	2018
Short-term borrowings	MLR - 0.83%	MLR - (0.5% - 0.83%)		
from financial institutions	and 2.69% - 3.83%	and 2.30% - 5.78%	338,359	206,219

On July 2, 2019, the Company entered into the short-term loan agreements with Export – Import Bank of Thailand (“EXIM”) of Baht 240 million in order for payment of goods and other supplies for the National Broadcasting and Telecommunications Commission’s hi-speed internet in the remote area (Zone C) group 2 north 2 project (“NBTC project”). For guarantee of the loan repayment, EXIM defines certain condition under the loan agreement as follow;

1. Transfers the right of money collection of Bliss-Planet Joint Venture from NBTC project to EXIM through an agreement of transfers the right of money collection among Bliss-Planet Joint Venture with Bliss-Tel Public Company Limited, Bliss Innovation Company Limited, Sloat Company Limited and the Company. Moreover, Bliss-Tel Public Company Limited agrees to repay the remaining loan in case that the money collection of from NBTC project is not sufficient to repay loan amount.

2. Secured by the pledge of bank deposits of Bliss-Tel Public Company Limited amount of Baht 24.90 million.

3. Guarantee by Bliss-Tel Public Company Limited.

Part of short-term borrowings from financial institutions are secured by the pledge of bank deposits as mentioned in Note 9 to financial statements and the mortgage of land of a related company.

16. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, 2019 and 2018, consisted of:

Unit: Thousands Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Trade payables - other parties	58,240	98,800	58,240	98,800
Other current payables - related party	-	2,631	-	2,631
Other current payables - other parties	412	1,248	411	1,248
Accrued expenses	4,226	7,145	4,026	6,995
Accrued withholding tax	911	597	870	595
Value added tax payable	539	2,861	539	2,861
Total	64,328	113,282	64,086	113,130

17. LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Long-term borrowings as at December 31, 2019 and 2018 consisted of:

Unit: Thousands Baht

	Consolidated Financial Statements / Separate Financial Statements	
	2562	2561
Long-term borrowings	10,500	30,700
Less Current portion	(10,500)	(20,200)
Long-term borrowings - net	-	10,500

Long-term borrowings as at December 31, 2019 are as follows:

Financial Institutions	Principal Balance (Million Baht)	Repayment Condition	Collateral
Kasikorn Bank PCL. Credit line Baht 45.00 million By Planet Communications Asia Public Company Limited	10.50	- 30 monthly installments of Baht 1.5 million each and the remainder to be paid in the final installment, from a debtor instead of commencing February 2018.	Right to receive payment the Company.
On January 31, 2018		- Interest rate: MLR less 0.5% per annum.	
Total (Consolidated Financial Statements / Separate Financial Statements)	10.50		

18. LIABILITIES UNDER FINANCIAL LEASE AGREEMENTS - NET

Liabilities under financial lease agreements as at December 31, 2019 and 2018 consisted of:

Unit: Thousands Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Minimum payment: :				
Within 1 year	3,442	8,595	3,268	8,420
Over due 1 year within 5 years	16,899	3,568	16,703	3,198
Total	20,341	12,163	19,971	11,618
Less Deferred interest expenses	(4,043)	(1,286)	(4,016)	(1,230)
Total minimum payment	16,298	10,877	15,955	10,388
Less Current portion	(2,238)	(7,955)	(2,083)	(7,811)
Liabilities under financial lease agreements - net	14,060	2,922	13,872	2,577

The Group has entered into the finance lease agreements with leasing companies for rental of motor vehicles for use in its operation, whereby it is committed to pay rental on monthly basis. The term of the agreements is generally 5 years which the last installment will be in the year 2024.

19. NON - CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

Movement of the present value of non - current provisions for employee benefits for the years ended December 31, 2019 and 2018 were as follows:

	Consolidated financial statements				Separate Financial Statements				Unit: Thousands Baht
	Defined benefit plans	Other long-term employee benefits	Total		Defined benefit plans	Other long-term employee benefits	Total		
Non-current provisions for employee benefit at beginning of year									
Included in profit or loss:									
Current service cost	1,543	-	1,543	1,594	1,087	-	1,087	1,594	
Interest cost	379	-	379	387	367	-	367	387	
Past service cost	3,005	-	3,005	-	2,994	-	2,994	-	
Included in other comprehensive income:									
Actuarial (gains) losses arising from									
Financial assumptions changes	27	-	27	(3,880)	-	-	-	(3,880)	
Demographic assumptions changes	-	-	-	7	-	-	-	7	
Experience adjustments	-	-	-	(4,607)	-	-	-	(4,607)	
Benefit paid during the year	-	-	-	(1,268)	-	-	-	(1,268)	
Non-current provisions for employee benefit at ending of year	15,547	-	15,547	10,593	15,041	-	15,041	10,593	

