



ANNUAL REPORT 2020



ALT Telecom Public Company Limited





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*Remark : Investors can find further information regarding the Company from the Annual Registration Statement (from 56-1) which has been disclosed at www.sec.or.th or www.alt.co.th

Vision



**"To be the infrastructure provider's
leader in digital and renewal energy business"**



MISSION



"To provide digital and renewable energy infrastructure for both government agency and enterprise in order to increase service quality by focusing on cost efficiency and making better utilization of resources, also partnering with the well-recognized organization in technology and business networks."



Letter from the Board of Directors



Dear Shareholders,

2020 was challenging for the Company due to economic fluctuation and COVID-19 epidemic which is an emerging disease wide spreading worldwide affecting every aspect society. As for business sector, many companies had to adapt their framework, processes, communication in response to an abrupt change at core level creating “New Normal” of business. Even though the past year was not great for Thai economy, it was a good year for the Company, as ALT has changed business structure to weigh on organizational customers and government agencies. The Company aims to be a leader in integrated network services and has developed new businesses from the existing business projects. ALT has signed an agreement with its partner to establish a joint venture named Smart Infranet Co., Ltd and transferred its ownership in two telecom networks to the new joint venture. This movement was a major step of ALT to expand business by combining electricity service and telecommunication service altogether. Moreover, the Company also successfully reached a settlement in lawsuit filed by the Company for compensation from Hemaraj project, and has fully received the compensation. The exercise of warrants; ALT-W1, which already expired in December 2020, also received high attention from investors exercising their rights which is a prove that shareholders have confidence in the Company’s future.



(Dr. Anant Voratitipong)

Chairman of the Board

The Board of Directors took part in defying the Company's vision and mission so that the management and employees share the same goal. For the past year, the board reviewed the Company's vision, mission and strategies, and followed up strategy execution of the Company. Moreover, the Board of Directors and the management have defied the code of conduct for the Company and its directors, executives and employees as a guideline in-line with corporate governance and ethical conduct, and to comply with the good corporate governance policy.

We, the Board of Directors is grateful to shareholders, co-investors, partners, customers and all relevance parties including financial institutes, in the country and abroad, for all supports given to the Company. And we would like to thank our employees for their hard work to make the Company succeed through the last year's economic challenge. ALT will not stop to create and develop products and services to serve demand of all groups of customers. Please be assured that the Company will continue to move forward to elevate and strengthen its business performance towards business sustainability.



(Mrs. Preeyaporn Tangpaosak)

Executive President





BORD OF DIRECTOR



1. Assist. Prof. Chirasil Chayawan, Ph.D.

- Independent Director

2. Associate Professor Suchart Laopreeda

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

3. Mr. Pyut Bhwakulwong

- Director
- Executive Director
- Chairman of Risk Management Committee
- Member of Nomination and Remuneration Committee
- Vice President – Corporate Administration
- Authorized Director

4. General Sittisak Tayparsit

- Independent Director
- Chairman of Audit Committee



5.Mrs. Preeyaporn Tangpaosak

- Director
- Chairman of Executive Board
- Member of Risk Management Committee
- President
- Vice President (Acting)
- Business Development
- Authorized Director

6.Dr. Anant Voratitipong

- Chairman of the Board
- Independent Director

7.Associate Professor Dr.- Ing Panit Pujinda

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

8.Ms. Preeyapun Bhuwakul

- Director
- Executive Director
- Member of Risk Management Committee
- Vice President – Supply Chain
- Vice President – Marketing and Sales
- Authorized Director



Management Committee



1.Mr. Somboon Setsuntipong

- Executive Committee
- Vice President - Finance and Accounting

2.Mr. Pairoj Rujirawanich

- Vice President - Operations

3.Mrs. Samorn Deeseng

- Executive Committee

4.Mr. Pichit Satapattayanont

- Executive Committee



5

6

7

8

5.Mr. Chanad Bhowbhandee, Ph.D.

- Vice President - Advanced Business Solutions

6.Mr. Disorn Chatrupamai

- Vice President - Government Affair and Special Projects, International Gateway Co., Ltd.

7.Mr. Somchai Treerattananukool

- Vice President - Marketing and Sales , International Gateway Co., Ltd.

8.Mr. Supat Eamwiwat

- Vice President - Solution & Partner Management , International Gateway Co., Ltd.
- Operation Senior Director (Acting), International Gateway Co., Ltd.

Board Profile

Dr. Anant Voratitipong

Chairman of the Board / Independent Director

| | |
|---------------------------------------|------------------|
| Age | 66 |
| Percentage of shareholding(%)* | -None- |
| Nationality | Thai |
| Date of first appointment | 10 November 2015 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|---|
| 2015 - Present | Chairman of the Board /Independent Director |
|----------------|---|

Education

Ph.D in ICT for Education

Master of Business Administration

Bachelor of Electrical Engineering

| | |
|--|--------|
| Other positions in listed company | -None- |
|--|--------|

Positions in 1 other companies

| | |
|----------------|-----------------------------------|
| 2014 - Present | Advisor – The Expert ICT Co., Ltd |
|----------------|-----------------------------------|

| | |
|--|--------|
| Other positions in a company competing with ALT | -None- |
|--|--------|

Work experience during the past 5 years

| | |
|----------------|---|
| 2018 - Present | Chairperson of Information Technology Engr. Comm. of EIT. Chairperson of The Subcommittee on Public and Private Sector Development for Vocational Education level, Professional group of ICT and Digital Content |
| 2014 - Present | Advisor - The Expert ICT Co., Ltd |
| 2012 - Present | Honorary President of Telecommunications Association of Thailand under the Royal Patronage |

Training

| | |
|----------------|--|
| 1979 - Present | Observation on information technology, telecommunication and computer in various countries such as USA, UK, Sweden, Germany, France, Japan, Korea, Taiwan, Hong Kong, and Singapore |
| 2015 | Certificate on Bhumipalang Phandin for Executives, 3rd Batch (Chulalongkorn University) |
| 2014 | Director Certification Program (DCP) Batch 184/2014, Thai Institution of Directors Association (IOD) |
| 2011 | Certificate on Promotion of Peaceful Society, 2nd Batch (King Prajadhipok's Institute) |
| 2009 | Certificate on Politics and Governance in Democratic Systems for Executives, 12nd Batch (King Prajadhipok's Institute) |

| | |
|---|--------|
| Criminal record during the past 10 years | -None- |
|---|--------|



* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020

General Sittisak Tayparsit

Independent Director / Chairman of Audit Committee

| | |
|---------------------------------------|------------------|
| Age | 72 |
| Percentage of shareholding(%)* | -None- |
| Nationality | Thai |
| Date of first appointment | 10 November 2015 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|--|
| 2015 - Present | Independent Director / Chairman of Audit Committee |
|----------------|--|

Education

| | |
|------|---|
| 1998 | National Defense Collage of Thailand |
| 1988 | Bachelor of Education, Suan Dusit University |
| 1984 | Command and General Staff Course – Primary Course, 62nd Batch Command and General Staff Collage |
| 1979 | Master of Educational Counselling Psychology (Royal Thai Army Scholarship) Bridgeport University, USA |
| 1972 | Bachelor of Science Chulachomklao Royal Military Academy (CRMA 19) |
| 1967 | Military Training School, (TT. 8) |
| 1965 | St. Gabriel's College (Senior High School 4) |

Other positions in 2 listed company

| | |
|----------------|--|
| 2006 - Present | Chairman of Audit Committee/Independence Director Thai - German Products Public Company Limited |
| 2004 - 2014 | Chairman of Audit Committee/Independence Director Sino - Thai Resources Development Public Company Limited |

Positions in 1 other companies

| | |
|---------|---|
| Present | Director The Thai Dairy Industry Co., Ltd |
|---------|---|

Other positions in a company competing with ALT

-None-

Work experience during the past 5 years

| | |
|----------------|--|
| 2013 - Present | Sub-Committee ,Office of The Election Commission of Thailand |
| 2006 - Present | Independent Director/Chairman of Audit Committee, Thai - German Products Public Company Limited |

Training

| | |
|------|---|
| 2005 | Director Accreditation Program (DAP) Batch 32/2005 Thai Institution of Directors Association (IOD) |
|------|---|

Criminal record during the past 10 years

-None-



* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020

Associate Professor Suchart Laopreeda

Independent Director / Chairman of Nomination and Remuneration Committee/
Member of Audit Committee / Member of Risk Management Committee

| | |
|---------------------------------------|------------------|
| Age | 59 |
| Percentage of shareholding(%)* | -None- |
| Nationality | Thai |
| Date of first appointment | 10 November 2015 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|--|
| 2015 - Present | Independent Director Chairman of Nomination and Remuneration Committee Member of Audit Committee Member of Risk Management Committee |
|----------------|--|

Education

| | |
|------|--|
| 1991 | Master of Accounting (Cost Accounting) , Chulalongkorn University |
| 1988 | Bachelor of Political Science (Government), Ramkhamhaeng University |
| 1985 | Bachelor of Business Administration (Accounting) , Krirk University |

Other positions in 1 listed company

| | |
|-------------------------|--|
| 2017 - 1 September 2019 | Chairman of Audit Committee/ Independent Director , AEC Securities Public Company Limited |
|-------------------------|--|

Positions in 2 other companies

| | |
|----------------|---|
| 2015 - Present | Chairman of Audit Committee/ Independent Director , Sirivej Medical Co., Ltd |
| 2015 - Present | Member of Audit Committee/ Independent Director, Munkong Steel Co., Ltd |

Other positions in a company competing with ALT

-None-

Work experience during the past 5 years

| | |
|----------------|--|
| 1992 - Present | Lecturer - Business Administration Department , Ramkhamhaeng University |
|----------------|--|

Training

| | |
|------|--|
| 2019 | Seminar under the heading "Sustainability of the business in the digital age: know quickly - use it to be", EY Thailand |
| 2015 | Director Accreditation Program (DAP) Batch 117/2015, Thai Institution of Directors Association (IOD) |

Criminal record during the past 10 years

-None-



* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020

Associate Professor Dr.- Ing Panit Pujinda

Independent Director / Member of Audit Committee /

Member of Risk Management Committee

| | |
|---------------------------------------|------------------|
| Age | 48 |
| Percentage of shareholding(%)* | -None- |
| Nationality | Thai |
| Date of first appointment | 10 November 2015 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|--|
| 2015 - Present | Independent Director Member of Audit Committee Member of Risk Management Committee |
|----------------|--|

Education

| | |
|------|--|
| 2006 | Doctor of Engineering (Traffic Engineering) DAAD scholarship Darmstadt University, Darmstadt, Germany |
| 1998 | Master of Planning, Department of Geography and Planning University at Albany, State University of New York, USA |
| 1994 | Bachelor of Architecture, Faculty of Architecture, Chulalongkorn University |

| | |
|--|--------|
| Other positions in listed company | -None- |
|--|--------|

Positions in 3 other companies

| | |
|----------------|---|
| 2013 - Present | Managing Director - Metroscape Co., Ltd Managing Director - Auros Co., Ltd |
| 1994 - 1997 | Project Engineer - Plan Consultant Co., Ltd |

| | |
|--|--------|
| Other positions in a company competing with ALT | -None- |
|--|--------|

Work experience during the past 5 years

| | |
|----------------|---|
| 2016 - Present | Head of Urban and Regional Planning Department Faculty of Architecture, Chulalongkorn University |
| 2014 - Present | Advisor - Urban Design and Development Center, Chulalongkorn University |
| 2014 | Thai government representative in The GMS Task Force on Urban Development, Asian Development Bank (ADB) |



| | |
|----------------|--|
| 2013 - Present | Managing Director - Metroscape Co., Ltd Managing Director - Auros Co., Ltd Academic Director - Thai City Planners Society |
| 2012 - Present | Academic Director - Thailand Cycling Club |
| 2011 - Present | Chief of Healthy city research unit - Department of Urban and Regional Planning Faculty of Architecture, Chulalongkorn University |
| 2006 - Present | Executive President – Master and Doctoral Program in of Urban and Regional Planning (continuous program) Executive Director – Department of Urban and Regional Planning |
| 1998 - Present | Lecturer - Department of Urban and Regional Planning Faculty of Architecture, Chulalongkorn University |

Training

| | |
|------|--|
| 2015 | Director Accreditation Program (DAP) Batch 116/2015 Thai Institution of Directors Association (IOD) |
|------|--|

Criminal record during the past 10 years

-None-

* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020



Assist. Prof. Chirasil Chayawan, Ph.D.

Independent Director

| | |
|---------------------------------------|--|
| Age | 51 |
| Percentage of shareholding(%)* | 0.004 (50,000 Share) (Own 50,000 Share, Spouse 0, Minor Children 0) |
| Nationality | Thai |
| Date of first appointment | 26 April 2017 |

Current positions in ALT Telecom Public Company Limited

2017 - Present Independent Director

Education

Doctor of Electrical Engineering, State University System of Florida
(Florida Atlantic University), USA

Master of Science (Electrical Engineering) , University of Massachusetts
Amherst, USA

Bachelor of Science (Electronics), King Mongkut's Institute of Technology
Ladkrabang

Other positions in 1 listed company

2007 - 2008 Director ,The Committee for Supervision of
Business and the CAT Project. CAT Telecom
Public Company Limited

Positions in 3 other companies

2010 Information Technology Consultant, Bangkok
Broadcasting and TV Co., Ltd.
1992 - 1993 Engineer, IBM Thailand Co., Ltd
1991 Engineer, Control Data (Thailand) Co., Ltd

Other positions in a company competing with ALT -None-

Work experience during the past 5 years

Present Director,Communication and Integrated Services
Study Center: CISS, King Mongkut's University of
Technology Thonburi (KMUTT)
2009 - Present Peer reviewer

Training

2017 Director Accreditation Program (DAP),Batch 136/2017,
Thai Institution of Directors Association (IOD)
Intermediate Manager
Total Productive Management (TPM) (JIPM Certified)
Spectrum Management, ITU
Network Planning, ITU
ISO17024, ISO9000
Assessor with professional standard course

Criminal record during the past 10 years -None-



* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020

Mrs. Preeyaporn Tangpaosak

Director / Chairman of Executive Board / Member of Risk Management Committee / President / Vice President (Acting) - Business Development / Authorized Director

| | |
|---------------------------------------|---|
| Age | 49 |
| Percentage of shareholding(%)* | 7.671 (86,850,500 Share) (Own 86,850,500 Share, Spouse 0, Minor Children 0) |
| Nationality | Thai |
| Date of first appointment | 10 November 2015 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|--|
| 2015 - Present | Director Chairman of Executive Board Member of Risk Management Committee President Vice President (Acting) - Business Development Authorized Director |
|----------------|--|

Education

| | |
|------|--|
| 1993 | Bachelor in Business Administration - Marketing Assumption University |
|------|--|

| | |
|--|--------|
| Other positions in listed company | -None- |
|--|--------|

Positions in 12 other companies

| | |
|----------------|--|
| Present | Director, Fast and Foster Co.,Ltd. |
| 2019 - Present | Director , Smart Infranet Co., Ltd |
| 2018 - Present | Director , Win and Win Telecom Co., Ltd Director , Spotwerkz (Thailand) Co., Ltd |
| 2017 - Present | Director , Thai Thanan Co., Ltd Director , International Gateway Co., Ltd |
| 2014 - Present | Director , Telecom Solutions Provider Co., Ltd |
| 2013 - Present | Director , Information Highway Co., Ltd |
| 2008 - Present | Director , Group Tech Solutions Co., Ltd Director , Innova Telecommunication Co., Ltd |
| 2006 - Present | Director , Energy Max Co., Ltd |
| 2002 - Present | Director , I Twenty One Inter Corporation Co., Ltd |



Other positions in a company competing with ALT

-None-

Work Experience during the past 5 years

| | |
|----------------|--|
| Present | Director, Fast and Foster Co.,Ltd. |
| 2019 - Present | Director , Smart Infranet Co., Ltd |
| 2018 - Present | Director , Win and Win Telecom Co., Ltd |
| | Director , Spotwerkz (Thailand) Co., Ltd |
| | Treasurer , Telecommunications Association of Thailand under the Royal Patronage |
| 2017 - Present | Director , Thai Thanan Co., Ltd |
| | Director , International Gateway Co., Ltd |
| 2017 | Vice President , Telecommunications Association of Thailand under the Royal Patronage |
| | Director , Telecom Solutions Provider Co., Ltd |
| 2014 - Present | Director , Information Highway Co., Ltd |
| 2013 - Present | Director , Group Tech Solutions Co., Ltd |
| 2008 - Present | Director , Innova Telecommunication Co., Ltd |
| 2006 - Present | Director , Energy Max Co., Ltd |
| 2002 - Present | Director , I Twenty One Inter Corporation Co., Ltd |

Training

| | |
|------|--|
| 2017 | Capital Market Academy Leader Program (CMA 24) |
| 2015 | TLCA Executive Development Program (EDP) Batch 15 |
| | Thai Listed Company Association |
| 2012 | Director Accreditation Program (DAP) Batch 96/2012 |
| | Thai Institution of Directors Association (IOD) |

Criminal record during the past 10 years

-None-

* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020



Ms. Preeyapun Bhuwakul

Vice President – Marketing and Sales / Present Director / Executive Director/
Member of Risk Management Committee / Vice President - Supply Chain/
Authorized Director

| | |
|---------------------------------------|---|
| Age | 47 |
| Percentage of shareholding(%)* | 6.249 (70,750,000 Share) (Own 70,750,000 Share, Spouse 0, Minor Children 0) |
| Nationality | Thai |
| Date of first appointment | 10 November 2015 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|---|
| 2020 - Present | Vice President - Marketing and Sales |
| 2015 - Present | Present Director Executive Director Member of Risk Management Committee Vice President - Supply Chain Authorized Director |

Education

| | |
|------|--|
| 1995 | Bachelor in Education Chulalongkorn University |
|------|--|

| | |
|--|--------|
| Other positions in listed company | -None- |
|--|--------|

Positions in 8 other companies

| | |
|----------------|--|
| 2019 - Present | Director , I Twenty One Inter Corporation Co., Ltd |
| 2018 - Present | Director , Win and Win Telecom Co., Ltd Director , Spotwerkz (Thailand) Co., Ltd |
| 2017 - Present | Director , Thai Thanan Co., Ltd Director , International Gateway Co., Ltd |
| 2013 - Present | Director , Information Highway Co., Ltd |
| 2008- Present | Director , Group Tech Solutions Co., Ltd Director , Innova Telecommunication Co., Ltd |

| | |
|--|--------|
| Other positions in a company competing with ALT | -None- |
|--|--------|

Work Experience during the past 5 years

| | |
|----------------|--|
| 2019 - Present | Director , I Twenty One Inter Corporation Co., Ltd |
| 2018 - Present | Director , Win and Win Telecom Co., Ltd Director , Spotwerkz (Thailand) Co., Ltd |
| 2017 - Present | Director , Thai Thanan Co., Ltd Director , International Gateway Co., Ltd |
| 2013 - Present | Director , Information Highway Co., Ltd |
| 2008- Present | Director , Group Tech Solutions Co., Ltd Director , Innova Telecommunication Co., Ltd |



Training

| | |
|------|--|
| 2019 | Seminar Solar Cell , Solar Hub Co., Ltd |
| 2018 | Smart City & Data Center: Concept, Design and Case Study |
| 2012 | Director Accreditation Program (DAP) Batch 98/2012 Thai Institution of Directors Association (IOD). |

Criminal record during the past 10 years -None-

* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020



Mr. Pyut Bhuwakulwong

Director / Executive Director / Chairman of Risk Management Committee/

Member of Nomination and Remuneration Committee /

Vice President - Corporate Administration / Authorized Director

| | |
|---------------------------------------|---|
| Age | 60 |
| Percentage of shareholding(%)* | 5.299 (60,000,000 Share) (Own 60,000,000 Share, Spouse 0, Minor Children 0) |
| Nationality | Thai |
| Date of first appointment | 10 November 2015 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|--|
| 2015 - Present | Director Executive Director Chairman of Risk Management Committee Member of Nomination and Remuneration Committee Vice President - Corporate Administration Authorized Director |
|----------------|--|

Education

| | |
|------|---|
| 1983 | Bachelor in Political Science / Public Administration , Thammasat University |
|------|---|