Employee benefit expenses in profit or loss for the years ended December 31, 2019 and 2018, consisted of:

Unit: Thousands Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Cost of sales and services				
Selling expenses	733	518	733	518
Administrative expenses	634	505	633	505
Total employee benefit expenses	3,560	958	3,082	958
	4,927	1,981	4,448	1,981

The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds as at the end of reporting date that reflects the estimated timing of benefit payments.

The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from mortality table.

Principal actuarial assumptions as at December 31, 2019 and 2018 (represented by the weighted-average) consisted of:

(Percentage/annum)

	Consolidated financial statement / Separate financial statement	
	2019	2018
Discount rate	1.50 - 2.50	2.50
Salary increase rate	2.78	2.78
Employee turnover rate	0 - 31	0 - 31
Mortality rate	100% of Thai Mortality Ordinary Tables of 2017	100% of Thai Mortality Ordinary Tables of 2017

The result of sensitivity analysis for significant assumptions that affect the present value of the non-current provisions for employee benefit as at December 31, 2019 and 2018 are summarised below:

Unit: Million Baht

	Consolidated financial statement / Separate financial statement			
	As at December 31, 2019		As at December 31, 2018	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(0.4)	0.4	(0.3)	0.4
Salary increase rate	0.5	(0.5)	0.3	(0.3)
Turnover rate	(0.4)	0.2	(0.3)	0.2

As at December 31, 2019, the maturity analysis of undiscounted cash flows of benefit payments was as follows:

Unit: Million Baht

	Consolidated financial statements	Separate Financial Statements
Over 1 and up to 5 years	4.98	4.42
Over 5 years	16.55	16.29

On April 5, 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 is effective from May 5, 2019. This change is considered a post-employment benefits plan amendment and the Group has additional long-term employee benefit liabilities of Baht 3.01 million (The Company only: Baht 2.99 million). Therefore, the Company has recorded the effect of the change by recognising past service costs as expenses immediately in the income statement of the year 2019.

20. LEGAL RESERVE

In compliance with the Public Company Act, B.E. 2535 (1992), the Company has to set aside a portion of annual net profit for legal reserve not less than 5% of annual net profit less deficits brought forward (if any) until this reserve is not less than 10% of authorized capital. Such reserve is not allowed to pay for dividend.

21. REVENUES FROM SERVICES

Revenues from services for the years ended December 31, 2019 and 2018 are summarised below.

Unit: Thousands Baht		
Consolidated Financial Statements / Separate Financial Statements		
	2019	2018
Revenues from services under Type-three telecommunication		
business license No. 3Gor/58/003	18,574	17,330
Other revenues from services	196,067	197,120
Total	214,641	214,450

On September 2, 2015, the Board of the National Broadcasting and Telecommunications Commission approved the issue to the Company of a 15-year, Type three telecommunication business license with own telecommunications network. The license is to provide voice, data and multimedia telecommunications. The Company is obliged to comply with conditions stipulated under the licenses and to pay an annual fee.

22. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2019 and 2018 were as follows:

Unit: Thousands Baht				
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Salaries, wages and other employee benefits	106,628	98,176	98,858	98,176
Depreciation and amortization expenses	29,403	28,837	29,267	28,706
Rental expenses from operating lease agreements	14,404	15,414	14,372	15,414
Raw material used	534,420	401,777	534,420	401,777
Changes in inventories of finished goods and work in process	33,122	105,489	33,122	105,489

23. TAX EXPENSE

Tax expense for the years ended December 31, 2019 and 2018 as follows:

Unit: Thousands Baht				
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Current tax expense				
Current year	-	370	-	370
Deferred tax expense				
Relating to origination and reversal of temporary differences	3,683	3,134	3,779	3,134
Total	3,683	3,504	3,779	3,504

Tax income recognized in other comprehensive income for the years ended December 31, 2019 and 2018 as follows:

Unit: Thousands Baht		
	2019	2018
Profit (loss) on remeasurements of defined benefit plans	(5)	1,696