Other positions in a company competing with ALT -None-

Positions in 9 other companies

| | |
|----------------|--|
| 2018 - Present | Director , Win and Win Telecom Co., Ltd |
| 2017 - Present | Director , International Gateway Co., Ltd |
| 2017 - 2019 | Director , Thai Thanan Co., Ltd |
| 2014 - Present | Director , Telecom Solutions Provider Co., Ltd |
| 2013 - Present | Director , Information Highway Co., Ltd |
| 2008 - Present | Director , Group Tech Solutions Co., Ltd Director , Innova Telecommunication Co., Ltd |
| 2006 - Present | Director , Energy Max Co., Ltd |
| 2002 - Present | Director , I Twenty One Inter Corporation Co., Ltd |

Other positions in a company competing with ALT -None-



Work Experience during the past 5 years

| | |
|----------------|--|
| 2018 - Present | Director , Win and Win Telecom Co., Ltd |
| 2017 - Present | Director , International Gateway Co., Ltd |
| 2017 - 2019 | Director , Thai Thanan Co., Ltd |
| 2014 - Present | Director , Telecom Solutions Provider Co., Ltd |
| 2013 - Present | Director , Information Highway Co., Ltd |
| 2008- Present | Director , Group Tech Solutions Co., Ltd |
| | Director , Innova Telecommunication Co., Ltd |
| 2006- Present | Director , Energy Max Co., Ltd |
| 2002- Present | Director , I Twenty One Inter Corporation Co., Ltd |

Training

| | |
|------|--|
| 2018 | The Next Tycoon : Master Class Series, Shinnawatra University |
| 2013 | Risk Management Committee Program (RMP) Batch 2/2013 Thai Institution of Directors Association (IOD) |
| 2012 | Director Accreditation Program (DAP) Batch 96/2012 Thai Institution of Directors Association (IOD) Financial Statement for Director (FSD) Batch 16/2012 Thai Institution of Directors Association (IOD) |

Criminal record during the past 10 years

-None-

* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020



Management Profile

Mr. Somboon Setsuntipong

Executive Committee / Vice President - Finance and Accounting

| | |
|---------------------------------------|--------------|
| Age | 57 |
| Percentage of shareholding(%)* | -None- |
| Nationality | Thai |
| Date of first appointment | 16 June 2016 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|---|
| 2017 - Present | Executive Committee |
| 2016 - Present | Vice President - Finance and Accounting |

Education

| | |
|------|---|
| 1986 | Bachelor of Business Administration (Banking and Finance), Chulalongkorn University |
|------|---|

Work Experience during the past 5 years

| | |
|----------------|---|
| 2019 - Present | Director, Smart Infranet Co., Ltd. |
| 2015 - 2016 | Deputy Chief Executive Officer - Finance and Accounting, Eastern Polymer Group PLC |
| 2013 - 2015 | Chief Finance Officer, PT (Sole) Co., Ltd. - Lao PDR |

Training

| | |
|------|---|
| 2020 | Management Accounting for Planning and Decision Making, 1/63 batch - Federation of Accounting Professions (CPD: 6 hours) |
| 2019 | Digital Transformation [Executive Program] TFRS every standards. enacted in 2019, 1/62 batch - Federation of Accounting Professions The effect of TFRS 16 Leases to financial statement and important financial ratio, 1/62 batch - Federation of Accounting Professions |
| 2017 | Director Accreditation Program (DAP)138/2017 - Thai Institute of Directors Association (IOD) |
| 2006 | CFO Certification, 7th batch - Federation of Accounting Professions |

| | |
|---|--------|
| Criminal record during the past 10 years | -None- |
|---|--------|



* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020

Mrs. Samorn Deeseng

Executive Committee

| | |
|---------------------------------------|------------------|
| Age | 49 |
| Percentage of shareholding(%)* | -None- |
| Nationality | Thai |
| Date of first appointment | 26 February 2017 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|---------------------|
| 2017 - Present | Executive Committee |
|----------------|---------------------|

Education

| | |
|------|---|
| 1997 | Bachelor of Business Administration, Saint John University |
|------|---|

Work Experience during the past 5 years

| | |
|----------------|---|
| 2016 - Present | Managing Director, Innova Telecommunication Co., Ltd |
| 2019 - Present | Managing Director, I Twenty One Inter Corporation Co., Ltd |
| 2016 - 2019 | Deputy Managing Director, I Twenty One Inter Corporation Co., Ltd |
| 2004 - 2018 | Manager - Procurement and Store, I Twenty One Inter Corporation Co., Ltd |

Training

| | |
|------|--|
| 2018 | Financial Statement for Directors (FSD) 36/2018 , Thai Institute of Directors Association (IOD) |
| 2017 | Director Accreditation Program (DAP) 138/2017 , Thai Institute of Directors Association (IOD) |
| 2016 | GATT Declaration ,The Dharmniti PLC. Integrated Internal Auditing ,The Dharmniti PLC. "The One Team One Goal" External seminar |
| 2011 | The Manager ,Management and Psychology Institute |
| 2002 | Proactive News Reporting , The Secretariat of the House of Representatives |
| 2001 | Operation Assistant of Parliament Member , King Prajadhipok's Institute |



| | |
|---|--------|
| Criminal record during the past 10 years | -None- |
|---|--------|

* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020



Mr. Pichit Satapattayanont

Executive Committee

| | |
|---------------------------------------|------------------|
| Age | 61 |
| Percentage of shareholding(%)* | -None- |
| Nationality | Thai |
| Date of first appointment | 22 February 2019 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|---------------------|
| 2019 - Present | Executive Committee |
|----------------|---------------------|

Education

Bachelor of Science and Industrial Education, Electrical Engineering
King Mongkut's Institute of Technology North Bangkok Campus

Work Experience during the past 5 years

| | |
|----------------|---|
| 2017 - Present | Chief Executive Officer , International Gateway Co., Ltd. Instructor of Technical Teaching, Power Electronics at KMIT North Bangkok Data Communication and System Support, Krung Thai Bank Field Service Manager, Phillips Electric Thailand Customer Service Manager, Digital Equipment Solution Services Country Customer Services and Partner Management, BT Worldwide Ltd., Strategic Marketing Manager , Ericsson Thailand Vice President - the new customer, Cambodia market and Ericsson Enterprise Business, Ericsson Thailand Company Budget Committee and Talent Development Committee., Summit Auto Body Industry |
|----------------|---|

Training

| | |
|------|--|
| 2019 | Board Nomination and Compensation Program 8/2019 - Thai Institute of Directors Association (IOD) |
| 1998 | Global Telecommunication Workshop conducted by the American Graduate School of International Management, Thunderbird Executive University |
| 1996 | Business Leader Skill in Asia Consortium Programme conducted by Insead Euro-Asia Center |

| | |
|---|--------|
| Criminal record during the past 10 years | -None- |
|---|--------|



* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020

Mr. Pairoj Rujirawanich

Vice President - Operations

| | |
|---------------------------------------|-----------------|
| Age | 51 |
| Percentage of shareholding(%)* | -None- |
| Nationality | Thai |
| Date of first appointment | 25 January 2016 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|-----------------------------|
| 2016 - Present | Vice President - Operations |
|----------------|-----------------------------|

Education

| | |
|------|---|
| 1991 | Education High Diploma of Construction Management |
|------|---|

Work Experience during the past 5 years

| | |
|----------------|---|
| 2008 - Present | Director - Project Implement , Group Tech Solutions Co., Ltd |
|----------------|---|

Training

| | |
|------|--|
| 2019 | Seminar Solar Cell , Solar Hub Co., Ltd |
| 2017 | Director Accreditation Program (DAP) 141/ 2017, Thai Institute of Directors Association (IOD) |
| 2014 | Safety Officer at Management Level |
| 2012 | Coaching and Mentoring Techniques Safety Officer Supervisor Level |
| 2009 | Project Management Successfully Completed |
| 1997 | The Manager How to Assign Delegate and Follow Up to Get Good Job Back |
| 1994 | Construction Management Course |
| 1992 | Training in Japan (Building Structure Course) |

| | |
|---|--------|
| Criminal record during the past 10 years | -None- |
|---|--------|

* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020



Mr. Chanad Bhowbhandee, Ph.D.

Vice President - Advanced Business Solutions

| | |
|---------------------------------------|--------------|
| Age | 57 |
| Percentage of shareholding(%)* | -None- |
| Nationality | Thai |
| Date of first appointment | 1 March 2018 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|--|
| 2020 - Present | Vice President - Advanced Business Solutions |
|----------------|--|

Education

| | |
|------|---|
| 2002 | Ph.D. (International Program in Development Administration), National Institute of Development Administration |
| 1990 | MSc. (Information System Engineering with Data Communication System), UK Scholarship, London Southbank University, UK |
| 1985 | B.Eng. (Electrical Engineering), Kasetsart University. |

Work Experience during the past 5 years

| | |
|-------------|---|
| 2018 - 2020 | Vice President - Information Technology |
| 2017 - 2018 | Advisor - Information Technology, ALT Telecom Public Company Limited |
| 2011 - 2016 | Assistant Vice President (Management of Information Technology), Dhurakij Pundit University |

Training

| | |
|------|--|
| 2020 | cnPilot Wi-Fi 6 for Multi gigabit connectivity POWERING DIGITAL THAILAND 2021, Huawei Cloud & Connect CEBIT ASEAN THAILAND 2020 Virtual Edition |
| 2019 | Seminar Aruba Atmosphere APAC 2019 , Sydney Australia |
| 2018 | Director Accreditation Program (DAP)150/2018 Thai Institute of Directors Association (IOD) |

| | |
|---|--------|
| Criminal record during the past 10 years | -None- |
|---|--------|



* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020



Mr. Disorn Chatrupamai

Vice President - Government Affair and Special Projects,
International Gateway Co., Ltd.

| | |
|---------------------------------------|-------------------|
| Age | 56 |
| Percentage of shareholding(%)* | -None- |
| Nationality | Thai |
| Date of first appointment | 20 September 2017 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|--|
| 2017 - Present | Vice President - Government Affair & Special Projects, International Gateway Co., Ltd. |
|----------------|--|

Education

Bachelor of Industry (Industrial Electric), King Mongkut's University of Technology North Bangkok

Work Experience during the past 5 years

| | |
|----------------|--|
| 2008 - Present | Director , Energy Max Co., Ltd. ALT Telecom |
| 2008 - 2019 | Deputy Managing Director , Energy Max Co., Ltd. |
| 2016 - 2017 | Vice President - Sales and Marketing , ALT Telecom Public Company Limited |

Training

| | |
|------|---|
| 2017 | Director Accreditation Program (DAP) 136/2017 , Thai Institute of Directors Association (IOD) |
|------|---|

| | |
|---|--------|
| Criminal record during the past 10 years | -None- |
|---|--------|

* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020



Mr. Somchai Treerattananukool

Vice President - Marketing and Sales ,
International Gateway Co., Ltd.

| | |
|---------------------------------------|-------------|
| Age | 51 |
| Percentage of shareholding(%)* | -None- |
| Nationality | Thai |
| Date of first appointment | 1 June 2018 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|---|
| 2018 - Present | Vice President - Marketing and Sales , International Gateway Co., Ltd. |
|----------------|---|

Education

| | |
|-------------|--|
| 1988 - 1991 | Bachelor Degree, Telecommunication Engineering ,King Mongkut 's Institute of Technology Ladkrabang |
|-------------|--|

Work Experience during the past 5 years

| | |
|-------------|--|
| 2011 - 2018 | First Senior Vice President, Marketing and Sales, Symphony Communication Public Company Limited |
|-------------|--|

Training

| | |
|------|--|
| 2010 | TLCA Executive Development Program #7 (EDP 7), Thai Listed Company Association |
| 1998 | Certificate, Mini- MBA, University of the Thai Chamber of Commerce |

| | |
|---|--------|
| Criminal record during the past 10 years | -None- |
|---|--------|

* Remark: Amount of shares held by spouse and minor children are included
in the shareholding proportion as at 30 December 2020



Mr. Supat Eamwiwat

Vice President - Solution and Partner Management , International Gateway Co., Ltd.
Operation Senior Director (Acting), International Gateway Co., Ltd.

| | |
|---------------------------------------|-------------------|
| Age | 53 |
| Percentage of shareholding(%)* | -None- |
| Nationality | Thai |
| Date of first appointment | 20 September 2017 |

Current positions in ALT Telecom Public Company Limited

| | |
|----------------|---|
| 2017 - Present | Vice President - Solution and Partner Management , International Gateway Co., Ltd. Operation Senior Director (Acting), International Gateway Co., Ltd. |
|----------------|---|

Education

| | |
|-------------|--|
| 1999 - 2001 | Master of Telecommunication Management Collage of Innovation, Thammasat University |
| 1993 - 1995 | Master of Business Administration, Young Executive Program,Kasetsart University |
| 1985 - 1989 | Bachelor of Engineering - Telecommunication, King Mongkut's Institute of Technology Ladkrabang |

Work Experience during the past 5 years

| | |
|-------------|--|
| 2016 - 2017 | Vice President - Business Development, Information Highway Co., Ltd |
| 2011 - 2013 | Vice President - Operations , ALT Telecom Public Company Limited |
| 2010 - 2011 | Deputy Managing Director , Energy Max Co., Ltd |

| | |
|---|--------|
| Criminal record during the past 10 years | -None- |
|---|--------|

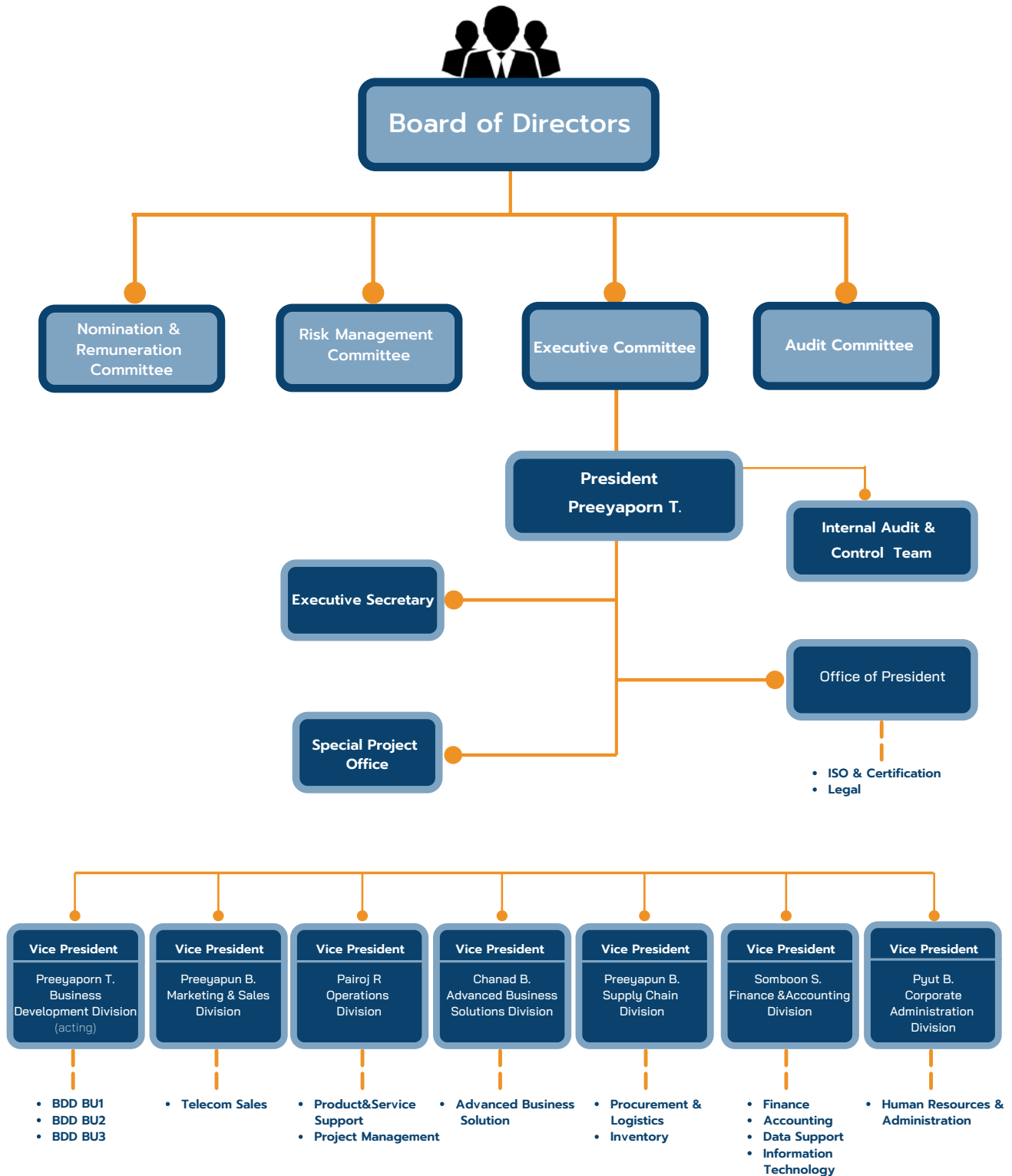
* Remark: Amount of shares held by spouse and minor children are included in the shareholding proportion as at 30 December 2020





Organization Structure

Organization : ALT Telecom Public Company Limited



The Company's organization structure consists of the Board of Directors and 4 sub-committees which are Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Executive Committee. The members and the scope of authorization of each committee are as follows;

Board of Directors

The Company's Board of Directors comprises of 8 directors who have competency and experience in various areas including business management, telecommunication, urban planning, accounting and corporate governance. 5 members of the board are independent and non-executive directors, while 3 of the members are executive directors. The Chairman of the Board is as well an Independent Director and is not the same individual with the highest authority in the management. The list of members are as follows;

| Name-Surname | | Position |
|--------------------|--------------|---|
| 1. Mr. Anant | Voratitipong | Independent Director, Chairman of the Board |
| 2. Gen. Sittisak | Tayparsit | Independent Director, Chairman of Audit Committee |
| 3. Mr. Suchart | Laopreeda | Independent Director, Audit Committee |
| 4. Mr. Panit | Pujinda | Independent Director, Audit Committee |
| 5. Mr. Chirasil | Chayawan | Independent Director |
| 6. Mrs. Preeyaporn | Tangpaosak | Authorized Director, Director |
| 7. Ms. Preeyapun | Bhuwakul | Authorized Director, Director |
| 8. Mr. Pyut | Bhuwakulwong | Authorized Director, Director |

With Ms. Tanyaporn Malila as company secretary.

To legally bind the Company, the authorized signatory of a contract must adhere to the restriction prescribed in the Company's Certificate, which indicated that Mrs. Preeyaporn Tangpaosak, Ms. Preeyapun Bhuwakul and Mr. Pyut Bhuwakulwong; 2 out of 3 directors jointly sign a contract with a common seal of the Company.

The Board of Directors is a representative for all shareholders and responsible for important duties in decision making for policies and strategies of the Company. Therefore, the Board of Director plays an important role in building up the Company's trustworthiness, business value added and providing investment returns to shareholders. The Chairman and the top management of the organization share collective responsibility, being a different individual, and separate their roles from each other.

Scope of duties and responsibilities of the Board of Directors

- Determine the Company's vision, mission, achievement and strategy, including offering an opinion on business operation, asset management, finance, fund raising and risk management.
- Approve the Company's annual budget, project investment budget, and control and review the Company's operating performance

- Consider and approve the Company's performance report, financial reports, profit allocation and transactions with possible conflict of interest, as well as nominate personnel for directors, auditors and consider the auditors' remuneration.
- Assess the performance of the Board of Directors and sub-committees
- Appoint the Audit Committee, and acknowledge any significant reports from the Audit Committee or internal control and auditing unit.
- Appoint and specify authority of the Executive Committee, Executive President and other sub-committees as appropriate.
- Enforce a disclosure of general information and financial information, and review sufficiency and suitability of internal control system and risk management.

Independent Director

The Nomination and Remuneration Committee shall consider personnel qualified to be appointed as Independent Directors initially from their personal qualification and prohibited characteristics of the directors in accordance to the Public Limited Company Act, the laws on securities and exchange, the notifications of the Securities and Exchange Commission, the notifications of the Capital Market Supervisory Board, and the notifications of the Stock Exchange of Thailand, as well as other notifications, regulations and/or relevance rules. Moreover, the Company's Board of Directors shall consider the Independent Directors according to their expertise, experiences and other suitable qualifications altogether, before nominating them to shareholders' meeting for appointment.

The Company has set a policy to maintain at least one-third of Independent Directors out of total directors with the following qualifications;

1. An Independent Director does not hold over than 0.5 percent of all voting shares of the Company, the parent company, a subsidiary, an associated company, a major shareholder or a controlling entity of the Company. This includes the shares held by affiliated person of such an Independent Director.
2. An Independent Director is uninvolved or has not been involved with the management, employees, staffs, consultants with monthly salary or controlling entities of the Company, the parent company, a subsidiary, an associated company, a subsidiary in the same hierarchy, a major shareholder, or a controlling entity of the Company, for not less than 2 years prior the appointment as an Independent Director. In this regard, the prohibition previously mentioned do not apply to an Independent Director who previously is a government officer, an advisor of government agency which is a major shareholder or controlling entity of the Company.
3. An Independent Director does not have any connection by blood or legal registration as father, mother, spouse, sibling, and child, including a spouse of the child of other directors, executives, major shareholders, controlling entities, or an individual to be nominated as director, executive, or controlling entity of the Company or a subsidiary.

4. An Independent Director does not currently have or has not been in a business relationship with the Company, the parent company, a subsidiary, an associated company, a major shareholder, or a controlling entity of the Company, in such a manner that may obstruct the exercise of discretion and independent judgement. In addition, an Independent Director is currently not or has not been a significant shareholder or controlling entity of a party with business relationship with the Company, the parent company, a subsidiary, an associated company, a major shareholder, or a controlling entity of the Company, for not less than 2 years prior the appointment as an Independent Director. Such business relationship includes trading transaction occurring on a conventional basis to conduct the business; a rent or lease of property, assets or services related transaction, a provision or an acceptance of financial support through means of a loan, a guarantee, collateral assets, and similar actions which caused debt burden to the Company or the contract party to be repaid to the counterpart for the amount of, 3 percent of net tangible assets of the Company, or from 20 million Bath, whichever is lower. The value of debt burden is determined using the methods to assess the value of related transaction as per the Notification of the Capital Market Supervisory Board, mutatis mutandis. Regarding the assessment of debt value, the debt obliged to the same party which arose within 1 year prior the business relationship must be included in the calculation.
5. An Independent Director is currently not or has not been an auditor of the Company, the parent company, a subsidiary, an associated company, a major shareholder, or a controlling entity of the Company. In addition, an independent Director is not a major shareholder, a significant shareholder or a partner of the audit office which the accounting auditors of; the Company, the parent company, a subsidiary, an associated company, a major shareholder or a controlling entity of the Company, are currently associate with or has been associated within 2 years prior the appointment as an Independent Director.
6. An Independent Director is not a person offering any professional service, including legal or financial consultant, who receives service fee over than 2 million Baht per year from; the Company, the parent company, a subsidiary, an associated company, a major shareholder or a controlling entity of the Company, and is not or has not been a significant shareholder, a controlling entity, or a partner of such professional service provider for not less than 2 years prior the appointment as an Independent Director.
7. An Independent Director is not or has not been a director appointed as a representative on behalf a director of the Company, a major shareholder or a shareholder connecting to the major shareholder.
8. An Independent Director does not engage in a business of the same nature which is significantly competitive to the business of the Company, the parent company or a subsidiary. In addition, an Independent Director is not a significant partner of a partnership or a director involving in the management, employees, staffs, consultants with monthly salary, or holds more than 1 percent of all voting shares of another company conducting a business of the same nature and is significantly competitive to the business of the Company or a subsidiary.
9. An Independent Director does not represent any characteristics that will restrain such Independent Director from providing independent opinion on the Company business operation.

Scope of Duties and Responsibilities of Chairman

1. Govern the Company's management in overall to ensure compliance with regulations of relevance government agencies and the Company's articles of association as well as a resolution of shareholders' meeting, and oversee the Board of Directors to ensure that the board carries out its duties in accordance with its scope of duties and responsibilities.
2. Ensure that the Company has established monitoring system to regularly evaluate its operating performance in accordance with the Company's policy.
3. Encourage the implication of the Company's policies regarding corporate governance and social responsibility, and encourage a development of ethical values to its personnel of all levels.
4. Encourage the Company's directors to attend training sessions to develop skills and knowledge from credible institutes such as the Thai Institute of Directors and the Stock Exchange of Thailand etc.
5. Perform their duties a chairman in the Board of Directors' meeting and attend every meeting to ensure efficient meeting. The Chairman should encourage every director to share their opinions and assign appropriate managerial roles to the management, while oversee that all directors receive accurate data timely and correctly for efficient decision making leading to the Company's success.
6. To act as the Chairman of the meeting and assign a person to take charge of the meeting in accordance with law and regulations. Moreover, the Chairman has to lead all the Directors to attend the meeting punctually and encourage shareholders in the meeting for participating, voting, inquiring and recommending.

Sub-Committees

As of 15 June 2015, the Board of Directors appointed 4 sub-committees to relieve the Board's duties. Each sub-committee carries out its duties according to the charter which clearly indicates roles and responsibility.

Audit Committee

The Board of Directors appointed the Audit Committee to assist the Board regarding the quality and trustworthiness of accounting system, internal auditing, and internal control, as well as the financial information disclosure procedure. The qualification of the appointed members completely complies with the rules of the Securities and Exchange Commission of Thailand. As of 31 December 2020, the Audit Committee comprised of 3 Independent Directors as follows;

| Name-Surname ^{1/} | | Position |
|----------------------------|-------------------------|-----------------------------|
| 1. Gen. Sittisak | Tayparsit | Chairman of Audit Committee |
| 2. Mr. Suchart | Laopreeda ^{2/} | Audit Committee |
| 3. Mr. Panit | Pujinda | Audit Committee |

With Mrs. Ramida Chooputtaphong as a secretary of the Audit Committee

Note:

1/ Gen. Sittisak Tayparsit and Mr. Panit Pujinda were appointed for the committee during the Board of Directors meeting No. 16/2014 on 24 December 2014. Mr. Suchart Laopreeda was appointed for the committee during the Board of Directors meeting No. 2/2015 on 20 February 2015. The extraordinary general meeting of shareholders No. 3/2015, held on 10 November 2015, had a resolution to approve the public company transformation of the Company, and appointed new members of the Audit Committee with a term starting from 10 November 2015 onward

2/ A member of Audit Committee with expertise and experience in financial statements review

Scope of duties and responsibilities of the Audit Committee

- Review integrity of the Company's financial statements to meet the accounting standard
- Review adequacy and effectiveness of internal control and internal audit system
- Review the Company to ensure law-abiding practice, concerning securities and exchange law, the Stock exchange's regulation or other laws relating to the Company's business
- Select, nominate and remove a financial auditor, with consideration of remuneration, trustworthiness, workload of the auditor. To participate with the auditor in a meeting without administrative personnel at least once a year.
- Consider a related transaction or a transaction with conflict of interest, compliantly with the Stock Exchange's regulations and relevant laws, to ensure that the transaction is reasonable and the best benefit for the Company.
- Consider acquisition or disposal of the Company's asset in compliance with relevant laws, notifications and regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission of Thailand and the Capital Market Supervisory Board.
- Approve internal audit plan and to be informed of the internal auditor's report.
- Review and revise the Audit Committee's charter and present to the Board of Directors for approval
- Prepare the self-assessment report of the Audit Committee Report (collectively as a group), and report the Audit Committee's accomplishment to the Board of Directors, especially in a case of doubtful transactions or actions that will possibly cause significant effect to the Company's financial status and performance. Investigate any issues reported by the financial auditor and report the initial investigation result to the Securities and Exchange Commission of Thailand and the financial auditor within 30 days after being reported.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee has responsibility to recommend on structure, size and component of the Board of Directors and each sub-committee, and specify personnel qualification and nomination procedure and criteria according to the structure, size and component as prescribed. The Committee responsible for nominating personnel suitable for the position of company director, member of sub-committee and executive president, and presenting to the Board of Directors and shareholders for approval accordingly. The Committee also supervises on the remuneration and performance evaluation of each position in consider to sustainable growth of the Company. As of 31 December 2020, the Nomination and Remuneration Committee comprised of 3 members as follows;

| Name - Surname ^{1/} | Position / Type of Director |
|--|---|
| 1. Mr. Suchart Laopreeda | Chairman of Nomination and Remuneration Committee, Independent Director |
| 2. Mr. Pyut Bhuwakulwong | Nomination and Remuneration Committee, Director |
| 3. Mrs. Natika Praduttanachote ^{2/} | Nomination and Remuneration Committee |

With Ms. Rossalin Sornpratum as secretary of the Nomination and Remuneration Committee

Note

1/ Mr. Suchart Laopreeda and Mr. Pyut Bhuwakulwong were appointed for the Nomination and Remuneration Committee during the Board of Directors during the meeting No. 7/2015 on 15 Jun 2015.

2/ Mrs. Natika Praduttanachote was reassigned as a member of the Nomination and Remuneration Committee by the Board of Directors during the meeting No. 4/2019 on 9 August 2019.

Scope of duties and responsibilities of the Nomination and Remuneration Committee

- Determine criteria and policy regarding the nomination of the company director and sub-committee member, presenting to the Board of Directors and/or shareholders for approval.
- Recruit and nominate appropriate personnel to replace directors completing their term and/or resigning from their position, and/or to be appointed for an additional position.
- Evaluate performance of an executive president and present to the Board of Directors for consideration.
- Determine criteria and policy regarding remuneration of the Board of Directors and sub-committees and present to the Board of Directors and/or shareholders meeting for approval.
- Determine appropriate and necessary remuneration, either monetary term or not, for the Company director individually each year, and present to the Board of Directors and shareholders meeting for approval.
- Consider for the job evaluation criteria and annual remuneration of an executive president, vice presidents, senior executives and present to the Board of Directors and shareholders meeting for approval.
- Describe the policies, principles and reasons regarding the consideration on directors and executive remuneration according to the Stock Exchange's regulation, and publish in a disclosure report (Form 56-1) and the Company's annual report.
- Consider appropriateness and approval for an issuance of securities offering to directors and employees.
- Clarify any questions relating to the director remuneration during shareholders meeting.

Risk Management Committee

The Risk Management Committee is responsible for risk policies and general risk management of the Company in different aspects such as finance, investment and company reputation. As of 31 December 2020, the Risk Management Committee consists of 6 members, as follows;

| Name - Surname ^{1/} | | Position / Type of Director |
|------------------------------|----------------------------|---|
| 1. Mr. Pyut | Bhuwakulwong | Chairman of Risk Management Committee, Director |
| 2. Mr. Suchart | Laopreeda | Risk Management Committee, Independent Director |
| 3. Mr. Panit | Pujinda | Risk Management Committee, Independent Director |
| 4. Mrs. Preeyaporn | Tangpaosak | Risk Management Committee, Director |
| 5. Ms. Preeyapun | Bhuwakul | Risk Management Committee, Director |
| 6. Mr. Satian | Tantanasarit ^{2/} | Risk Management Committee |

With Ms. Rossalin Sornpratum as a secretary of the Risk Management Committee

Note

1/ Mr. Pyut Bhuwakulwong, Mr. Suchart Laopreeda, Mr. Panit Pujinda Mrs. Preeyaporn Tangpaosak and Ms. Preeyapun Bhuwakul were appointed for the Risk Management Committee during the Board of Directors during the meeting No. 7/2015 on 15 June 2015.

2/ Mr. Satian Tantanasarit was reassigned as a member the Risk Management Committee in the Board of Directors meeting No. 4/2019 on 9 August 2019

Scope of duties and responsibilities of Risk Management Committee

- Determine general risk management policy and guideline covering different aspects of risk which are significant and possible threat to the Company's reputation, presenting to the Board of Directors for consideration.
- Specify risk management plan, scope of work, operations, implementation and evaluating procedure, following risk management framework. Review risk management report to ensure the adequacy and appropriateness of risk management.
- Follow up and evaluate the result of risk management to consecutively improve efficiency and effectiveness of risk management.
- Establish and assist a working group for risk management as necessary
- Make a decision and suggestion on important issues occurred in risk management processes.
- Report accomplishment of the Risk Management Committee to the Audit Committee for acknowledgement and/ or consideration every half year.

Executive Committee

The Executive Committee manages the Company according to the vision, mission, strategies and policies prescribed by the Board of Directors, laws, conditions, rules and regulations of the Company. The Executive Committee must rely on discretion for business decision making with consideration of the Company and shareholders best benefit. As of 31 December 2020, The Executive Committee consists of 7 members as follows;

| Name - Surname ^{1/} | Position / Type of Director |
|---|--|
| 1. Mrs. Preeyaporn Tangpaosak | Chairman of Executive Committee, Director |
| 2. Mr. Pyut Bhuwakulwong | Vice Chairman of Executive Committee, Director |
| 3. Ms. Preeyapun Bhuwakul | Executive Committee, Director |
| 4. Mr. Somboon Setsuntipong ^{2/} | Executive Committee |
| 5. Mrs. Samorn Deeseng ^{2/} | Executive Committee |
| 6. Mr. Pichit Satapattayanont ^{3/} | Executive Committee |
| 7. Mr. Tepparit Ritthongpitak ^{4/} | Executive Committee |

With Ms. Tanyaporn Malila as a secretary of the Executive Committee

Note

1/ Mrs. Preeyaporn Tangpaosak, Mr. Pyut Bhuwakulwong, and Ms. Preeyapun Bhuwakul were appointed as members of the Executive Committee by the Board of Directors' meeting No. 7/2011 on 15 June 2011.

2/ Mr. Somboon Setsuntipong and Mrs. Samorn Deeseng were appointed as members of the Executive Committee by the Board of Directors' meeting No. 1/2017 on 26 February 2017.

3/ Mr. Pichit Satapattayanont and Mr. Tepparit Ritthongpitak were appointed as members of the Executive Committee by the Board of Directors' meeting No. 1/2019 on 22 February 2019.

Scope of duties and responsibilities of Executive Committee

- Determine a business plan and achievement of the Company, and oversee the Company's operation compliantly to the vision, mission, strategies, policies and the Board of Directors' resolution
- Make a decision for the Company's investment, fund raising, including acquisition of fixed assets with in approval authority and/or report to the Board of Directors
- According to the scope of authority given by the Board of Directors, Executive Committee is responsible for an additional annual budget, investment, business transaction, financial obligation and opening bank accounts

Executives

As of 31 December 2020, the Company has 6 executives, according to the Notification of the Securities and Exchange Commission No. KorJor 17/2551 notified on 15 December 2008, as follows;

| Name - Surname | Position |
|-------------------------------|--|
| 1. Mrs. Preeyaporn Tangpaosak | President / Acting Vice President of Business Development |
| 2. Ms. Preeyapun Bhuwakul | Vice President - Procurement and Logistics / Vice President - Sales and Marketing |
| 3. Mr. Pyut Bhuwakulwong | Vice President - Corporate Administration |
| 4. Mr. Pairoj Rujirawanich | Vice President - Project Management |
| 5. Mr. Somboon Setsuntipong | Vice President - Finance and Accounting |
| 6. Mr. Chanad Bhaobhandee | Vice President - Information Technology |

Company Secretary

The Board of Directors meeting No. 7/2015, held on 15 June 2015, appointed Ms. Tanyaporn Malila, as company secretary. The qualification required for a company secretary was published in a disclosure report of year 2020 (Attachment 1). Scope of duties of the Company secretary are as follows;

1. Assist and advice the Company directors and executives to adhere to laws, rules, notification, and regulations of the Company, carefully pursue to ensure legitimate practice, and report important events to the Board of Directors
2. Responsible for meeting arrangement for the Board of Directors and shareholders; in compliance with laws, company's articles of association, and relevant regulations, and cooperate with relating parties to ensure that the meeting resolutions has been carried out.
3. Ensure that information and reports relating to responsible duties has been disclosed compliantly with the regulations of the Stock Exchanges of Thailand, the regulations of the Securities and Exchange Commission of Thailand, and relating laws.
4. Prepare and keep the following documents;
 - (1) Company director register
 - (2) Invitation letters for the Board of Directors meeting and meeting reports
 - (3) Invitation letters for the shareholders meeting and meeting reports
 - (4) Annual report of the Company
 - (5) Report on conflict of interest of the Company directors and executives

The Board of Directors' meeting

The attendant of the Board of Directors meeting during the year 2020 are as follows;

| Directors and Executives | | Meeting Attendance | | | | | | |
|--------------------------|-----------------------------|---|---|--|--|--|--|---------------------------|
| | | Board of Directors 6 meetings/ year | Independent Director 1 meetings/ year ^{3/} | Audit Committee 4 meetings/ year | Nomination and Remuneration Committee 1 meetings/ year | Risk Management Committee 2 meetings/ year | Executive Committee 3 meetings/ year | AGM 1 meeting/ year |
| 1. Mr. Anant | Voratitipong | 6/6 | 1/1 | – | – | – | – | 1/1 |
| 2. Gen. Sittisak | Tayparsit | 6/6 | 1/1 | 4/4 | – | – | – | 1/1 |
| 3. Mr. Suchart | Laopreeda | 6/6 | 1/1 | 4/4 | 1/1 | 2/2 | – | 1/1 |
| 4. Mr. Panit | Pujinda | 6/6 | 1/1 | 4/4 | – | 2/2 | – | 1/1 |
| 5. Mr. Chirasil | Chayawan | 6/6 | 1/1 | – | – | – | – | 1/1 |
| 6. Mrs. Preeyaporn | Tangpaosak | 6/6 | – | – | – | 2/2 | 3/3 | 1/1 |
| 7. Ms. Preeyapun | Bhuwakul ^{1/} | 5/6 | – | – | – | 2/2 | 3/3 | 1/1 |
| 8. Mr. Pyut | Bhuwakulwong | 6/6 | – | – | 1/1 | 2/2 | 3/3 | 1/1 |
| 9. Mr. Satian | Tantanasarit | – | – | – | – | 2/2 | – | – |
| 10. Mr. Somboon | Setsuntipong | – | – | – | – | – | 3/3 | 1/1 |
| 11. Mrs. Samorn | Deeseng | – | – | – | – | – | 3/3 | 1/1 |
| 12. Mrs. Natika | Praduttanachote | – | – | – | 1/1 | – | – | – |
| 13. Mr. Pichit | Satapattayanont | – | – | – | – | – | 3/3 | 1/1 |
| 14. Mr. Tepparit | Ritthongpitak ^{2/} | – | – | – | – | – | 1/3 | – |

Note:

1/ Ms. Preeyapun Bhuwakul was absented from the meeting of the Board of Directors No. 4/2020 on 11 August 2020 due to other business

2/ Mr. Tepparit Ritthongpitak was absented from the meeting of the Executive Committee No. 2/2020 on 20 July 2020 and No. 3/2020 on 28 October 2020 due to other business

3/ 5 members of the Audit Committee held a meeting without attendance of the management on 10 November 2020

Scope of duties and responsibilities of the President

1. Abide with laws and regulations including the regulations regarding securities and exchange, the notification of the Securities and Exchange Commission, the notification of the Capital Market Supervisory Board, other notifications, laws, and/or other relevance rules, and resolutions of the shareholders' meeting and the Board of Directors' meeting.
2. Oversee, manage and carry out their duties in daily business operation according to the Company's policy, vision, business target, business plan and budget approved by the Board of Directors.
3. Manage the Company's operation in accordance to the primary mission specified by the Board of Directors, in consistent with the Company's operating plan, budget and business strategy.
4. Supervise the Company's financial management, marketing, human resource management and other operations according to the Company's policy and operating plan specified by the Board of Directors.

5. Hire, appoint, transfer, dismissal, layoff, and determine wages and remunerations for the Company's personnel. The Executive President may delegate authority to another person to carry out the duties.
6. Determine rewards, salary increase, pay raise or extra bonus in addition to regular bonus allocation of the Company's employees from the position of Vice President towards the lower level of organization.
7. Negotiate and conclude a contract, and/or other transactions concerning the Company's normal business within a specified budget indicated in an approval authority chart approved by the Board of Directors.
8. Issue an order, rules, announcement and memorandums within the organization, to comply with the policy and for the benefit of the Company as well as to maintain discipline within the organization.
9. Determine trading conditions for the benefit of the Company.
10. Make a decision on new business investment or business dissolution to be proposed to the Executive Committee and/or the Board of Directors.
12. Approve and appoint advisors from various areas of expertise which are necessary to the business.
13. Perform other duties as assigned by the Board of Directors with necessary authority to carry out the duties.
14. The executive president may delegate authority to other persons and/or assign other persons to perform a specific duty on their behalf. The delegation of authority and/or assignment must be within the scope prescribed in an authorization letter and/or in accordance with rules, regulations or order of the Board of Directors. The delegation of authority and responsibilities of the executive president must not be in a way that causes the executive president or the authorized person to be able to approve a transaction causing any kind of conflict of interest with themselves or their connected persons (according to the definition prescribed in the notification of the Securities and Exchange Commission or the notification of the Capital Market Supervisory Board) unless the approval is in accordance with a policy and principle determined by shareholders or the Board of Directors.