Reconcile between income tax expenses and the product of accounting profit multiplied by the applicable tax rates are as follows:

Consolidated Financial Statements				
	2019		2018	
	Tax rate (%)	Unit: Thousands Baht	Tax rate (%)	Unit: Thousands Baht
Profit before income tax expenses		2,687		9,379
Income tax using the corporate tax rate	20	537	20	1,876
Expenses not deductible for tax purposes		1,214		1,161
Additional expense deductions allowed		(1)		(7)
Deferred tax assets which were not recognised during the years				
- Tax losses of subsidiary		1,933		104
Deferred tax assets which were recognised during the year		-		370
Tax expense	137	3,683	37	3,504

Separate Financial Statements				
	2019		2018	
	Tax rate (%)	Unit: Thousands Baht	Tax rate (%)	Unit: Thousands Baht
Profit before income tax expenses		12,830		9,905
Income tax using the corporate tax rate	20	2,566	20	1,981
Expenses not deductible for tax purposes		1,214		1,160
Additional expense deductions allowed		(1)		(7)
Deferred tax assets which were recognised during the year		-		370
Tax expense	29	3,779	35	3,504

24. OTHER INCOME

Other income for the years ended December 31, 2019 and 2018 were as follows:

	Unit: Thousands Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Other income				
Gain on disposal fixed assets	6,060	7,970	6,060	7,970
Others	7,994	6,660	8,288	6,657
Total	14,054	14,630	14,348	14,627

25. FINANCIAL INFORMATION BY SEGMENT

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 is organised into business units based on its products and services has the following three reportable segments:

1. Planetcomm Products segment, which is sales and installation of telecommunication equipment designed and developed by the Group.
 2. Non Planetcomm Products segment, which sells and installs of telecommunication, broadcasting and digital TV equipment purchased from other companies.
 3. Services segment, which provides of after sales services and other services to general customers relating to telecommunication systems.
- No other operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker separately monitors the operating results of the business units for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements. However, the Group's financing activities, which give rise to finance costs and finance income, selling and administrative expenses, and income taxes are managed by no allocation to operating segments.

The following table presents revenue and profit information regarding the Group's operating segments for the years ended December 31, 2019 and 2018.

For the year ended December 31,											Unit: Million Baht
Planetcomm Products		Non Planetcomm Products		Services		Total segments		Elimination		Consolidated Financial Statements	
2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenues from sales and services to external customers											
92	131	528	404	215	215	835	750	-	-	835	750
(78)	(117)	(485)	(314)	(116)	(155)	(679)	(586)	-	-	(679)	(586)
14	14	43	90	99	60	156	164	-	-	156	164
Unallocated revenues and expenses:											
Other incomes											
Selling expenses											
Administrative expenses											
Finance costs											
Profit before tax expense											
Tax expense											
Profit (loss) for the years											
Leasehold improvement and equipment - net											
Other assets											
Total Assets											

Geographic information

The Group operates in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment. Export sales and services during the years ended December 31, 2019 and 2018, represented approximately 3% (2018: 2%) of total sales and services.

Major customers

For the year 2019, the Group has revenue from government agencies in amount of Baht 307 million (2018: in amount of Baht 260 Million) and 1 major customer in amount of Baht 237 million (2018: 1 major customer in amount of Baht 79 million) arising from these all operating segments.

26. PROVIDENT FUND

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by TISCO Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2019 and 2018 amounting to Baht 1.45 million (Separate financial statements: Baht 1.36 million) and Baht 1.15 million (Separate financial statements: Baht 1.15 million), respectively, were recognised as expenses.

27. COMMITMENTS AND CONTINGENT LIABILITIES**27.1 Uncalled portions of investment in subsidiaries**

As at December 31, 2019, the Company has outstanding commitment in respect of uncalled portion of investment in a subsidiaries amounting to Baht 3.75 million.

27.2 Operating lease and service commitments

The Group has entered into office rental agreements and related service agreements with a related company and other companies. The terms of the agreements are generally between 1 and 5 years.

As at December 31, 2019, future minimum payments required under the above contracts were as follows.

Unit: Million Baht

	Consolidated Financial Statements	Separate Financial Statements
Within 1 year	17.44	17.15
Over 1 year to 5 years	7.15	6.87
Total	24.59	24.02

27.3 Bank guarantees

As at December 31, 2019, there were outstanding bank guarantees of Baht 106.94 million (Baht 106.94 million for the Company) issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business to guarantee contractual performance.