Scope of duties and responsibilities of the Executive Management

The Company has clearly separated the roles and responsibilities of the Board of Directors and the Executive Management as follows;

1. Administrate the Company's operating performance in accordance with the Company's objectives and the tasks assigned by the Board of Directors.
2. Execute the Company's strategy and business plan to achieve a target as prescribed in the plan determined by the Board of Directors.
3. Perform the task as assigned by the Board of Directors according to the policy of the Board of Directors.
4. Issue rules, announcement and memorandum to ensure the operations is in accordance with the Company's policy.
5. Cooperate with other executives and staffs within the organization according to the policy and business direction determined by the Board of Directors.
6. Explore new opportunity for the business and investment concerning the core business of the Company and its subsidiaries, to increase the Company's revenue.
7. Approve normal business expenditure within the budget determined by the Board of Directors.
8. Oversee staff's performance to comply with the policy, rules and corporate governance.

9. Encourage staffs to develop their skill and capability to increase efficiency of the organization
10. Prepare an annual budget of the organization according to the Company's policy.
11. Approve for an appointment, transfer, and staff layoff as deemed appropriate.
12. Perform other tasks assigned by the Board of Directors and higher Executives case by case. The executive management shall not have authority to approve a connected transaction exceeding a scope of normal business transaction, an acquisition and disposal of the Company's significant asset, and/or a transaction with a connected person or a person causing a conflict of interest with the Company and subsidiaries, unless such transaction is within a scope of normal business transaction as prescribed within a policy and principle determined by the Board of Directors and approved by shareholders, to comply with relevance regulations of the Stock Exchange of Thailand.

Performance Evaluation of the Board of Directors

The Board of Directors and the sub-committees shall evaluate their performance as a whole and individual on annual basis, which the Board of Directors shall collectively review their performance and issues, and revise their performance. The performance assessment of the Board of Directors and sub-committees; both group and individual, is specified focusing on 5 factors as follows;

1. Structure and qualification of the Board of Directors
2. Roles, duties and responsibilities of the Board of Directors
3. The Board of Directors' meeting
4. Performance of directors
5. Relationship with the management

For individual performance assessment, additional subject shall be evaluated which is 6. Director's self-development and executive's development

0 = Never conducted

1 = Seldom conducted

2 = Moderately conducted

3 = Well conducted

4 = Excellently conducted

The assessment is calculated from average score of each factor with the criteria as follows;

5-59 percent = Improvement Required

60 - 70 percent = Fair

71 - 80 percent = Good

81 - 90 percent = Very Good

91 - 100 percent = Excellent

Using the following procedure,

1. The Board of Directors and sub-committees must evaluate their performance as a whole and as individual at least once a year.
2. A secretary of each committee shall summarize and report a result of both group and individual assessment to the committee, for the committees to improve their performance.
3. The company secretary shall prepare and report the result; of both group and individual assessment of the Board of Directors and sub-committee, to the Board of Directors, for the board to improve their performance and efficiency.

As for 2020, the assessments of each committee are as follows;

1. The Board of Directors- as a whole: average score 98% - Excellent
2. The Board of Directors- individual: average score 98% - Excellent.
3. The Executive Committee: average 88% - Very good
4. The Risk Management Committee: average 95% - Excellent
5. The Nomination and Remuneration Committee: average 96% - Excellent
6. The Audit Committee: average 100% - Excellent

Performance Evaluation of the Executive President

Performance Evaluation of the Executive President is proceed on annual basis to consider their performance and locate the issues on corporate operation that need improvement. Performance of the Executive President is evaluated through 9 factors comprised of:

1. Leadership
2. Strategic Planning
3. Strategy Implementation
4. Financial Planning and Performance
5. Relationship with the Board of Director
6. External Relationship
7. Corporate management and personnel relations
8. Knowledge on products and services
9. Personal qualities

The assessment scoring is that;

- 0 = Never conducted
- 1 = Seldom conducted
- 2 = Moderately conducted
- 3 = Well conducted
- 4 = Excellently conducted

N/A = No information or not applicable

The assessment is calculated from average score of each factor with the criteria as follows;

- 5 - 59 percent = Improvement Required
- 60 - 70 percent = Fair
- 71 - 80 percent = Good
- 81 - 90 percent = Very Good
- 91 - 100 percent = Excellent

Using the following procedure,

1. The Board of Directors must assess performance of the Executive President at least once a year.
2. A secretary of the Nomination and Remuneration Committee summarizes and reports the assessment result to the Nomination and Remuneration Committee, and the committee and the Executive President will cooperate to improve operating efficiency of the Company.
3. The company secretary shall prepare and report the assessment result to the Board of Directors for acknowledgement, to improve operating efficiency of the Company.

As for 2020, the Executive President received 97% scores (Excellent) from the performance assessment.

Remuneration of the Directors and Executives

Criteria for Determining Director and Executive Remuneration

The Board of Directors has established the Nomination and Remuneration Committee to consider the principle and criteria for appropriate remuneration; either in monetary term or non-monetary term, of each director annually. The remuneration of each director shall be determined in consideration of their roles, responsibilities, and performance, comparing with other companies of similar business and benefit which the Company expected to receive from the director. The committee shall report the determined remuneration to the Board of Directors for further consideration which will later be propose to shareholders' meeting for approval.

Remuneration of the executives including commissions, bonus, rewards and other welfare, shall be determined based on the Company's policy in consideration of business growth, operating results, roles and responsibilities, the Company's liquidity and current economic situation and overall performance of the Executive Management. The remuneration shall be proposed to the Board of Directors for approval.

A. Monetary Remuneration

•Directors

The Annual General Meeting of 2020 held on 9 October 2020 approved the remuneration of the Company directors and sub-committees in term of meeting attendance fee. The details are as follows;

| Position | 2019 | 2020 |
|---|---|---|
| | Attendance fee (Baht/person/meeting) | Attendance fee (Baht/person/meeting) |
| Chairman of the Board | 40,000 | 40,000 |
| Director (Independent Director) | 30,000 | 30,000 |
| Chairman of Audit Committee | 30,000 | 30,000 |
| Member of Audit Committee | 25,000 | 25,000 |
| Chairman of Risk Management Committee | 20,000 | 20,000 |
| Member of Risk Management Committee | 15,000 | 15,000 |
| Chairman of Nomination and Remuneration Committee | 20,000 | 20,000 |
| Member of Nomination and Remuneration Committee | 15,000 | 15,000 |

Details of Directors and Sub-committee Remuneration

The Annual General Meeting of 2020 held on 9 October 2020 approved the criteria of director remuneration and shall not remunerate the executive directors, executives and staffs, while directors attending both the Board of Directors meeting and other sub-committee meeting on the same day shall be remunerated for the meeting with the highest attendance fee.

| Name - Surname | | 2019 | | 2020 | |
|--------------------|------------------------------|-----------------|----------------------------------|-----------------|----------------------------------|
| | | Director (Baht) | Risk Management Committee (Baht) | Director (Baht) | Risk Management Committee (Baht) |
| 1. Mr. Anant | Voratitipong | 200,000 | – | 240,000 | – |
| 2. Gen. Sittisak | Tayparsit | 150,000 | – | 180,000 | – |
| 3. Mr. Suchart | Laopreeda | 150,000 | 15,000 | 180,000 | – |
| 4. Mr. Panit | Pujinda | 150,000 | 15,000 | 180,000 | – |
| 5. Mr. Chirasil | Chayawan | 150,000 | – | 180,000 | – |
| 6. Mr. Satian | Tantanasarit | – | 45,000 | – | 30,000 |
| 7. Mr. Narong | Ongartmaneerat ^{1/} | – | 30,000 | – | – |
| 8. Mrs. Preeyaporn | Tangpaosak | – | – | – | – |
| 9. Ms. Preeyapun | Bhuwakul | – | – | – | – |
| 10. Mr. Pyut | Bhuwakulwong | – | – | – | – |
| Total | | 800,000 | 105,000 | 960,000 | 30,000 |

Note:

1/ Mr. Narong Ongartmaneerat had attended 2 out of 3 meetings of the Risk Management Committee before retired from a member of the Risk Management Committee on 10 August 2019 (Before the meeting of the Risk Management Committee No. 3/2019).

• Executives

The remuneration including commission, bonus, reward, and welfare of the Executives during 2019 and 2020 were as follows;

| Remuneration | 2019 | | 2020 | |
|---|----------------------------|-----------------------------|----------------------------|-----------------------------|
| | No. of Executives (person) | Remuneration (Million Baht) | No. of Executives (person) | Remuneration (Million Baht) |
| Salary and bonus | 11 | 30.44 | 11 | 29.22 |
| Other payments such as social security fee and commission | 11 | 4.69 | 11 | 2.27 |
| Total | 11 | 35.13 | 11 | 31.49 |

B. Other remunerations

The Company did not have a policy to remunerate the Company's directors in non-monetary term.

In 2019 and 2020, the Company paid for other remunerations consisted of employee benefit and provident fund in total amount of 3.72 million Baht and 3.85 million Baht respectively.

Policies on Personnel Remuneration and Welfare

ALT Telecom Group cares and emphasizes on quality of life of every employee and provides welfare for health, livelihood, and family, so every employees can be happy with their works and offer their contribution efficiently.

The benefit provided to employees is comparable to other companies in the same industry or relevant industries or legal standards, based on job positions, experiences, certifications, and qualification of employees. Nonetheless, the benefit depends upon corporate performance, and economic and social circumstance. The policies applied to every company in the group, consist of:

1. Annual salary adjustment
2. Annual bonus
3. Paid leave
4. Subvention for employee
5. Subvention for specific occasion, to facilitate operation
6. Group insurance
7. Annual party or company outing
8. Healthcare support, to comply with government policy

• Personnel

In 2019 and 2020, the Company and its subsidiaries employed 320 and 350 employees respectively (Executives are excluded). The Company paid for employee remunerations in total amount of 128.65 million Baht and 148.26 million Baht in 2019 and 2020 respectively; consisted of salary, bonus and commission. The remuneration amount of each department is presented as follows;

| Department | No. of Employee (Person) | | Remuneration (Million Baht) | |
|-----------------------------------|--------------------------|------------|-----------------------------|---------------|
| | 2019 | 2020 | 2019 | 2020 |
| Executive Department | 4 | 4 | 1.93 | 1.77 |
| Sales and Marketing | 9 | 3 | 3.60 | 6.97 |
| Procurement and Logistics | 7 | 7 | 2.64 | 2.6 |
| Project Management | 21 | 18 | 7.06 | 7.47 |
| General Management | 7 | 7 | 2.73 | 2.98 |
| Business Development | 9 | 8 | 7.12 | 7.75 |
| Finance and Accounting | 13 | 16 | 6.18 | 7.04 |
| Legal Department | 3 | 4 | 1.15 | 1.39 |
| IT Department | 11 | 1 | 3.11 | 0.76 |
| Group Tech Solutions Co., Ltd | 137 | 119 | 56.32 | 55.83 |
| I21 Inter Corporation Co., Ltd | 17 | 0 | 7.11 | 1.81 |
| Innova Telecommunication Co., Ltd | 57 | 111 | 15.00 | 22.14 |
| International Gateway Co.,Ltd | 25 | 34 | 14.70 | 23.18 |
| Total | 320 | 350 | 128.65 | 148.26 |

• **Provident Fund**

The Company has established its provident fund since 1 May 2015 and has assigned One Asset Management Co., Ltd as fund manager, with an intention to increase morale and motivation of employees in long term.

• **Personnel Professional Development**

The Company places important on continue professional development of employees to increase their capability at work in accordance with the Company's target, policy and strategic direction, which will increase competitiveness of the Company in global competition and support the growth of ASEAN Economic Community. Moreover, the professional development includes establishing corporate culture and positive employee attitude leading to effective organization management; comparing with other corporate in the same industry, which is suitable to the Company's business environment and goal. Personnel Development is one of the Company's major mission, since employees is essential resource driving the Company business. Thus, the Company arranged training programs for its staffs to develop individual skillsets and strengthen company business. Each year the Company invests a lot of resource for employee development while focuses on increasing efficiency of staffs. As for 2020, the Company's employees have average training session of 6 hours/person.

The employee development plan is separated into 2 categories which are internal and external training, conducted by internal and external professional. As the Company considers that employees is crucial resource for its business operation and have to grow together with the Company, several professionals have been invited to share their knowledge and skill to the employees, to encourage a development in individual skillsets, interpersonal communication inside and outside the organization as follows;

• **Internal Training**

The human resource department made a survey on training needs in various department and setup an internal training schedule and courses regarding important topics relating to employees. Lecturers of the courses were the professionals working in the organizations such as supervisors and specialists, or external professionals invited to conduct a training course within the Company. In 2020, there were several trainings such as:

1. SD Journey Exclusive Program
2. 5G Into RF Engineer Program
3. Excel Intermediate Course (2 batches have been arranged.)
4. Security in Project Management Program (4s batches have been arranged.)

• **External Training**

The Company sent employees out to external institutes to improve their knowledge and skill, to be more efficient at work. Some of the courses which the Company's executives and employees has participated in 2020 are as follows;

1. The Company sent employees for training on ISO/IEC 17025:2017 (Awareness & Requirement), during 6 January 2020.
2. The Company sent employees for training on ISO 9001:2015 (Introduction & Internal Audit), during 21-23 September 2020
3. The Company sent employees for training on The Personal Data Protection Act B.E 2562 : Procedure and Practices (PDPA batch 13rd) during 7-8 October 2020

4. The Company sent employees for training on the Certified Professional Internal Audit Program (CPIAT), batch 63rd during 8 August 2020 – 15 November 2020
5. The Company has been continuously participating in the good corporate governance program of IOD and evaluated the degree of compliance for corporate governance to improve corporate governance of the Company, while improving the degree of corporate governance practice to standard level. The Company sent its staffs to participate in the Corporate Governance Report program every year to continuously develop the Company's corporate governance.



Training by internal trainers (Train the trainers)



Customer Satisfaction Survey

In 2020, ALT Telecom Public Company Limited conducted a customer satisfaction survey to evaluate the satisfaction in the Company's products and services. The information could make the Company to understand customer needs efficiently which can strengthen the marketing strategy and make the Company to be able to response to customer expectation properly. According to 2020 customer satisfaction survey, ALT received average score of 83.35%. The Company analyzed the survey result and found that the score for price satisfaction and delivery are 77.14% and 80.57% respectively which are lower than others. Therefore, the Company has set up and is proceeding a plan to increase the level of customer satisfaction.

The survey was conducted half-yearly (twice a year) as follows;

Customer Satisfaction Survey (1st 2020)

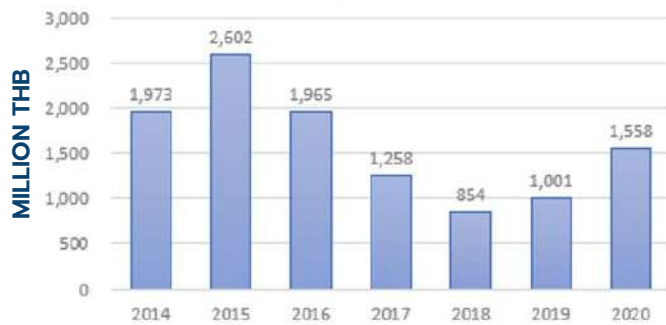
| Product : Please rate your satisfacti on with each of the following? | Percentage |
|--|------------|
| | |
| 1.Overall Prouct Quality | 85.71% |
| 2.Product delivery time | 77.14% |
| 3.Price | 74.29% |
| 4.Skill and competency of our staff | 85.71% |
| 5.Politeness and personality of our staff | 80.00% |
| 6.After sales service | 80.00% |
| 7.Organization on overall consideration | 80.00% |
| Average | 80.41% |

Customer Satisfaction Survey (2nd 2020)

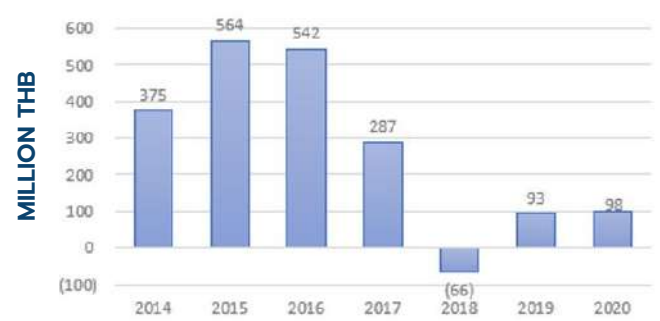
| Product : Please rate your satisfacti on with each of the following? | Percentage |
|--|------------|
| | |
| 1.Overall Prouct Quality | 88.00% |
| 2.Product delivery time | 84.00% |
| 3.Price | 80.00% |
| 4.Skill and competency of our staff | 88.00% |
| 5.Politeness and personality of our staff | 88.00% |
| 6.After sales service | 92.00% |
| 7.Organization on overall consideration | 84.00% |
| Average | 86.29% |

Financial Highlights

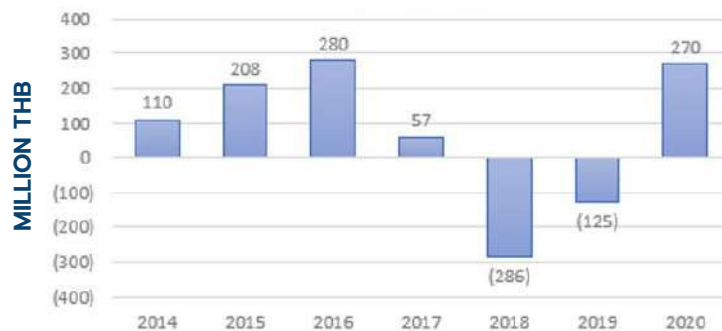
Revenue



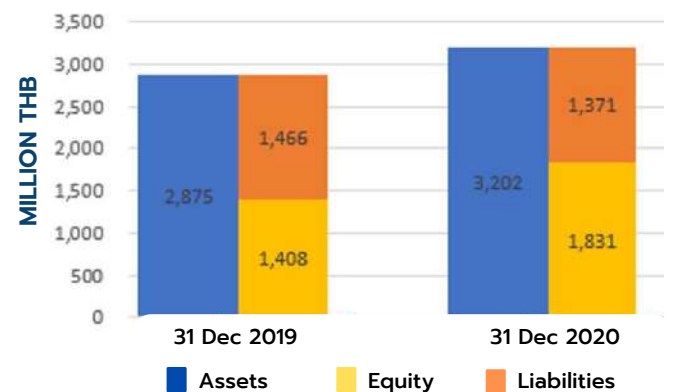
Gross Profit



Net Profit (loss)



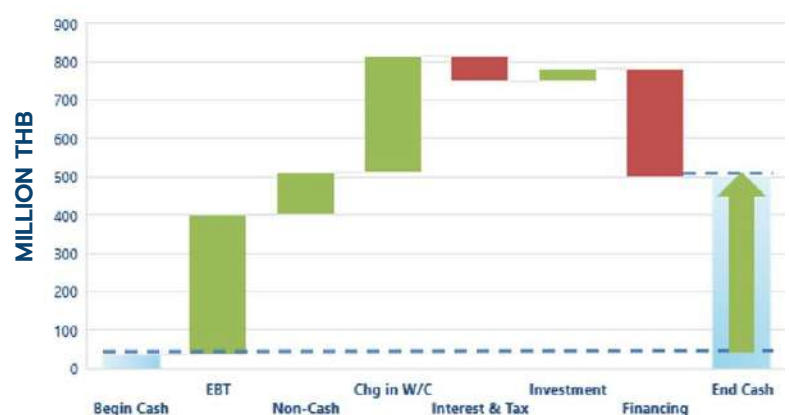
Statement of Financial Position



Revenue Contribution



Statement of Cash Flow



Business Overview

ALT Telecom PLC. (“The Company” or “ALT”) established on 19 March 2001 under the name ALT Inter Corporation Co., Ltd, with an initial registered capital of 1.00 million Baht. The Company’s first business was interior decoration service for buildings and base stations owned by mobile phone operators. With great effort to offer the best service to customers, ALT gradually entrusted by the operators, creating an opportunity for new business expansion; base stations implementation and telecom equipment installation, which later became ALT’s core business, hence the Company ceased its interior decorating service in 2007.