As at December 31, 2019, there were letter of credit issued by bank for its supplier amount of Baht 5.11 million.

27.4 Agreement**Bliss-Planet Joint venture agreement**

The Company entered into the joint venture agreement with Bliss-Tel Public Company Limited named "Bliss-Planet Joint venture" for bidding of the National Broadcasting and Telecommunications Commission's hi-speed internet in the remote area (Zone C) group 2 north 2 project. The agreement contained the significant conditions as follows:

- The role and responsibilities of joint venture concerning investment for the project, income and expenses, and controlling the project operation, are undertake by Bliss-Tel Public Company Limited.
- The counterparty agree to authorize Bliss-Tel Public Company Limited to be the sole authority in the selection of Vendor / Supplier / Contractor as well as the selection of buyers or use materials, equipment, including hiring various subcontractors to perform project work and selecting a high speed internet service provider.
- Bliss-Planet Joint venture agreed to purchase a material and equipment from the Company as agreed with Bliss- Tel Public Company Limited and the Company is granted a priority entity to submit a sub-contractor agreement quotation to Bliss-Tel Public Company Limited. In case the Company's quotation price is same price as others, Bliss-Tel Public Company Limited has to select the Company as a sub-contractor for this project.

The Company has no investment in such joint venture.

Significant transactions during the year ended December 31, 2019 are as follows:

Unit: Thousands Baht

	Consolidated Financial Statements / Separate Financial Statements
Revenues from sales and services	236,745

Significant outstanding as at December 31, 2019 are as follows:

Unit: Thousands Baht

	Consolidated Financial Statements / Separate Financial Statements
Trade receivables	239,939

The hi-speed internet in the remote area (Zone C) group 2 north 2 project

The Company has commitment as a joint venturer, Joint Venture (Bliss-Planet Joint Venture) entered into an agreement for the National Broadcasting and Telecommunications Commission's hi-speed internet in the remote area (Zone C) group 2 north 2 project in the amount of Baht 1,998 million (including VAT and other expense). The project has planned to finish within 5 years and 360 days from the signing contract date.

28. FINANCIAL INSTRUMENTS

28.1 Financial risk management

The Group's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other current receivables, restricted bank deposits, bank overdrafts, short-term and long-term borrowings from banks, trade and other current payables and liabilities under finance lease agreements. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk with respect to trade and other current receivables. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Group does 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 current receivables as stated in the statement of financial position.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, bank overdrafts, short-term and long-term interest-bearing borrowings and liabilities under finance lease agreements. Most of the financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

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

	Consolidated Financial Statements							
	Floating interest rate		Fixed interest rate		Non-interest bearing		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Financial assets								
Cash and cash equivalents	4.08	0.88	5.65	0.54	24.58	24.54	34.31	25.96
Trade and other current receivables - net	-	-	2.95	5.26	446.92	268.72	449.87	273.98
Restricted deposits at financial institutions	6.40	48.36	15.00	15.00	-	-	21.40	63.36
Financial liabilities								
Short-term borrowings from financial institutions	-	-	338.36	206.22	-	-	338.36	206.22
Trade and other current payables	-	-	-	-	64.33	113.28	64.33	113.28
Long-term borrowings from financial institutions	10.50	30.70	-	-	-	-	10.50	30.70
Liabilities under financial lease agreements	-	-	16.30	10.88	-	-	16.30	10.88

Unit: Million Baht

	Separate Financial Statement							
	Floating interest rate		Fixed interest rate		Non-interest bearing		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Financial assets								
Cash and cash equivalents	3.39	0.23	5.65	0.54	23.30	24.54	32.34	25.22
Trade and other current receivables - net	-	-	2.95	5.26	452.86	268.75	455.81	274.01
Restricted deposits at financial institutions	6.40	48.36	15.00	15.00	-	-	21.40	63.36
Financial liabilities								
Short-term borrowings from financial institutions	-	-	338.36	206.22	-	-	338.36	206.22
Trade and other current payables	-	-	-	-	64.09	113.13	64.09	113.13
Long-term borrowings from financial institutions	10.50	30.70	-	-	-	-	10.50	30.70
Liabilities under financial lease agreements	-	-	15.96	10.39	-	-	15.96	10.39

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from trading transactions and borrowings that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into forward exchange contracts, which mature within one year.

As at December 31, 2019 and 2018, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated Financial Statements / Separate Financial Statement						
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	0.39	0.47	1.86	1.70	30.1540	32.4498
Euro	-	-	0.10	0.27	33.7311	37.1252
Pound sterling	-	-	0.16	-	39.5217	41.0667

As at December 31, 2019, forward exchange contracts outstanding are summarised below.

Consolidated Financial Statements / Separate Financial Statements			
As at December 31, 2019			
Foreign currency	Bought amount	Contractual exchange rate bought	Contractual maturity date
	(Equivalent of Million Baht)	(Baht per 1 foreign currency unit)	
US dollar	1.53	30.21 - 30.46	October 8, 2019 - April 29, 2020
Pound sterling	10.63	39.03	October 29, 2019 - January 29, 2020

The fair value of forward exchange contracts as at December 31, 2019 amounted to Baht 12.03 million. (2018: Baht 0.33 million)

Fair value of forward foreign contracts are within level 2 of the value hierarchy.

The fair values of foreign exchange forward contracts have been calculated using market price rates quoted by the banks as if such forward contracts were to be terminated at the financial position date.

28.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market rates, their fair values are not expected to be materially different from the amounts presented in statement of financial position.

The fair value of derivatives 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 and interest rate yield curves. The Group had considered to counterparty credit risk when determining the fair value of derivatives.

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

29. EVENTS AFTER REPORTING PERIOD

On January 30, 2020, the Company's Board of Directors Meeting passed a resolution to approve for increasing the share capital of PlanetFiber Company Limited (subsidiary) by transfers the Company's assets relating to buildings for internet service for paid-in share capital. The transfer prices are based on the carrying amounts of assets on the transferred date (The carrying amounts of assets is Baht 122 million as at January 31, 2020.). The increasing amount of the share capital is calculated by dividing transfer prices by par value at Baht 10 per share. Previously, the subsidiary had a registered capital of Baht 5 million (500,000 ordinary shares at Baht 10 per share). The Company maintains shareholding in that company of 100%.

30. PRIOR YEAR ADJUSTMENTS AND RECLASSIFICATION

Certain amounts in the financial statement as at December 31, 2018 and for the year ended December 31, 2018, have been reclassified to conform to the current year's classification as follows:

Unit: Thousands Baht

	Consolidated Financial Statements			Separate Financial Statements		
	Before reclassification	Reclassification	After reclassification	Before reclassification	Reclassification	After reclassification
<u>Statements of financial position</u>						
Cash and cash equivalents	25,421	542	25,963	24,678	542	25,220
Restricted deposits at financial institutions	63,902	(542)	63,360	63,902	(542)	63,360
<u>Statements of profit or loss and other comprehensive income</u>						
Cost of services	155,165	513	155,678	155,157	521	155,678
Selling expenses	54,797	8	54,805	54,776	-	54,776
Administrative expenses	101,148	(521)	100,627	100,708	(521)	100,187
<u>Statements of cash flow</u>						
Increase in restricted deposits at financial institutions	6,751	(195)	6,556	6,751	(195)	6,556
Cash and cash equivalents at the beginning of the years	15,839	(347)	16,186	14,628	(347)	14,975
Cash and cash equivalents at the end of the years	25,421	542	25,963	24,678	542	25,220

31. CAPITAL MANAGEMENT

The objectives of the Group in capital management are to maintain their abilities to continue as a going concern and to maintain appropriate capital structure. In addition, they have to maintain debt to equity ratio as stipulated in loan agreements.

The Group has debt to equity ratios as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
Debt to equity ratio	1.17 : 1	0.97 : 1	1.14 : 1	0.97 : 1

32. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have already been approved by the Company's Board of Directors on February 26, 2020.

Shareholder and Dividend Payment

Number of registered capital and paid registered capital

As at December 31, 2019 PLANET's registered capital was 250.00 million Baht. The issued and paid-up share capital was 250.00 million Baht, divided as 250.00 million ordinary shares of 1.00 Baht par value.