Advantageous from the experiences in base stations construction and telecom equipment installation, ALT’s shareholders noticed an opportunity for telecommunication equipment trading business, as a result, I21 Inter Corporation Co., Ltd was founded by the shareholders in 2002 to sell telecommunication equipment such as fiber optic cable, RF feeder cable, wireless networking equipment etc., focusing on a target customers who were mobile phone operators and contractors involved in base stations implementation and telecom equipment installation. Later in 2006, I21 was bought by ALT and became ALT’s subsidiary.

In Addition to an expansion of telecommunication equipment trading business, ALT developed new product line; Telecom shelters. During that time, telecom shelters in the market usually came with large size and expensive price, which fail to serve the cost minimization demand of the operators. In 2002, ALT cooperated with a business partner to develop telecom shelters and sell under “ALT” brand. ALT’s telecom shelters were feature with minimal size and quality serving customer demand at reasonable price. Later in 2005, ALT with a cooperation of business partner, developed rapid deployment unit (RDU) under “ALT” brand, as an alternative of imported products which were more expensive and had long procurement lead-time. The RDU developed by ALT were featured with minimal size, qualities meeting customer demand and cheaper price. Moreover, ALT’s cell on legs RDU won Telecom Universal Service Obligation (USO) award from Telecom Innovation Award 2010, sponsored by NECTEC and NBTC.

As the telecom equipment trading business grew, the base station and telecom equipment installation business which was ALT’s core business, was growing continuously as well, therefore in 2008, ALT’s shareholders established Group Tech Solutions Co., Ltd (“GTS”) to support the growth of this business and develop new telecommunication lease business by offering spaces on various locations, such as billboards and rooftop of buildings, for telecom antenna installation. To do so, GTS would survey for potential spaces capable for telecom site installation, and contact the landowner for leasing agreement. GTS then offered the spaces together with antenna and networking equipment installation service to each mobile phone operator. This service was a stepping stone for ALT to build a source of recurring income. Later In 2010 GTS was bought by ALT and became a subsidiary of ALT group.

In 2008, ALT’s shareholders founded Innova Telecommunication Co., Ltd. (“INN”) to start telecom antenna trading business. During the initial stage of this business, all of INN’s merchandises were imported products. However, in 2011 INN started to produce telecom antennas and PIM loads and sell under INN’s brand “SUMTEL”. A prominent characteristic of INN is customizable products and co-development which INN would cooperate with customers to develop products that exactly serve the customers’ requirement. By doing so, INN was continuously requested by customers to develop products serving their special purposes. Moreover, INN also provided telecom equipment repair service.

With continuous growth in telecom equipment trading business and telecom service business of ALT, and the executives' vision to notice the upcoming trend of telecom industry in oversea, ALT became one of companies in Thailand offering a concept of telecommunication infrastructure sharing to mobile phone operators. In 2011, the Company started its telecommunication infrastructure leasing business, which is one of the businesses generating recurring income for ALT group. ALT started the first project in Hemaraj Eastern Seaboard Industrial Estate and Eastern Seaboard Industrial Estate (Rayong), by installing optical networks within the industrial estates and offering network infrastructure leasing service to telecom service providers consist of mobile phone operators and internet service providers. By sharing the network infrastructure, the telecom service providers served their subscribers; the manufacturers within the industrial estates, via the same network infrastructure which reduced the cost of the telecom service providers, while the manufacturers benefited from the new facility of each industrial estate.

In 2013, Information Highway Co., Ltd ("IH") was founded by the shareholders while ALT held 99.99 percent of shareholding proportion. In the middle of 2014, ALT diluted its shareholding proportion in IH from 99.99 percent to 71.00 percent of registered capital and sold them to a company in a group of a certain mobile phone operator. IH shareholders signed on an agreement for a co-investment in optical networks and networking equipment leasing business. The shareholder agreement specified terms of business and director and shareholders authorities during the co-investment, which caused a change in IH's status from a subsidiary company of ALT, to a joint-venture between ALT and the investor, starting from an effective date of the agreement. IH currently has 3 optical network and base station projects under development for lease.

In 2014, ALT established Telecom Solution Provider Co., Ltd ("TSP") to invest in Myanmar Information Highway Limited ("MIH") which would operate telecommunication infrastructure leasing business in Myanmar. However, for ALT to reach its achievement and mission on becoming a leader in telecommunication infrastructure service provider especially in Thailand's economic strategic location to support the development of telecommunication industry of the country, During July 2015, ALT made a decision to reduce its shareholding proportion in TSP from 99.99 percent to 30.00 percent of registered capital and offer 70 percent of TSP registered capital to a certain telecom service provider to become a co-investor. At present, ALT held 19.79 percent of the registered capital and TSP held 96.17 percent of MIH's registered capital.

By taking the concept of telecommunication infrastructure sharing into account, ALT believes that, the infrastructure sharing will reduce investment cost of the Company's customers while maximize utilization of telecommunication resource for the best benefit. Moreover, it also supports a development on telecommunication in Thailand since it helps the telecom service providers improve service coverage more thoroughly. The improvement will enhance quality of life of consumers and businesses in terms of communication and transmission of data and information, which comply with the government policy to encourage economy with digital technology; or the Digital Economy policy. ALT has been investing in 7 telecommunication infrastructure projects including; the installation of fiber optic network for Hemaraj Industrial Estate, State Railway of Thailand (SRT), Navanakorn Industrial Zone; the underground fiber optic network on Sukhumvit Rd., Phaholyothin Rd., and Phayathai Rd.; the fiber optic network along the expressway system in Bangkok and its perimeter; and telecom towers for lease which were installed at around 260 gas stations approximately.

ALT believes that the development on telecommunication infrastructure will benefit to telecom service providers in general. However, the telecom service providers in Thailand has been separately developed their own networks, therefore it will take some time to encourage them to embrace the network sharing service practically. Moreover, every player in the business including the Company, were affected by technological change, thus organizational restructuring has become a critical measure which the Company can immediately adopt with an aim to increase efficiency of operation management, in preparation for a business alliance which will further the Company's business. The reorganization also provides the Company an opportunity to welcome new business partners to join the business or to share their experience to help expanding the Company's business through the existing scope of telecom business which focuses on telephone and internet only. In the future, a development at city and community level; in government, private or household sectors; including personal consumptions, will be more closely related with digital technology, hence the necessity and importance of telecom infrastructure will be more obvious.

In late 2018, the Company has restructured its business to enhance efficiency and flexibility of business operation, and increase an opportunity for a new investment and a new business alliance. Thus, the Company has transferred ownership of a part of its optical networks and equipment installed along the railway and highway (SRT Project) to International Gateway Company Limited ("IGC"). IGC is a telecom network operator specializes in international lease circuit, and domestic and international virtual private network (VPN) via optical network along the railway networks connecting with neighbor countries such as Myanmar, Lao, Cambodia and Malaysia. IGC has been developing its networks for worldwide connection by connecting its networks with the internet networks in major cities around the world via high-quality and trustworthy networks. With an alliance having more than 30 IPXs connecting with more than 3,000 peering partners, IGC can connect to more than 80 PoPs globally and be able to thoroughly serve customer demand to connect with the major cities around the world

In addition to the telecom network service, ALT expanded to data analytic business by investing in Spotwerkz (Thailand) Company Limited ("SWT") and holding 45.19% of SWT shares. The investment was due to ALT's vision that the data analytic business, with its high growth rate, will become more important since the service allows business entrepreneurs to efficiently analyze customer demand and be able to accurately offer appropriate products and services at the right time.

In 2019, ALT has collaborated with business partners to combine the Company's telecom infrastructure and networks with the partners' specialization in business to expand its business creating new opportunities. For instance, ALT and Ratch Group Plc. co-invested in Smart Infranet Co., Ltd to operate fiber-optic telecom network leasing business, connecting two business—telecom and electricity power business—that in a future, will become more related to each other. Moreover, ALT signed an agreement with FCL Tech LTD., a subsidiary of Facebook, to promote public internet service and explore a new opportunity for revenue in advertising business. The Company also agreed Navanakorn Plc. to invest in Thai Thanan Co., Ltd to install telecom towers within Navanakorn Industrial Estate-Pathum Thani which will be leased by telecom operators including mobile phones and internet service providers.

In 2020, ALT has built up business strength by collaborating with business alliances to expand the existing businesses in a compatible way with technology development, urban and social development, and changing consumer behavior. The Company transferred two networks from ALT to Smart Infranet Co., Ltd (SIC) which is a joint venture between ALT and RATCH. Both networks were the optical network installed along railways and national highways, and the underground optical network of the Metropolitan Electricity Authority. With service providing via the newly acquired networks, SIC can expand its customer base and benefit from stronger financial position.

Not only developing collaboration with business alliances, ALT also focused on utilization and creating value from the existing investment. In this regard, ALT signed an MOU on business cooperation with the Electricity Generating Authority of Thailand (EGAT) to expend network service for the project; Fiber Space. The project was developed to serve demand on network service, to improve quality of telecommunication service in Thailand, and to serve increasing demand on network service in AEC region in a long run. Moreover, the Company also invested in Energy Max ("EMAX") which is a manufacturer and distributor of smart electricity meter by acquiring ordinary shares to serve future development of smart grid technology.

Business Policy

"ALT and subsidiary companies would build up sustainable growth together with our customers and would not auction for the spectrum licensing for telecommunications service, to be conform with the Act on Organization to Assign Radio Frequency and to Regulate the Broadcasting and Telecommunications Services B.E. 2553 (2010), and would not invest in a telecommunication infrastructure project that would cause either a comparison or a competition with the projects operated by ALT's joint-venture or associated company, such as a project located in the same area focusing on the same target customers, to remain its fairness in competition with all partners."

As industries evolve and businesses has been increasingly adopting digital technology, government sector and private sector are now aware of and preparing for digital era. These factors stimulate development in digital technology at pace, especially the COVID-19 epidemic which caused consumer behavior to change, such as more online meeting and shopping, in response to social distancing measures. As business environment has changed, ALT therefore revised its vision, mission and corporate goal in response to the change.



Vision

"To be leader in providing network infrastructure and renewable energy"



Mission

To provide digital infrastructure and renewable energy service for government and private sector, to increase quality of service while focusing on cost and resource efficiency, and cooperate with prominent alliances in technologies and businesses.

Corporate goals

ALT has set middle-term goals to develop the following businesses in the next 3 - 5years;

1. Network infrastructure enhancement

The Company will make the most of its existing optical networks to generate revenue from network sharing between operators, and connect domestic networks with cross-border submarine cables.

2. Smart energy

The Company will expand its smart grid business towards smart meter manufacturing and renewable energy.

3. Intelligent Transport

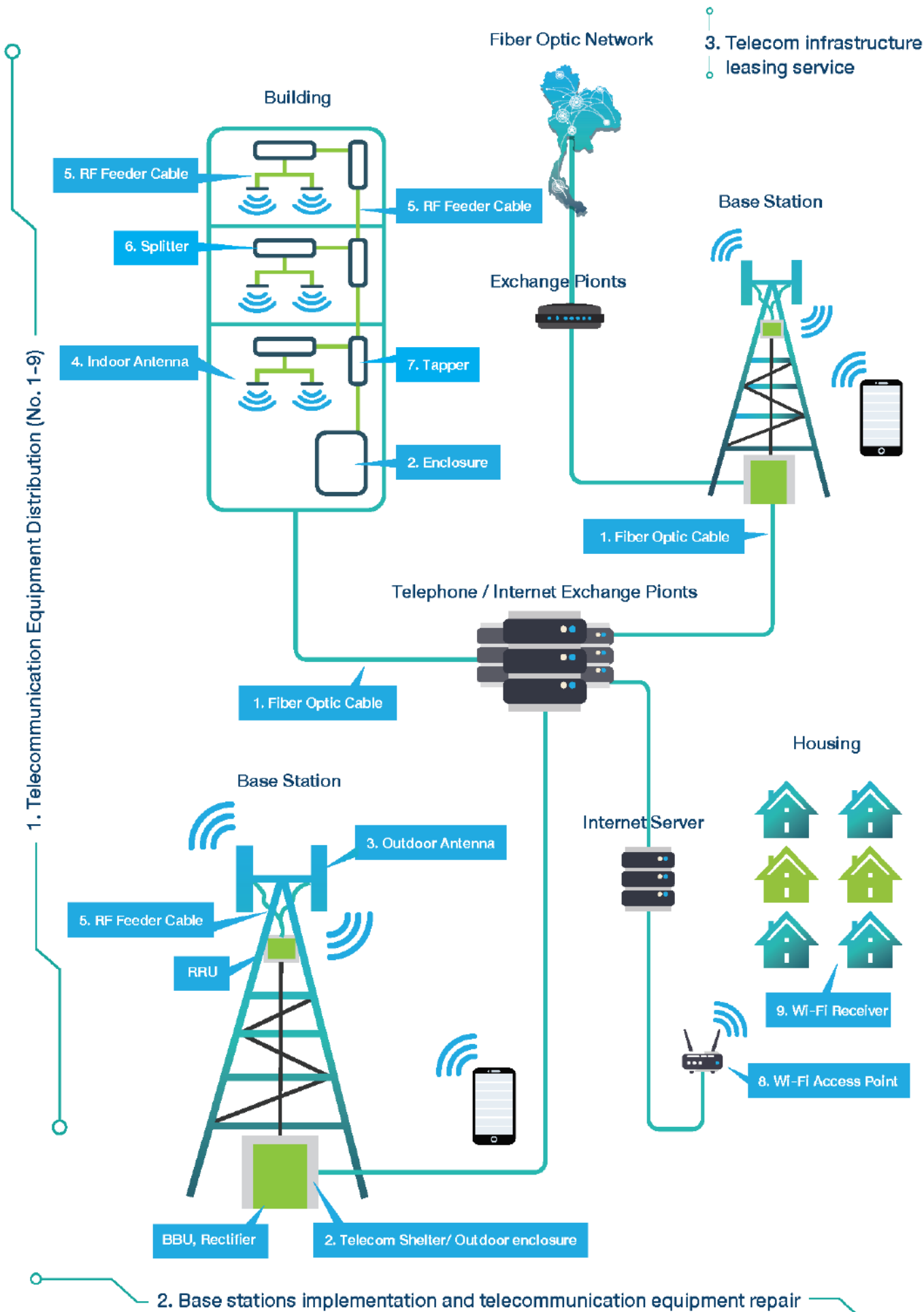
The Company will enter into the intelligent transportation business which makes logistics and transportation to become more flexible. Products and services such as vehicle tracking and vehicle identification which help toll payment to be more secure and easy.

4. Smart e-Platform

The Company will joint collaborations between government and private sectors to develop platforms using e-Platform to identify goods and connect to data hub.

Business Strategies

1. Encourage telecommunication infrastructure sharing by investing in telecommunication infrastructure in economic strategic location to support the service providers reaching to consumers with less network development cost and to be able to fully focus on improving the quality of service.
2. Expand the Company's telecom business to relevant businesses, or other promising businesses, or businesses which require telecommunication technology and platforms to integrate personal information, products and services to improve quality of the products and services, or businesses that promote better information security and traceability in transportation.
3. Serve the customer demand at best with the Company's knowhow, experience and well understanding in telecommunication business and with relating businesses operated by the subsidiary companies which efficiently support each other.



Type of Business

Products and Services

ALT Telecom PCL. group provides one-stop service for telecommunication. The Company's businesses can be categorized into 3 groups as follows;

Group 1: Base station implementation, digital and renewable energy infrastructure installation

Group 2: Telecommunication, digital and renewable energy hardware distribution

Group 3: Telecommunication infrastructure leasing service and high-speed data transmission service on optical fiber network

ALT's revenue structure of each business group, according to consolidated financial statements, is as follows;

| Revenue Structure | Consolidated Financial Statements | | | | | |
|---|-----------------------------------|------------|----------------------------------|------------|-----------------|------------|
| | 2018 | | 2019 ^{1/} (Restated) | | 2020 | |
| | M. baht | % | M. baht | % | M. baht | % |
| 1.Base station implementation, digital and renewable energy infrastructure installation | | | | | | |
| 1.1 Base stations implementation and networking equipment installation | 514.10 | 60 | 306.46 | 30 | 695.38 | 45 |
| 1.2 Digital and renewable energy infrastructure installation | – | – | 87.41 | 9 | 414.56 | 27 |
| 1.3 Other services | 122.13 | 15 | 97.85 | 10 | 41.32 | 3 |
| Total revenue from services | 636.23 | 75 | 491.72 | 49 | 1,151.26 | 74 |
| 2.Telecommunication, digital and renewable energy hardware distribution | | | | | | |
| 2.1 Fiber optic cable | 75.40 | 9 | 10.54 | 1 | 1.27 | 0 |
| 2.2 Telecom shelter and Rapid Deployment Unit (RDU) | 6.92 | 1 | 188.14 | 19 | 122.00 | 8 |
| 2.3 Energy meter, digital and renewable energy equipment | – | – | 97.94 | 10 | 10.83 | 1 |
| 2.4 Antenna and telecommunication hardware | 89.28 | 10 | 58.15 | 6 | 37.76 | 2 |
| Total revenue from sales | 171.60 | 20 | 354.77 | 36 | 171.87 | 11 |
| 3.Telecommunication infrastructure leasing service and high-speed data transmission service on optical fiber network | | | | | | |
| | 45.84 | 5 | 154.69 | 15 | 234.41 | 15 |
| Total Income from leasing service | 45.84 | 5 | 154.69 | 15 | 234.41 | 15 |
| Total revenue from sales and services | 853.67 | 100 | 1,001.18 | 100 | 1,557.54 | 100 |

Note:

^{1/} The Company retroactively restated its consolidated financial statements on a combined basis prior to 1 January 2019 to reflect the acquisition of Energy Max Co., Ltd according to Thai accounting guideline to business combination under common control.

1. Base stations implementation, digital and renewable energy infrastructure installation

During 2018, 2019 and 2020, ALT earned revenue from base station implementation, digital and renewable energy infrastructure installation 636.23 million baht, 461.72 million baht and 1,151.26 million baht respectively, which equaled to 75 percent, 49 percent and 74 percent of total revenue from sales and services according to ALT's consolidated financial statements. Type of services provided by ALT groups can be summarized as follows;

1.1 Telecom Turnkey Site Solutions

ALT and its subsidiary (GTS) offer telecommunication turnkey site solutions for mobile phone operators, starting from land survey for base stations, design, ground construction, telecommunication tower and equipment installation, and maintenance.

For job acceptance consideration, due to the different in procedures and documentation of each mobile phone service providers, ALT group has a policy for each company to prioritize job offering from regular customers. Therefore, ALT and GTS would focus on providing service for different service providers, creating flexible cooperation during each process of works. However, both ALT and GTS are enabled to provide service for non-regular customers. GTS is registered in approved vendor list of 3 major mobile phone service providers, including AIS, DTAC and TRUE, and are able to work for main contractors of mobile phone service providers. ALT is currently registered as an approved vendor by 2 major mobile phone service providers; AIS and DTAC.

Every process of service provided by ALT group is supervised by expert engineers to ensure on-time service completion and safety standard. Each base station generally takes 2 - 3 months for implementation, starting from survey, design, construction to finished work. However, works offered by the customers to ALT group are project works which customers will inform the number of base stations to be implementation in batch. Each batch of work must be delivered within approximately 3 - 4 months. The processes of work are as follows;

- Land survey for suitable location, in consider of coordinates, environment, soil profiles etc.
- Ground construction and transmission tower structural analysis and design regarding customers' requirement and budget, such as foundation designed for telecommunication lattice tower with 35 meter and 45 meter height, guyed mast tower with 45 - 60 meter height or separate foundation designed for lattice tower with 60 meter height etc. Tower construction area, soil profiles, ratio, type of tower, weight of equipment to be installed on the tower and transmission efficiency must be considered during design process.
- Civil work for foundation and tower construction are supervised by engineers to ensure the construction is in line with the design and meets safety standard.
- Systems and hardware installation to make the base station ready for transmission (on service) on-time, including multiple system installations such as; transmission and access network, OSP, transmission line system, radio frequency (RF) system and radio access network (RAN). Furthermore, ALT provides on-site facility maintenance and surge protection system installation including surge/lighting protection system, base station fence, and lighting.