List of ten major shareholders as at December 31, 2019

Shareholder Name	Number of Share	% of Total Share
Mr. Prapat Rathlertkarn's family	78,950,000	31.58
- Mr. Prapat Rathlertkarn	70,200,000	
- Mrs. Chanisa Rathlertkarn	6,250,000	
- Miss Patnaree Rathlertkarn	2,500,000	
Mr. Trevor John Thompson's family	78,950,000	31.58
- Mr. Trevor John Thompson	70,200,000	
- Mrs. Jongjit Anek-ka	6,250,000	
- Mr. Danai Thompson	833,334	
- Mr. Darun Thompson	833,333	
- Miss Adisa Thompson	833,333	
Mr. Satit Rathlertkarn	10,460,000	4.18
Mrs. Ratana Suwan	5,120,000	2.05
Mr. Sompong Arphathananont	2,705,000	1.08
Mr. Vanon Wanpan	1,800,000	0.72
Mr. Thanakom Tanwat	1,699,400	0.68
Mr. Narong Wangcharoenwong	1,570,100	0.62
Mr. Surapoj Suwanpanich	1,295,100	0.52
Ms.Unchalee Pichitbunchonchai	1,287,700	0.51

Remarks* :

(1) Limitation for Foreigner Assets Entitlement PLANET' limitation for foreigner assets entitlement is 49% of paid capital. As at December 31, 2019, foreigner holding PLANET assets is figured at 28.22% of its paid capital.

(2) Group of principal shareholders having significantly behavioral influence on defining PCA policies and business operations. Mr. Prapat Rathlertkarn's family, Mr. Trevor John Thompson's family, Mr. Satit Rathlertkarn, and Ms. Ratana Suwan entirely holding about 69.39% shares are the Group of principal shareholders which two of seven Directors have significantly behavioral influence on defining PLANET policies and business operations.

Issuance of other assets

- None –

Dividend payment policy

According to PLANET policy, the dividend payment is not less than 50% of net profit after corporate income deduction. However, the dividend payment rate can be less than the stipulated rate in case that it is necessary that PLANET shall spend such net profit for its business expansion.

Details of dividend payment are as follows:

รายละเอียดการจ่ายเงินปันผล	2560	2561	2562
1. Net (Loss) Profit (Baht)	(31,620,527)	5,875,075	(996,586)
2. Net Profit after legal reserved (Baht)	-	5,506,033	(1,449.129)
3. Number of Shares (Million Shares)	250	250	250
4. Dividend Payment (Baht per share)			
- Interim dividend	No Dividend Payment	No Dividend Payment	No Dividend Payment*
- Annual dividend			
5. Total dividend payment (Baht)	-	-	-
6. Dividend Payout Ratio (%)	-	-	-

Remarks* :

The omit dividend payment against the 2019 performance outcomes would be considered and approved by the 2020 Annual General Meeting of the shareholders

General Information and Other Information

(1) Securities issuer

Name:	Planet Communications Asia Public Company Limited
Head office Address:	157 Ramindra 34, Ramindra Road, Tha Rang, Bang Khen, Bangkok 10230
Establish date:	April, 27, 1994
Listed date in mai:	June, 23, 2014
Industry/Sector:	Technology
<u>Nature of business:</u>	Provision of service of telecommunication and digital TV, covering 3 groups of products: (1) Distribution of full-ranged products (Solutions) consisting of telecommunication systems, wireless networks, wired network and multimedia systems, as well as television and digital television broadcasting systems and products under the name PlanetComm (2) Service, which is a full- range of services including giving consult for customization ,design, installation, training, maintenance services and systems or devices repairs (3) Be a service provider, such as, PlanetFiber for providing fiber internet services for condominiums, PlanetCloud for providing “monthly payment”, office equipment and systems through Cloud Office
Registration No:	0105537049391
Homepage:	www.planetcomm.com
Tel:	02-792-2400
Fax:	02-792-2499

(2) Securities Registrar

Name:	Thailand Securities Depository Co., Ltd. (TSD)
Head office Address:	62 The Stock Exchange of Thailand Building, Rachadapisek Road, Klongtoey, Bangkok 10110
Homepage:	www.tsd.co.th
Tel:	02-229-2800
Fax:	02-359-1259

(3) Auditor

Name:	ANS Audit Co., Ltd.
Head office Address:	100/72, 16th Floor, 100/2 Vongvanij Building B, Rama 9 Road, Huaykwang, Bangkok, 10320
Homepage:	www.ans.co.th
Tel:	02- 645-0109
Fax:	02-645-0110

(4) Consultants

(4.1) Internal Control Consultant

Name: P&L Internal Audit Co., Ltd.
Head office Address: 92/204 Ratanathibet Road, Nanthana Garden Housing Development, Tha It Lane, Village No. 5,
Bang Rak Noi subdistrict, Muang Nonthaburi district, Nonthaburi 11000
Tel: 02-526-6100, 02-526-7811
Fax: 02-526-6100