For implementation, the Company would contract external contractors for area survey, civil work on ground construction, telecommunication tower and hardware installation, in order to reduce operating cost. The Company would contract famous chartered engineers who are accepted by the customers, to work on the foundation and transmission tower structural design. Whereas ALT's expert engineers would oversee important project management control processes, which are crucial in telecom site solutions and services, including project presentation and development with customers, contractor site supervisor, quality control of every implementation processes conforming to a quality and safety standard within the project schedule, and site system testing prior delivery to customers.

1.1.1 Area Survey, Design and Radio Access Network Installation

In addition to large-scale mobile base transceiver station, GTS; the Company's subsidiary, also provides transceiver system hardware installation service, both indoor and outdoor. As the demand for mobile phone service is rapidly increase, the quality of mobile phone signal in many locations, such as indoor or in an alley, is not enough to serve customer demand, causing a drop in signal strength, disruption or no reception, especially in the location exposed to poor reception such as car park, inside an elevator, underground floor, slum, and tourist attractions. Additional mobile transceiver system hardware is required to improve mobile service efficiency to better serve the demand.

Scope of services regarding the installations are;

- Area/building survey and design to install equipment in crucial location providing most efficient signal transmission.
- Hardware installation conforming to a plan and engineer standards, such as outdoor antennas, indoor antennas, and repeaters.
- System test after the installation, by walk test or drive test for optimization of whole area; within a building or site area, to meet standard requirement.



1.1.2 Area Survey, Design and Fiber Optic Cable Installation (Outside Plant)

GTS; an affiliated company of ALT group, offers services including area survey, design and fiber optic cable installation (outside plant), either backbone network installation interconnecting regional exchange points separated by thousand kilometer of distance, or regional network installation connecting exchange points within a region which is less distant. Scope of works regarding this service are;

- Route survey and deployment design for the highest efficiency in optical network installation, from the starting point to a destination as required by customers.
- Installation procedures analysis selecting a deployment method for optical network such as overhead line, or underground line deployment.
- Fiber optic cable, ground line, cable gripping and pulling tools, and other connectors.



1.2 Digital and renewable energy infrastructure installation

Energy Max; an affiliated company of ALT group, provides one-stop service for energy meter, digital and renewable energy hardware installation, and distributes various types of energy meter. The services provided by Energy Max includes;

- Energy meter, digital and renewable energy hardware installation according to purchase agreements
- Hardware maintenance and replacement according to purchase agreements



1.3 Other Services

Additional to the prescribed services, ALT group also provides other service such as,

- Area rental for antenna installation for mobile signal transmission. GTS would survey and rent a space in suitable location capable for mobile transceivers installation, such as large billboard or rooftop etc. The rented spaces will be offered to customers, mostly TELCOs, for their service efficiency improvement. Not only rental space for antenna installation but GTS also provides antenna and relating hardware installation services.
- Telecommunication equipment repair services. Instead of exporting broken equipment oversea for repair which is expensive and requires long lead-time, INN has experienced staffs with expertise in telecommunication equipment; especially antennas, to revamp and re-fabricate equipment.
- Intelligent building systems installation services, provided by GTS, for example, data center solutions, air conditioning system, fire protection system, electrical distribution and panel board, lighting system and power outlet system and security system; such as CCTV, building entry control, emergency exit.
- Management service for base stations located at BTS stations, which is consortium services provided to 3 major mobile phone service providers and managed by GTS. GTS is responsible for survey, design, implementation and maintenance of all base stations installed at BTS stations.

2. Telecommunication, digital and renewable energy hardware distribution

In 2018, 2019 and 2020, ALT group earned revenue from telecommunication equipment distribution 171.60 million baht, 354.77 million baht and 171.87 million baht respectively, which accounted for 20 percent, 36 percent, and 11 percent of revenue from sales and services regarding the consolidated financial statements. ALT group's products can be categorized as follows;

2.1 Fiber Optic Cable or FOC

Fiber optic cable (FOC) is a cable applicable for data transmission. The cable consists of optical fibers created from high-purity glass with a diameter approximately equal to a human hair and coated with plastic layers. By applying the law of reflection, during the transmission, digital data is converted into optical signals and transmitted through optical fibers from one end to the other; such as data transmission between exchange points and base stations, or between a BBU located on the ground of base station and a signal amplifier on the telecom tower. Optical transmission and reflection allow high-speed data transmission close to light speed with less attenuation. Therefore, fiber optic cable can be used for data transmission over longer distance than other wire cables.



I21 (ALT's subsidiary) is ALT group's main distributor of fiber optic cables. I21 has several domestic and overseas partners for FOC supplies to satisfy its customers with products that meet the specification and price requirement, for example, FOC for aerial installation requires high durability to the climate, FOC for underground or undersea installation requires high corrosion resistance etc. Moreover, ALT is entrusted by LS Cable & System Corp. which is South Korean based FOC leading manufacturer, to be a distributor in Thailand for FOC products under the brand "LS Cable", and to co-develop new products to serve customer demand, such as FOC with rodent proof.

2.2 Telecom Shelter and Rapid Deployment Unit (RDU)

Telecom shelter protects telecommunication equipment from the environment which can cause a disruption of the equipment. ALT telecom shelters, under the brand "ALT", are designed by engineering team and manufactured by ALT's contract partners in accordance to the product specification. ALT telecom shelters are designed for different applications as follows;

- **Prefabricated Shelter:** A product suitable for multi-equipment protection such as FOC exchange points and transmitting equipment etc. The type of shelter usually has large size from 1.5m x 2.2m x 2.8m to 6m x 6m x 2.8m (width x length x height) and has strong and durable structure, with IP55 standard for dust and water resistance; which can endure against water projected from any direction. The prefabricated shelter also supports additional insulation, ventilation fan or air-condition for temperature control, and can be knocked-down for easy transportation, relocation, installation and demolition.
- **Outdoor Enclosure Shelter:** A product suitable for medium-size telecom equipment protection such as telecom equipment installed on the base station or electrical pole. The size of this type of shelter is generally ranging from 0.65m x 0.45m x 1.11m to 1.3m x 0.7m x 2.20m (width x length x height). ALT outdoor enclosure shelter is certified with IP55 standard for dust and water resistance; which can endure against water projected from any direction. Outdoor enclosure shelter supports additional air-condition, ventilation fan and equipment. Moreover, sun and rain protection can be enhanced with additional sun shelter, and by raising floor level of the sun shelter, flood protection can be enhanced as well.



- Main Distribution Board (MDB): MDB is used to control electricity supply for buildings and base stations, by limiting electrical power feed to base station's equipment.



- Rapid deployment units (RDUs) are telecom equipment designed and integrated to operate as a transportable base station, allowing fast access to a location and rapid installation suitable for temporary or emergency service providing. For example, RDUs are deployed as emergency base stations during graduation ceremony day or live broadcasting, or as a temporary base station while implementing the permanent base station.

ALT group distributes RDUs under "ALT" brand. The RDUs are designed by ALT engineering team and manufactured by ALT's contract partners in accordance to the product specification, under supervision of ALT engineering team. The RDUs distributed by ALT are designed to support different applications which can be divided into 2 main categories;

- Ready to Drive (RTD): RTD is a vehicle attached with RDUs. With high mobility, RTD can be deployed as a base station in any destined location. ALT engineering team designed and developed RTDs in different formats and competency to suit customer need, such as a RTD which can be transported by a helicopter to provide service in disaster area, or a RTD powered by solar power.
- Cell on Wheels (COWs) and Cell on Legs (COLs): COWs are RDUs attached on wheeled chassis transportable to destine location. COLs are RDUs enclosed in a large telecom shelter which can be relocated and deployed as a permanent site solution by releasing a stand attached to the ground. COWs and COLs are mostly deployed as temporary site solution during an implementation of permanent base station, or deployed as a survey unit to measure the demand of subscribers in each location.



2.3 Energy meter, digital and renewable energy hardware

Energy meter is a device that measures the amount of electric energy consumption. Energy Max has developed 2 type of meters including;

- Rotating-disk meters
- Electronic meters which can be categorized into 3 types as followed
 1. Prepayment meters: Suitable for private use. The meters can measure AC power directly connected and release electric power according to the upfront payment. The amount of electrical unit purchased is recorded in IC cards which consumers can check their electricity usage anytime and control their unnecessary electricity cost. Consumers can also gradually pay their bill as wanted.
 2. AMR Meters (Automatic Meter Reading) are smart meters measuring and recording electricity consumption using AMR system transferring data via fiber optic, RS485 or GPRS to central computer. The meters allow building managers to precisely check electricity use and easily bill their tenants.
 3. AMI Meters (Advanced Metering Infrastructure) are smart meters measuring end-to-end electricity consumption using AMI system. The system consists of Meter Data Management System (MDMS), Head End System (HES) and communication module. The meter measures and record information, such as the amount of electricity use or kW, voltage, ampere, PF etc., and transmits the information to infrastructure provider to check and bill consumers. The system can inform consumers of their consumption behavior (depend on a policy of each infrastructure provider). AMI smart meter offers two-way communication between the meters and central system which is different from AMR smart meter that periodically records and reports electricity consumption during specific period of time such as every 15 minutes.



2.4 Antenna and telecom equipment

2.4.1 Antenna

Antennas are radio receiving and transmitting equipment. There are various sizes and formats of antenna for different utilization. Wireless communication antennas distributed by ALT group are managed by ALT's subsidiary; INN, under its brand "SUMTEL". Most antennas used in Thailand are imported from oversea. The imported antennas which are mass-produced for international market has standard utilization and specification causing difficulty in repair and customization. Therefore, ALT group, with INN's expert engineering team, has developed antennas for customer's specific demand such as an antenna concealed within building interior decoration, an antenna transmitting wireless signal into specific direction etc. ALT distributes antennas in 2 categories including;

- Indoor Antennas: Antennas designed for indoor transmission which will be installed in various locations within a building, such as hallway ceiling, elevator shaft etc.
- Outdoor Antennas: Antennas designed for outdoor transmission which will be installed on base station towers, or on small telecommunication towers on rooftops or billboards.

2.4.2 Other telecom equipment

Equipment Other telecom equipment sold by ALT are as follows;

- RF feeder cable (RFC) and connector. RFC is used for receiving and transmitting data converted into radio signal. RFCs are distributed by INN.
- Wireless networking equipment and software such as Wi-Fi Access Point, Wi-Fi receiver etc. Distributed by I21.
- Radio transmission reinforcement and efficiency enhancement equipment, such as network filters using for eliminate noise, repeaters using for wireless signal amplifier, tappers using for wireless signal asymmetrically splitting, and splitters using forsplitting wireless signal for better coverage. The products are distributed by INN.



3. Telecom Infrastructure Lease

ALT started telecom infrastructure leasing business under a concept of telecom infrastructure sharing which will benefit the operators such as mobile phone service providers and internet service providers, to be able to concentrate only on service providing less burden of investment on network infrastructure. ALT operates this business together with IGC (subsidiaries), IH (joint-venture) and TSP (associated company) which established for investing in another joint-venture; MIH, a Myanmar-based company which is currently installing optical network and networking equipment for lease.

In 2018, 2019, and 2020, ALT group earned 45.84 million baht 154.69 million baht and 234.41 million baht from the telecom infrastructure lease business, which equaled to 5 percent, 15 percent and 15 percent of total revenue. However, the Company endeavors to increase its revenue proportion generated from the business to lessen the fluctuation of revenue, because the term of lease contract is mostly longer than one year. Type of telecom infrastructure leasing services consist of 2 types of service.

3.1 Fiber Optic Cable Network and Networking

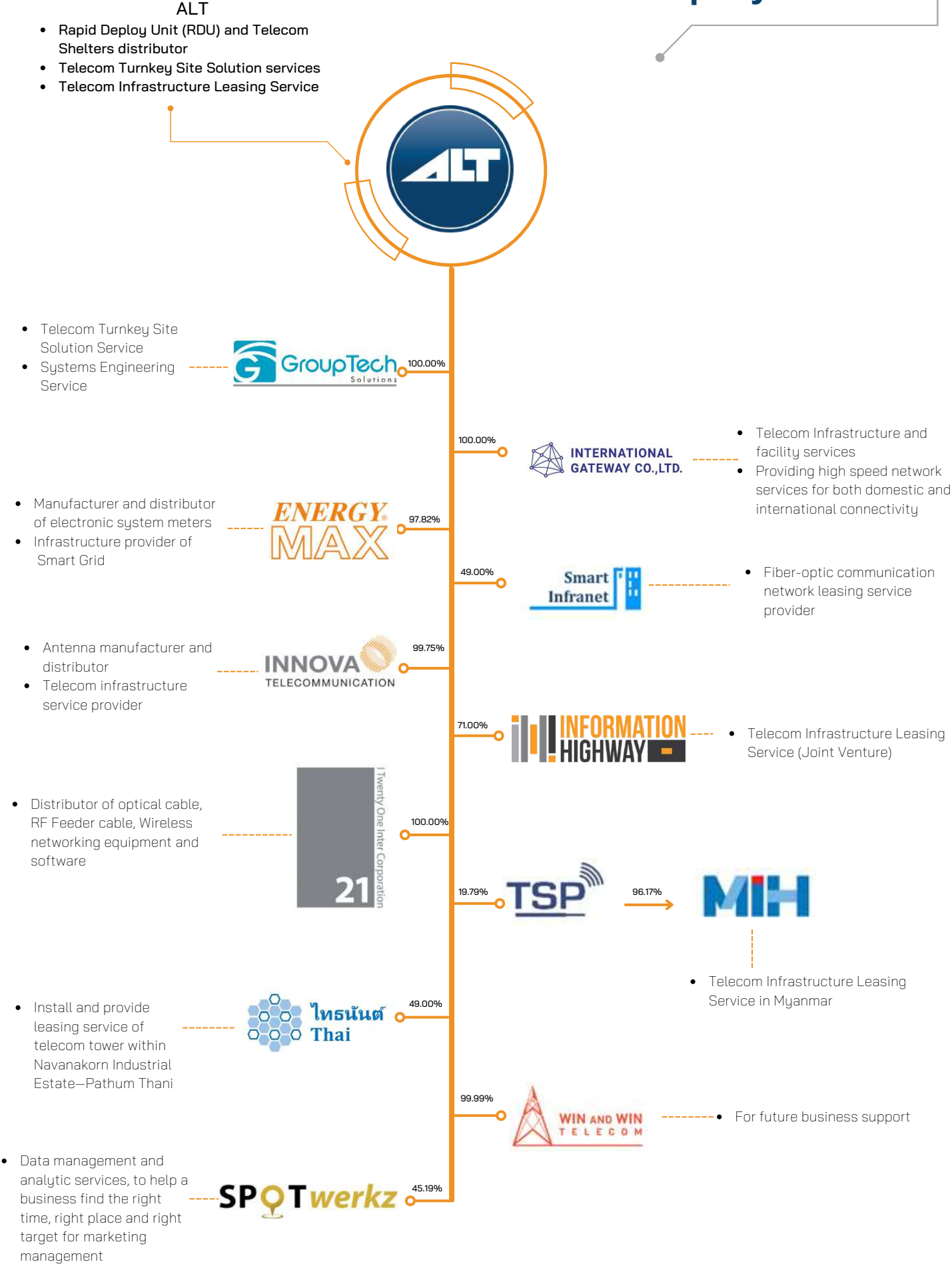
Equipment ALT is currently implementing fiber optic networks in economic strategic location and preparing access point for customers to connect their network equipment with ALT optical network. ALT currently has 4 on-going projects. 2 implementation projects are managed by ALT which are; optical network in Hemaraj industrial estate and optical network attached on telegraph network along the railway path, while other 2 implementation projects are managed by IH, which will be implemented on main transportation route in CBD and main streets around Bangkok. All of on-going optical networks will be provided for operating lease.

3.2 Telecom Tower and Site Facilities Lease

ALT constructed and implemented telecom towers including site facilities such as antennas, telecom shelters, and batteries etc., located in potential locations allowing customers who are telecom operators to install their active network equipment and put the site on service. ALT group is currently operating 1 project, which is telecom towers and site facilities leasing service located in gas stations. The project is managed by IH—a joint venture of ALT.



Company Structure



Business Structure of the Company, Subsidiaries, associated companies and joint ventures



Subsidiaries



ALT TELECOM PUBLIC COMPANY LIMITED ("The Company" and "ALT")

was established in March 2001 and currently has registered capital of 625.00 million Baht. ALT's key businesses include telecommunication infrastructure business which ALT has been investing in the business directly and indirectly through subsidiaries, associated companies and joint ventures, telecom deployment products; such as Rapid Deployment Unit (RDU) and telecom shelters, and turnkey telecom site solution services.

GROUP TECH SOLUTIONS CO., LTD ("GTS")

was established in May, 2008 and currently has register capital of 100.00 million Baht. It is a subsidiary which ALT holds 100.00 percent of shares. GTS delivers turnkey telecom site solution service starting from site survey, design, construction, optical cable network installation, to telecom equipment installation. GTS also offers building system engineering service such as electric system, air conditioning system and fire protection system.



I TWENTY ONE INTER CORPORATION CO., LTD ("I21")

was established in September 2002 and currently has registered capital of 30.00 million Baht. The company is a subsidiary which ALT holds 100.00 percent of shares. I21 supplies several telecom products which the main products are fibre optic cables (FOC), RF Feeder cables and equipment, and wireless equipment (Wi-Fi).



INNOVA TELECOMMUNICATION CO., LTD ("INN")

was established in December 2008 and currently has registered capital of 40.00 million Baht. The company is a subsidiary which ALT holds 99.75 percent of shares. INN manufactures and distributes antennas; made-to-order or custom design, and provides antenna maintenance service. The subsidiary also offers other telecom equipment products such as filters and combiners which INN provides one-stop service for integrated telecom hardware reparation and testing



INTERNATIONAL GATEWAY CO., LTD ("IGC")

was established in July 2017 and currently has registered capital of 725.00 million Baht. It is a subsidiary which ALT holds 100.00 percent of shares. IGC is a telecommunication infrastructure provider for high-speed communication network, and a provider of internet exchange points within the country and abroad.



ENERGY MAX CO., LTD ("EMAX")

was established in March 2006 and currently has registered capital of 17.19 million Baht. EMAX is a subsidiary which ALT holds 97.82 percent of shares. The company is a manufacturer of electricity smart meters and a smart grid infrastructure solution provider.



Joint Ventures



WIN AND WIN TELECOM CO., LTD ("WIN AND WIN") was founded in January 2018 and currently has registered capital of 5 million Baht. The company is a subsidiary which ALT holds 99.99 percent of shares and was founded in order to support further business growth of the group.

SMART INFRANET CO., LTD ("SIC") was founded in June 2019 and currently has registered capital of 550 million Baht. SIC is a joint-venture which ALT holds 49 percent of shares while Ratch Group Plc. Holds the other 51 percent of shares. SIC provides fibre-optic telecom networks for lease.



INFORMATION HIGHWAY CO., LTD. ("IH") established in April 2013 and currently has registered capital of 50.00 million Baht. The company is a joint venture between ALT and Advance Broadband Network Co., Ltd ("ABN") holding 71.00 percent and 29.00 percent of IH's registered capital respectively. Due to a shareholder agreement upon IH's business and the authority of directors and shareholders, IH is not considered as a subsidiary but a joint venture of ALT. IH majorly invests in telecommunication infrastructure business such as optical fibre cable networks and telecommunication towers lease service in prime economic area.



Associated Companies



THAI THANAN CO., LTD ("THAI THANAN") was established in July 2017 and currently has registered capital of 2.5 million Baht. THAI THANAN is a joint-venture which ALT holds 49.00 percent of paid-up shares, to install and provide telecom towers leasing service within Navanakorn Industrial Estate-Pathum Thani.

SPOTWERKZ (THAILAND) CO., LTD ("SWT") was founded in October 2016 and currently has registered capital of 31.93 million Baht. The company is an associated company which ALT holds 45.19 percent of shares while the other 54.81 percent was held by its founders who have expertise in data analytics. SWT provides big data management and analytics and offers full-range services on Wi-Fi marketing which can help a business to specify the right target and time for marketing.



TELECOM SOLUTIONS PROVIDER CO., LTD ("TSP") was established in August 2014 and currently has registered capital of 235.00 million Baht. ALT holds 19.79 percent of TPS's registered capital while BCH Venture Co., Ltd ("BCH") and United Distribution Solution Co., Ltd ("UDS") hold 80.21 percent of its registered capital. TSP is a holding company which holds 95.85 percent of shares in Myanmar Information Highway Limited ("MIH") which has registered capital of 6.4 million USD. Operating in Yangon, Myanmar, MIH is a company an internet provider offering rental service for fiber optic network and telecommunication software provider.