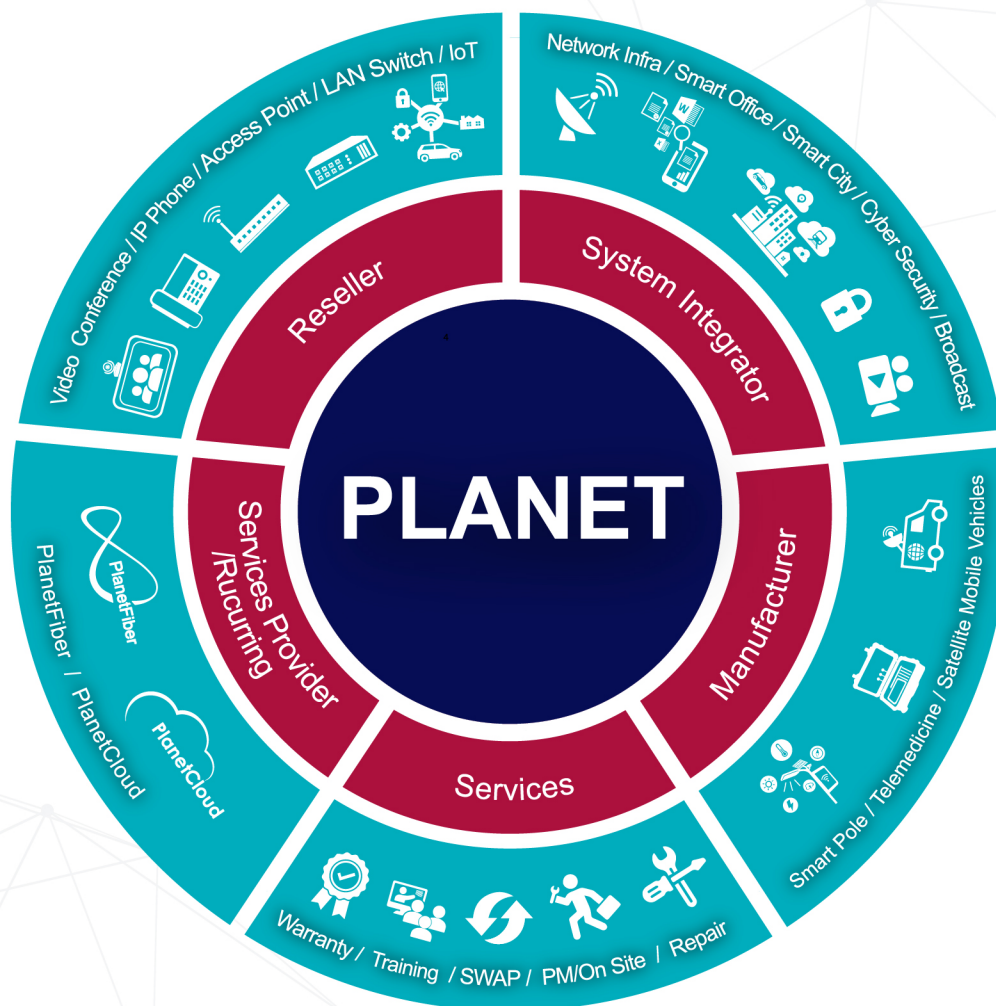
(4.2) Legal Consultant

Name: Woraset and Partners Company Limited
Head office Address: 77/31, Moo 3, Bangkruay Sainoi Road, Bangsithong Subdistrict, Bangkruay district, Nonthaburi 11130
Tel: 02- 9101324
Fax: -

Name: Thai Advisory Office Company Limited
Head office location: 72 PVA Building 5th Floor, Soi Ladprao 42, Ladprao Road, Samsennok Subdistrict, Huaykwang district, Bangkok 10310
Tel: 02-975-9917-8
Fax: 02-975-9917-8

Notes:

Investors could find more company's information in Form 56-1 via www.set.or.th or www.planetcomm.com



HQ Office

Planet Communications Asia Public Co., Ltd.

157 Soi Ramindra 34, Ramindra Road

Tarang, Bangkhen, Bangkok 10230 Thailand

Tel : +66(0)2 792 2400 | Fax : +66(0)2 792 2499

www.planetcomm.com



PlanetComm :   