General Information

Company Information



ALT Telecom Public Company Limited

| | |
|----------------------------|--|
| Head Office | 52/1 Moo 5 Bangkruay - Sai Noi Road, Bang Sithong, Bang Kruay, Nonthaburi 11130 |
| Type of Business | Telecom equipment sales and distribution, such as telecom shelter and RDU. Base station construction and telecom equipment installation service. Telecom infrastructure network for lease. |
| Business Licenses | Type III Telecommunication Business License No. TEL3/2558/002 and Type I Telecommunication Business License No. TEL1/2562/047 |
| Registration Number | 0107558000440 |
| Tel. | (662) 863 - 8999 |
| Fax | (662) 886 - 3364 |
| Website | http://www.alt.co.th |
| Registered Capital | 625,000,000 Baht, divided into 1,250,000,000 common shares at par value of 0.50 Baht |
| Paid-up Capital | 566,113,709.50 Baht, divided into 1,132,227,419 ^{/1} shares issued and paid-up, at par value of 0.50 Baht per share |

^{/1} In 2020, ALT-W1 warrants were exercised for 113,223,219 shares. ALT-W1 warrants have expired since 18 December 2020.

Subsidiary



Group Tech Solutions CO., Ltd

| | |
|----------------------------|--|
| Relationship | Subsidiary |
| Head Office | 52/1 Moo 5 Bangkruay - Sai Noi Road, Bang Sithong, Bang Kruay, Nonthaburi 11130 |
| Type of Business | Telecom turnkey site solution service, including survey, design, construction, optical cable network and telecom equipment installation. Building system engineering services such as electric system, air conditioning system and fire protection system. |
| Registration Number | 0125551006017 |
| Tel. | (662) 863 - 8929 |
| Fax | (662) 886 - 3024 |
| Website | http://www.grouptech.co.th |
| Registered Capital | 100 million Baht, divided into 1 million common shares at par value of 100 Baht |
| Paid-up Capital | 100,000,000 Baht, consisting of 1,000,000 shares with paid-up value of 100 Baht per share |

Subsidiary



I Twenty One Inter Corporation Co., Ltd.

| | |
|----------------------------|---|
| Relationship | Subsidiary |
| Head Office | 365 Bond Street Road, Bang Phut, Pak Kret, Nonthaburi 11120 |
| Type of Business | Telecom equipment sales and distribution; mainly fiber optic cable (FOC), RF feeder cable and Wi-Fi system equipment and software |
| Registration Number | 0125545007988 |
| Tel. | (662) 503 - 4977 |
| Fax | (662) 503 - 4979 |
| Website | http://www.i21.co.th |
| Registered Capital | 30,000,000 Baht, divided into 300,000 ordinary shares at par value of 100 Baht |
| Paid-up Capital | 30,000,000 Baht, consisting of 300,000 shares with paid-up value of 100 Baht per share |

Subsidiary



Innova Telecommunication Co., Ltd

| | |
|----------------------------|--|
| Relationship | Subsidiary |
| Head Office | 365 Bond Street Road, Bang Phut, Pak Kret, Nonthaburi 11120 |
| Type of Business | Antenna manufacturer, by order or custom design. Telecommunication equipment distribution such as filters and combiners. One-stop repair service, providing integrated repair and testing service for telecom equipment. |
| Registration Number | 0125551015172 |
| Tel. | (662) 503 - 3950 |
| Fax | (662) 503 - 4979 |
| Website | http://www.innovatelecom.co.th |
| Registered Capital | 40,000,000 Baht, divided into 400,000 ordinary shares at par value of 100 Baht. |
| Paid-up Capital | 40,000,000 Baht, consisting of 400,000 shares with paid-up value of 100 Baht per share |

Subsidiary



International Gateway Co., Ltd

| | |
|----------------------------|--|
| Relationship | Subsidiary |
| Head Office | 52/1 Moo 5 Bangkruay-Sainoi Road, Bangsithong, Bangkruay, Nonthaburi 11130 |
| Type of Business | Provider of telecommunication infrastructure for high-speed communication network and internet exchange; domestic and international. |
| Registration Number | 0125560018162 |
| Business Licenses | Type III Telecommunication Business License No. TEL3/2561/001 and Type II Telecommunication Business License No. TEL2/F/2561/003 |
| Tel. | (662) 863 - 8999 |
| Fax | (662) 886 - 3364 |
| Website | http://intergateway.co.th |
| Registered Capital | 725,000,000 Baht, ^{/1} divided into 7,250,000 ordinary shares at par value of 100 Baht per share |
| Paid-up Capital | 725,000,000 Baht, divided into 7,250,000 shares issued and paid-up at par value of 100 Baht per share |

^{/1} The extraordinary general meeting of shareholders No. 2/2020 held on 20 May 2020 approved the capital increase of 100 million Baht. Therefore, IG's registered capital increased from 625 million Baht to 725 million Baht. All issued shares have been fully paid.

Subsidiary



Energy Max Co., Ltd

| | |
|----------------------------|--|
| Relationship | Subsidiary |
| Head Office | 48/124-125, 48/126-127 Moo 6 Bangkruai – Sai Noi Road, Bang Rak Yai, Bang Bua Thong District, Nonthaburi 11110 |
| Type of Business | Smart Meter manufacturer and Smartgrid infrastructure solution provider |
| Registration Number | 0125549004231 |
| Tel. | (662) 157 – 0740 - 2 |
| Fax | (662) 157 – 0743 |
| Registered Capital | 17,187,500 Baht ^{/1} divided into 687,500 ordinary shares at par value of 25 Baht per share |
| Paid-up Capital | 17,187,500 Baht ^{/1} divided into 687,500 ordinary shares at par value of 25 Baht per share |

/1 - The extraordinary general meeting of shareholder No. 2/2020 held on 12 May 2020 approved to increase the registered capital totaling 13.75 million Baht. Therefore, the registered capital has increased from 55.00 million Baht to 68.75 million Baht. All issued shares have been fully paid.

-The extraordinary general meeting of shareholder No. 3/2020 held on 1 July 2020 approved to decrease the registered capital amounting to 51,562,500 Baht to deduct the retained loss by reducing the par value from 100 Baht to 25 Baht. Therefore, the registered capital has decreased from 68,750,000 Baht to 17,187,500 Baht

Subsidiary



Win and Win Telecom Co., Ltd

| | |
|----------------------------|--|
| Relationship | Subsidiary |
| Head Office | 52/1 Moo 5 Bangkruay-Sainoi Road, Bangsithong, Bangkruay, Nonthaburi 11130 |
| Type of Business | In preparation for future business expansion |
| Registration Number | 0125561003088 |
| Business Licenses | Type III Telecommunication Business License No. TEL3/2563/007 |
| Tel. | (662) 863 - 8999 |
| Registered Capital | 5,000,000 Baht divided into 50,000 ordinary shares at par value of 100 Baht |
| Paid-up Capital | 1,250,000 Baht consisting of 50,000 shares with paid-up value of 25 Baht per share |

Joint Venture



Smart Infranet Co., Ltd

| | |
|----------------------------|---|
| Relationship | Joint Venture |
| Head Office | 72 Ngamwongwan Road, Bang Khen, Muang Nonthaburi, Nonthaburi |
| Type of Business | Optical fiber network leasing service |
| Registration Number | 0125562020717 |
| Business Licenses | Type III Telecommunication Business License No. TEL3/2563/001 |
| Registered Capital | 550,000,000 Baht, divided into 55,000,000 ordinary shares at par value of 10 Baht per share ^{/1} |
| Paid-up Capital | 550,000,000 Baht, divided into 55,000,000 ordinary shares at par value of 10 Baht per share ^{/1} |

/1 The extraordinary general meeting of shareholder No. 2/2020 held on 2 June 2020 approved to increase the registered capital amounting to 549 million Baht. The registered capital then increased from 1 million Baht to 550 million Baht and has been fully paid

Joint Venture



Information Highway Co., Ltd

| | |
|----------------------------|---|
| Relationship | Joint Venture |
| Head Office | 52/1 Moo 5 Bangkruay - Sai Noi Road, Bang Sithong, Bang Kruay, Nonthaburi 11130 |
| Type of Business | Telecommunication infrastructure development for rent, including optical cable network and networking equipment, financial-leased base station, focusing on Thailand's economic strategic area. |
| Registration Number | 0105556062781 |
| Business Licenses | Type III Telecommunication Business License No. TEL3/2557/001 |
| Tel. | (662) 863 - 8999 |
| Fax | (662) 886 - 3364 |
| Registered Capital | 50,000,000 Baht, divided into 500,000 ordinary shares at par value of 100 Baht |
| Paid-up Capital | 50,000,000 Baht, consisting of 500,000 shares with paid-up value of 100 Baht per share |

Joint Venture



Thai Thanan Co., Ltd

| | |
|----------------------------|--|
| Relationship | Joint-Venture |
| Head Office | 999 Moo 13 Phaholyothin Road, Khlong 1, Khlong Luang, Pathum Thani 12120 ^{/1} |
| Type of Business | Telecommunication tower leasing service within Navanakhorn Industrial Estate-Pathum Thani |
| Registration Number | 0125560018243 |
| Tel. | (662) 529-0031-5 |
| Fax | (662) 529-2176 |
| Registered Capital | 2,500,000 Baht, divided into 100,000 ordinary shares at par value of 25 Baht per share ^{/1} |
| Paid-up Capital | 2,500,000 Baht, divided into 100,000 ordinary shares at par value of 25 Baht per share |

^{/1} The extraordinary general meeting of shareholder No. 1/2020 held on 22 October 2020 approved to decrease the registered capital amounting to 7.5 million Baht. The registered capital then decreased from 10.0 million Baht to 2.5 million Baht.

Associated Company



Telecom Solutions Provider Co., Ltd

| | |
|----------------------------|--|
| Relationship | Associated Company |
| Head Office | 499 Kamphaengphet Road, Lat Yao, Chatuchak, Bangkok 10900 |
| Type of Business | Share investment in Myanmar Information Highway ("MIH") which operates telecommunication infrastructure rental business in Myanmar |
| Registration Number | 0125557016928 |
| Tel. | (662) 016 – 5111 Ext 5041 |
| Fax | (662) 016 – 5043 |
| Registered Capital | 235,000,000 Baht, divided into 2,350,000 ordinary shares at par value of 100 Baht per share ^{/1} |
| Paid-up Capital | 235,000,000 Baht, divided into 2,350,000 ordinary shares at par value of 100 Baht per share |

^{/1} The extraordinary general meeting of shareholder No. 2/2020 held on 4 June 2020 approved to increase the registered capital amounting to 16.0 million Baht. The registered capital then increased from 219 million Baht to 235 million Baht.

Associated Company



Spotwerkz (Thailand) Co., Ltd

| | |
|---------------------|---|
| Relationship | Associated Company |
| Head Office | 818/70 Udomsuk Road, Noth-Bang Na, Bang Na, Bangkok 10260 |
| Type of Business | System and management solution provider, organizing analytical data benefiting for the exact, appropriate and timely target customer management |
| Registration Number | 0105559170916 |
| Tel. | (662) 108-3900 |
| Company Website | http://www.spotwerkz.co.th |
| Registered Capital | 31,930,000 Baht, divided into 3,193,000 ordinary shares at par value of 10 Baht |
| Paid-up Capital | 31,930,000 Baht, consisting of 3,193,000 shares with paid-up value of 10 Baht per share |

Securities Registrar

Thailand Securities Depository Co., Ltd.

| | |
|-------------|---|
| Head Office | Level 1, the Stock Exchange of Thailand Building B 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400 |
| Tel. | (662) 009 - 9000 |
| Fax | (662) 009 - 9991 |

Auditor

Pricewaterhousecoopers ABAS Ltd.

| | |
|-------------|--|
| Head Office | 179/74-80 South Sathorn Road, Thung Maha Mek, Sathorn, Bangkok 10120 |
| Tel. | (662) 344 - 1000 |
| Fax | (662) 286 - 5050 |
| Website | http://www.pwc.com |

Legal Advisor

Seri Manop and Doyle Co.,Ltd.

| | |
|-------------|--|
| Head Office | 21 Soi Amnuaiwat, Sutthisan-Vinijchai Road, Huai Khwang, Bangkok 10310 |
| Tel. | (662) 693 – 2036 |
| Fax | (662) 693 – 4189 |
| Website | http://www.serimanop.com |

Important Events

2016

- ALT raised its registered capital to 500 MB and transformed into a public company.
- ALT went public and listed on SET, which the first trading day was 4 July 2016

2017

- ALT was granted the right of way to launch a pilot project for laying telecom wires underground.
- ALT has installed the fiber optic network for lease in Nava Nakorn Industrial Estate.
- Issued ALT-W1 to support future investment
- Installed DWDM equipment on SRT network to enhance capacity of the network and commenced commercial service on the optical networks along the railway system (SRT)
- Signed a Memorandum of Understanding on cooperation between ALT and edotco

2018

- ALT was appointed by the Provincial Electricity Authority (PEA) to be a developer of the Smart Grid project in Pattaya.
- ALT, GTS, I21 and INN were certified by ISO 9001:2015 standard
- Invested in SWT to further the benefit of optical cable network to a new business: Big data and data analytic.
- Commenced Wi-Fi service available on 30 BTS stations
- Transferred partial of SRT network to IG to increase efficiency and flexibility in business management.

2019

- ALT and RATCH Group Plc. established a joint-venture nan. Smart Infranet Co.,Ltd to invest in an optical fiber network project, with a registered capital of 1 million Baht which ALT holds 49% of shares.
- ALT entered into an agreement with FCL Tech LTD., a subsidiary of Facebook, to provide public internet service.
- ALT sold a portion of shares in Thai Thanan Co., Ltd to Navanakorn Plc., to invested in telecom base stations and towers within Navanakorn Industrial Estate – Pathum Thani

2020

- ALT, in collaboration with Thammasat University, Nava Nakorn Plc. and Ratch Group Plc, launched District 9 Project: Digital Industrial Zones and Intelligent Communities
- ALT joined tripartite partnership with edotco and CAT to collaborate in the telecom infrastructure development as CAT has become one of telecom providers licensed for 5G connectivity.
- IG which is one of the Company's joint-ventures with AIS won the e-bidding for procurement and installation of telecom network equipment for central and regional area of the Railway Authority of Thailand
- IG raised its registered capital to 725 million Baht
- SIC increased the registered capital from 1 million Baht to 550 million Baht; while ALT and RATCH maintained their share proportion at 49% and 51% respectively. ALT then transferred its ownership in two telecom networks to SIC. The transferred networks comprised of the optical network installed along railways and national highways, and the underground optical network of the Metropolitan Electricity Authority. By acquiring ownership in the networks, SIC can expand customer base and benefit from stronger financial position.
- ALT invested in Energy Max Co., Ltd; a manufacturer and distributor of digital electricity meter, to prepare for the development of Smart Grid technology
- SIC signed an MOU with the Electricity Generating Authority of Thailand (EGAT) to establish network service for SIC's Fiber Space project using EGAT'S existing telecom network and properties for the installation of network equipment.



Risk Factors

ALT is aware of the importance of risk management under changes, from inside and outside factors, affecting the Company's business. The Company has been carried out risk management for entire organization according to the risk management practice of the Committee of Sponsoring Organizations of the Tread way Commission (COSOERM).

The Company has analyzed to verify risk factors that may affect the Company's objectives and business goals and caused the Company to loss business opportunity as follows;

1. Risk from technological change

Telecommunication business is always facing a challenge of technological change, this ALT is inevitably exposed to the risk in product and service sourcing, the risk of obsolete products and the risk in human resource development to catch up with an advance in technology, which possibly affect to the Company's operations.

As for telecom products distribution business, ALT products are sourced from domestic and overseas suppliers. In case of technological change, ALT can swiftly source new product supporting advance technology from suppliers or manufacturers capable for production line changeover. The partnership between ALT and major overseas telecom product manufacturers and the firm customer relationship allow the staffs of ALT group to access to the information regarding technology update. Moreover, ALT is willing to cooperate with its partners to efficiently deliver the services to customers.

Telecommunication infrastructure services provided by ALT group are passive network infrastructure mainly focused on core network consists of primary components including optical cables, telecom towers and base station equipment, that connect customers' telecom networks to ALT's. These core network components do not require frequent technology upgrade, unlike the components of access network or the last mile; a terminal part of telecom operator's networks connecting to customer premises, which requires frequent technology upgrade. The access networks are mostly the responsibility of ALT's customers to upgrade the equipment. As a result, ALT's telecommunication infrastructure leasing service exposes to relatively low risk from technological advancement.

2. Risk from failure to acquire the Right of Way

As for telecommunication infrastructure business or other businesses that need to deploy optical cable network through personal premises or properties, the Right of Way must be granted from the owner of properties or land, where telecom towers and equipment or optical cable will be installed. In case that ALT could not acquire a Right of Way, or could not extend a Right of Way contract with the owner of land and properties where the base stations, telecom towers, equipment and optical cable of ALT are installed, ALT would be unable to implement the telecom infrastructures for leasing service or unable to deliver the service within scheduled timeframe. ALT would have lost potential revenue and would have to pay a penalty fee, if the Company failed to deploy the infrastructure within a deadline as agreed with customers.

However, according to the notification of National Broadcasting and Telecommunication Commission (“NBTC”) regarding the rules and methods for deployments of overhead and underground line network, or equipment installation to deliver telecommunication service, the licensees of Telecommunication Service License Type 2 and 3 have a right to install overhead or underground network through the ground or properties of 1) other telecom operators 2) government agencies, public utility providers and national parks, or 3) other persons. Enforcement of the rights prescribed in the notification would be similar to the enforcement of administrative power by NBTC, which can force the owner of land and properties to allow telecom operator to deploy overhead or underground line network in the area. However, in normal business practice, ALT has a policy to negotiate with a land and properties owner, without submitting a request to NBTC for the enforcement as previously mentioned. Furthermore, as defined in the Company’s business plan, ALT would concentrate on the deployment of telecom infrastructures only in economic strategic locations that usually have distinct ownership. Thus, the number of counterparties is limited to the few, which mitigates the risk that the Company fails to negotiate for a Right of Way, and there is no need to enforce the rights as prescribed by NBTC. Moreover, regarding the negotiation for a Right of Way, the management believe that with ALT’S business policy, which emphasizes on sustainable growth together with all partners, and a solid foundation in telecom business, ALT will be capable to bring up a collaborative business plan to the properties owners in concern of mutual benefit. The management’s belief can be proof with historical records which ALT has never fail to acquire an approval from land and properties owners to deploy telecommunication network for lease.

3. Risk from major customers dependency

The groups of major customers of ALT group are varied upon telecom operators’ investment plan in each period of time and the group’s competitiveness. As ALT has a policy to continuously maintain the quality standard of products and services as well as customer relationship, the Company believes that it can maintain its competitiveness to keep the customers. Moreover, the Company has a policy to diversify customer dependency on particular product and service which relies on telecom operator’s investment plan as previously mentioned, by engaging into telecom infrastructure leasing business which will level out the revenue stream in long term, and provide an opportunity to expand a customer base.

In addition to the conservative telecommunication business, the Company has expanded into a new business alike the existing one, which relied on communication system as an indispensable component, such as the Smart Grid Project in Pattaya city, Choburi which the Company was responsible for the implementation of the project. The business expansion will not only increase the Company’s business opportunity but also lessen the risk from major customer dependency.

The Company has gained additional source of revenue from networking service provided to the telecom operators in neighboring countries including Myanmar, Laos, Cambodia, and China, which is a significantly step for ALT to decrease the risk of major customer dependency.

4. Risk from revenue fluctuation

Because ALT group's businesses are mostly project based such as, base station and telecom equipment installation service and sales of telecom equipment for the installation service, ALT's revenue from sales and services is fluctuated upon an investment plan of the Company's customers--telecom operators--and the Company's competitiveness. In case that the customers discontinue the investment or ALT fails to keep the customers, the Company will expose to revenue fluctuation risk.

However, because of the quality of products and services, staffs' expertise, and the Company's capability to offer one-stop services, altogether with the Company's policy to secure a relationship with major customers--mobile phone operators and internet service providers--by restraining itself from investing in a business that might compete with its customers in order to efficiently support the growth of customers' business, the management believe that ALT will be continually entrusted by the customers. Furthermore, ALT has a policy to mitigate revenue fluctuation by engaging into telecom infrastructure leasing and telecom network leasing business in other countries having high business growth, that will level out revenue fluctuation in long run.

5. Risk from the cost management of base station installation service

ALT offers turn-key base station service which customers; the telecom operators, would specify the number of base stations to be deployed and delivered within specific period. ALT will undertake a cost estimation of entire project to measure the project cost and present to the customer during a negotiation for job acceptance. In case that the actual cost of project defers from the forecast and ALT fail to negotiate with the customer for price adjustment, the Company has a risk to earn revenue under expectation.

To counteract the risk, the Company has set that all relevant personnel of ALT will participate in the meeting to estimate revenue and cost of the project to be presented to the customer. Product design and development teams will responsible for a bill of quantities (BOQ) required for the project. Procurement team has to check the price of material and labor according to the BOQ while taking trend of material and labor price into account, and informs the marketing team to submit a quotation to the customer. After getting a customer reply, the procurement team will confirm both price and delivery period with suppliers which must be consistent with the project's delivery schedule to minimize the fluctuation of material price. The duration of the development process--survey, design and construction--generally takes approximately 2-3 months per site. However, in case that there is high-fluctuation of material price, or a customer request for an adjustment in the project specification which causes additional cost that is not from the Company's miscalculation, ALT will negotiate with the customer for additional cost compensation. According to the past experience, ALT has never failed in negotiation for price adjustment to compensate for the surplus cost. Moreover, the Company will as well negotiate with the suppliers for material price guarantee which can subsidize loss from the surplus cost which is not compensated by the customer. For the past year, the Company's net profit has been increased as a result from efficient cost management.

6. Risk of industrial competition and new competitor

Telecom products distribution business has low barrier of entry which a new capable competitor who can source products from manufacturers or suppliers, in the country and overseas, can enter into the market without difficulty. However, ALT believes that, apart from the capability in product sourcing and marketing channels, for a company to be entrusted by customers, several factors have to be concerned such as the company's ability to offer selective quality products, on-time delivery, expert teams who can offer advice to customers, product-integrated services such as equipment installation and repair. With such competency, ALT will be able to maintain its competitiveness. The business of base station and equipment installation and repair service relies not only on experience, expertise, and solid financial status of service providers, but also their trustworthiness based on track records, which can cause some difficulties for the new competitor to enter into the business.

Telecommunication infrastructure leasing business requires large investment, expertise in networking, ability to select a potential location, competency to offer deliver quality service, and capability to acquire a Right of Way. These factors are essential especially to the Company's telecom infrastructure located on economic strategic locations which have high cost of access. Telecom infrastructure sharing therefore becomes a cost-saving alternative for operators including telecom operation and other entrepreneurs in the same business with ALT who do not have a network in such locations. Thus, the competition in telecommunication infrastructure leasing business can be considered as relatively low. Moreover, the Company need to manage relationship with customers--the telecom operators--to develop its trustworthiness which requires time and long-term performance.

7. Risk from human resource dependency

Telecom products distribution business requires personnel who are well-knowledge in the business and able to catch up with an advance in technology, to develop or source products that serve the changing demand of customers. Furthermore, in order to manufacture or to import particular telecom products, ALT must abide to laws regarding the control of radio communication equipment which demands well-knowledge personnel regarding importing procedures and procedures to comply with laws and regulations. As for the service business, ALT depends on expert engineering teams who have both experience and competency to supervise every processes of work--from design, construction, installation, to testing process--to ensure that ALT will be able to deliver on-time service that meets customer's standard of quality. If the Company loses these personnel, the Company's business operation will be interrupted.

ALT is aware of an importance of human resource to the organization, and attempts to persuade staffs to stay with the Company for long-term mutual growth, by building up a solid and clear career path, offering remuneration appropriate for each job position and education level of personnel which is comparable to other peer companies, and providing appropriate training and skill improvement. Moreover, since ALT operates diversified telecom businesses, the Company offers job rotation for the employees to work in the section they are interested in, to create an opportunity for the employees to learn and acquire know-how, as well as promote better understanding between colleagues from different departments. Furthermore, ALT promotes employees satisfaction on being a part of the organization through several activities to build up employees awareness in their value and importance as a part of organization, to be able to undertake their responsibility and grow together with the Company. According to historical records, average employee turnover takes approximately 5 - 6 years.

8. Risk from shareholders agreement on joint venture and associated company

ALT has signed in shareholders' agreement on three joint ventures and 2 associated companies. The agreement defined the type of businesses to be operated by the joint venture and the associated company, agreement regarding the business operations, cancellation conditions and termination conditions of the agreement. In case that ALT fails to comply with the agreement and are filed a lawsuit against, if it causes the agreement to be terminated, the joint venture and associated company will be affected.

However, ALT has been strictly abided to the agreement to minimize the risk of being filed a lawsuit against. Whereas the management of ALT has measured the level of exposure to the risk to be insignificant, since the agreement was established from the intention of both parties who recognized the potential of their counterparty, to support each other business for be able to sustainably grow together. Moreover, ALT has a solid business policy to continue and concentrate on providing products and services to support the telecom operators. The management of ALT, therefore, believe that by entering into the shareholders' agreement, ALT will be able to grow its business along with the counterparty's business.

9. Risk from majority shareholders controlling the managerial policy

After listing in the Stock Exchange of Thailand, ALT's majority shareholders are the management of the Company including ALT Holding Co., Ltd. The management consist of the Executive President and authorized directors of ALT, as a result, the majority shareholders become controlling shareholders who undertake a control of the Company management and hold majority votes for most of important agendas in a shareholders meeting such as director appointment, or other agendas that requires majority votes from shareholders meeting, except the agendas related to legal matters or the Company's articles of association which require three-fourth of shares hold by the shareholders attending the meeting and have voting right. Therefore, other shareholders who attend the meeting and have voting right might not be able to collect the votes for check and balance with the majority shareholders.

However, ALT's managerial structure consist of the Board of Directors and 4 sub-committees including Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, and Executive Committee. Each committee has definite scope of duties and responsibilities, which make ALT managerial system become standardized and accountable. Moreover, out of 8 members of the Board of Directors, 5 members are independent directors. The Audit Committee consists of 3 independent directors who are well-knowledge and able to monitor the Company's operation to ensure the transparency. The Company has separated the role of Chairman from the top authority of the management; the Executive President, into 2 different persons. Such actions would promote check and balance to a certain degree, regarding the matters brought into the shareholders meeting for approval. Moreover, ALT had defied regulations regarding the connected transactions between ALT group and directors, major shareholders, controlling persons or other persons that are possible for the conflict of interest. Those persons as prescribed will not be authorized for approval to enter into the transaction, which will mitigate the potential risk.

10. Risk from non-compliance with business regulations

ALT operates businesses in telecommunication industry and must comply with relevant regulations and rules enforcement such as, Telecommunication Service License, Radio Communication Equipment Import License, or the acquisition of a Right of Way etc. ALT inevitably expose to the risk upon failure to comply with relevant business regulation and expose to penalty risk.

ALT attempts to operate the business with transparency under the principle of good corporate governance. To ensure that the Company is able to legally comply with the relevant regulations, ALT has assigned person to study and follow up with the information regarding the enforcement of regulations and practices, including news and update in the industry, to communicate with government agencies and to collect information regarding the Company's suppliers and report to personnel in relevant departments to be able to comply with the regulations correctly. However, ALT has never been sued due to non-compliance with relevant business regulations.

11. Risk of interest rate

In 2018, 2019 and 2020, ALT's financial expense equaled to 42.90 million baht and 41.43 million baht and 31.66 million baht respectively. A part of the Company's debt is on floating rate. Thus, in case of the rise of interest rate, ALT will suffer from increasing financial expense.

However, after becoming a listed company in the Stock Exchange of Thailand, the Company has more trustworthiness and has been able to access to sources of fund more easily at appropriate cost, which substantially lessen the impact of changing interest rate.

12. Risk from business financial liquidity

The major customers which ALT offers base station and equipment installation services, are Thailand's major telecom operators which usually demand for extensive period for final inspection and have several documentation processes, thus ALT's unbilled contract revenue has been increased in proportion to the increase of service contracts, as well as longer cash cycle. Therefore, the Company were exposed to liquidity risk which pressured the Company to get additional sources of business financing while the contract revenue is unbillable. The risk may affect the Company's profitability as the acquired fund were mostly from short-term borrowing.

To lessen the risk, ALT attempted to negotiate with the customers for an adjustment in the inspection and documentation process, to coordinate with the delivery period, which would help the Company to be able to bill for the delivered service within schedule date. As a result, in 2020 the Company was able to shorten its cash cycle from 146.33 days in 2019 to 128.98 days.

However, the liquidity risk occurs from several uncontrollable factors, therefore ALT negotiated with suppliers and subcontractors for an adjustment in credit term for products and services, to match with the customer's credit term as much as possible. As for the source of business financing prior the payment due date, several financial institutions has been offering financial support to ALT. Those financial institutions understand the business characteristic of the Company and has been supported the Company through all this time. Moreover, in order to reduce the impact of increasing financial cost on the Company's profitability, ALT has included expected financial cost into the calculation of service pricing presented to the customer.

13. Risk from exchange rate

ALT groups both imports and exports the products overseas which the primary foreign currency used by ALT group is US Dollar. Therefore, the Company is exposed to the exchange rate risk. High fluctuation in THB-USD exchange rate will cause significant impact on the Company's revenue and profit margin as the import and export amount are converted into THB. ALT may have currency gains or losses from the exchange rate, if the exchange rate on the entry date of the transaction significantly differs from the exchange rate used to convert into THB.

Therefore, to mitigate the risk from the fluctuation of exchange rate, the management of ALT group closely monitor the exchange rate, to measure the situation and the trend of exchange rate on different currencies. The Company attempts to minimize the risk by using foreign currency deposit account (FCD) and foreign exchange forward contracts, depending on a decision of the management which complied with the policy that approved by the Board of Directors meeting No. 7/2015 on 15 June 2015. ALT group had forward contract with financial institutions in the amount of 545.20 million baht and 4.34 million US dollar. Nonetheless, the Company does not attempt to speculate for foreign exchange. The Company also earned revenue from network service to foreign customers and recorded revenue in US Dollar which can be applied as a natural hedge for currency exchange.



Industry outlook and direction of the business

Due to COVID-19 epidemic throughout the year 2020, consumers have changed their behavior to a new normal and do their daily activities and transactions online. As a result, the internet plays important role in this circumstance and ALT benefited from increasing internet usage. Mobile operators' demand on cross-border data transfer (Bandwidth) using the Company's telecom network has significantly grown, which is another factor moving the Company towards the target.

Throughout 2020, ALT has been focusing on adjusting company strategies to be in line with business circumstance and the Company's financial status in preparation for future growth. The Company strengthened its business through collaborations with business alliances which will help ALT to expand its existing business compatible with technology development and opportunities towards smart cities and online society, including consumer behavior that has increasingly become dependent on technologies and network connection.

Maximizing benefit from asset management is another important factor in business operation. The Company looked for new opportunity to utilize its existing assets, to combine its telecom business with high-growth business like alternative energy. Direction of business prioritized by ALT are smart cities, smart grid, smart meters, including developing platforms adding value to the businesses such as the Fiber Space project which is an integration of every telecom networks of the Company to sustainably serve increasing demand for internet connection and improve quality of telecommunication service in Thailand and AEC. The project also aims to improve the networks with vehicle connectivity such as automatic toll collection, traffic monitoring, vehicle insurance etc. The Company has developed fiber network for CCTV continuous monitoring and ITS (Intelligent Transportation System) network which uses AI for networking.

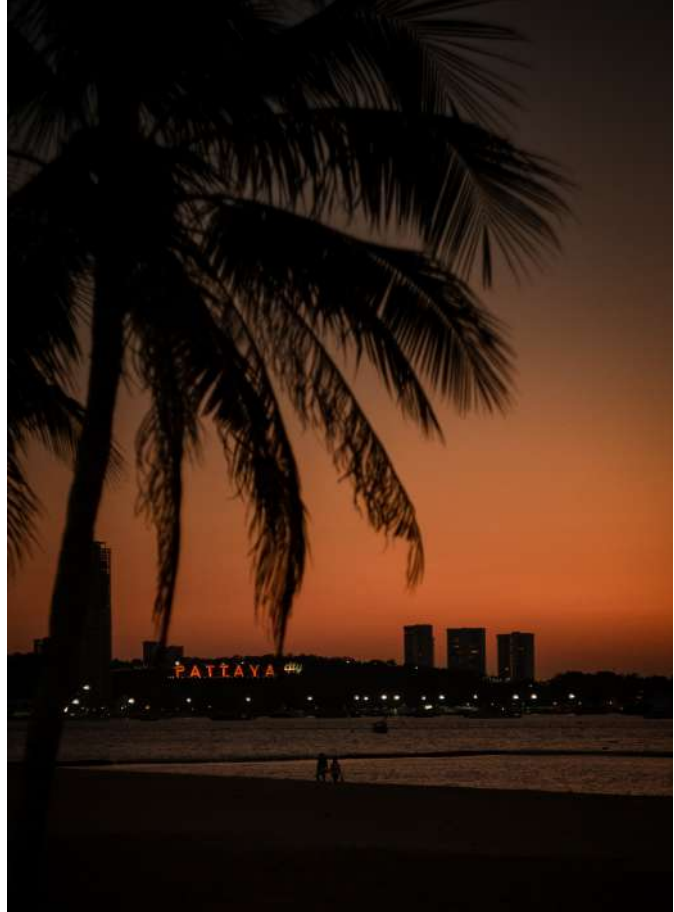


ASEAN Digital Hub is the Company's project aiming to promote Thailand as a center of digital data transmission in ASEAN. The project is partly designed to connect Thai underwater cable, in Digital Park Thailand located in EEC's area, with Hong Kong and Singapore's. The connection allows high-speed data transmission to efficiently serve increasing investment in technology industry and increases the Company's revenue from existing assets.

From the success of the pilot project in EEC zone; Pattaya city, Smart Grid project had been expanded to various cities to integrate electric power transmission. The Company invested in Energy Max (EMAX) which is a manufacturer and distributor of smart meters which will be used in future Smart Grid projects.

Several projects operated by ALT utilizes existing telecom networks and infrastructures to develop new businesses and opportunities through collaboration to strengthen financial status and support future growth.

The Company did not only change its business plan to match the industrial condition and growth, but also put importance on financial capital. In 2020, the Company successfully issued the warrants; ALT-W1, and raised additional capital of 339.67 million baht. The amount will be used for business expansion in the future.



Shareholder Structure

Registered and Paid-up Capital

As of 31 December 2021, ALT has registered capital of 625,000,000 baht divided into 1,250,000,000 common shares at par value of 0.50 baht. The Company has paid-up capital of 566,113,709.50 baht with 1,132,227,419 issued shares^{/1} at par value of 0.50 baht.

Shareholders

| Top 10 Shareholders | No. of shares | % |
|------------------------------------|----------------------|---------------|
| 1 ALT Holding Co., Ltd | 560,163,000 | 49.47 |
| 2 Mrs. Preeyaporn Tangpaosak | 86,850,500 | 7.67 |
| 3 Ms. Preeyapun Bhuwakul | 70,750,000 | 6.25 |
| 4 Mr. Pyut Bhuwakulwong | 60,000,000 | 5.30 |
| 5 Miss Nattawan Sea-Kang | 28,137,500 | 2.49 |
| 6 Thai NVDR Co., Ltd | 17,988,928 | 1.59 |
| 7 Mr. Taweechat Churangkul | 10,000,000 | 0.88 |
| 8 Mr. Surapol Piyathirathitworakul | 7,700,000 | 0.68 |
| 9 Mr. Songpol Jatupromwong | 6,300,000 | 0.56 |
| 10 Mr. Surin Chunhachatchawankul | 6,228,900 | 0.55 |
| Total of top 10 shareholders | 854,118,828 | 75.44 |
| Total Shares | 1,132,227,419 | 100.00 |

^{/1} Paid-up shares included shares issued due to the exercise of ALT-W1 which expired since 18 December 2020.

Shareholders - Distribute by Nationality

| Type of Shareholders | No. of shareholders | No. of shares | % |
|----------------------------------|---------------------|----------------------|---------------|
| Juristic Persons | | | |
| Thai Nationality | 7 | 579,081,629 | 51.15 |
| Foreigners | 1 | 26,200 | 0.00 |
| Total of Juristic Persons | 8 | 579,107,829 | 51.15 |
| Natural Persons | | | |
| Thai Nationality | 4,718 | 553,110,880 | 48.85 |
| Foreigners | 3 | 8,710 | 0.00 |
| Total of Natural Persons | 4,721 | 553,119,590 | 48.85 |
| Grand Total | 4,729 | 1,132,227,419 | 100.00 |

Shareholders - Distribute by Shareholding Proportion

| Type of Shareholders | No. of shareholders | No. of shares | % |
|---|---------------------|---------------|--------|
| Juristic Persons | | | |
| Holding shares more than 0.5% | 2 | 578,151,928 | 51.06 |
| Holding shares less than 0.5% but over than 1 trading unit | 6 | 955,901 | 0.08 |
| Holding shares less than 1 trading unit | 0 | 0 | 0.00 |
| Total of Juristic Persons | 8 | 579,107,829 | 51.14 |
| Natural Persons | | | |
| Holding shares more than 0.5% | 8 | 275,966,900 | 24.38 |
| Holding shares less than 0.5% but over than 1 trading unit | 4,586 | 277,151,579 | 24.48 |
| Holding shares less than 1 trading unit | 127 | 1,111 | 0.00 |
| Total of Natural Persons | 4,721 | 553,119,590 | 48.86 |
| Grand Total | 4,729 | 1,132,227,419 | 100.00 |

Shareholder's agreement between major shareholders which signed by the Company, that may affect share issuance and offering or the Company's management

-None-

Other Securities Issuance

-None-

Dividend Payment Policy

The Company will pay dividend to shareholders not less than 40 percent of net profit after deduction of all reserves as specified in its individual financial statements. However, the dividend payment can be less than the specified rate depending on necessities in working capital, investment plan and other circumstances relating to the Company's operations specified by the Board of directors. However, the decision shall be done for the best benefit of shareholders.

However, the resolution of the Board of directors on dividend payment must be submitted to shareholders' meeting for approval, in exception of interim dividend which can be approved by the Board of directors and then reported in the next shareholders' meeting.

Historical Dividend Payment of the Company (Separate Financial Statement)

| Fiscal Period | EPS (Baht) | Dividend per Share (บาท/หุ้น) | Dividend Payout Ratio (%) | Dividend Payout Date | Type of Dividend |
|--------------------------|------------|-------------------------------|---------------------------|----------------------|------------------|
| 1 Jan 2016 - 31 Dec 2016 | 0.37 | 0.10 | 27.03 | 25 May 2017 | Cash |
| 1 Jan 2017 - 31 Dec 2017 | 0.09 | 0.04 | 46.41 | 24 May 2018 | Cash |
| 1 Jan 2021 - 31 Dec 2021 | 0.26 | 0.10 | 38.45 | 8 Dec 2020 | Cash |



Corporate Governance

Corporate Governance Policy

The Board of Directors put an importance on the Good Corporate Governance policy while firmly believes that the good corporate represents effectiveness, transparency, and accountability of the management; which will create trust among shareholders, investors and stakeholders, leading to increasing competency, value-adding and sustainable growth of the Company.

The Company has propagated the corporate governance policy and the code of conduct to the executives, and employees. As for the Company's shareholders and public, the policies were published in the section "Corporate Governance" on the Company's website. The details of the corporate governance policy, which has been improved as commented, are as follows;

1. The Board of Directors

The Board of Directors has appointed 4 sub-committees consisting of an audit committee, a risk management committee, a nomination and remuneration committee, and an executive committee. Chairman of the board does not take a position in any sub-committee to encourage separation of duties and independence in internal control. The Board of Directors has clearly separated the roles and responsibilities of its members from the management's. The details of the Board of Directors and the sub-committees are presented in "Organizational Structure".

2. Nomination and Appointment of the Executives

The Company currently has 8 directors consisting of 5 independence directors and 3 executive directors. The Board of Directors shall select Chairman of the Board and Chairman of Audit Committee from the independent directors. Moreover, for the directors to dedicate their effort to the Company adequately, the Board of Directors has prescribed that the directors should not held a position with more than 5 companies listed in the Stock Exchange of Thailand.

3. Internal Control

The Company has specified an internal control system covering all aspects of the Company including finance and operations, to comply with laws and related regulations. The internal control system has an appropriate balance of power to secure the Company's assets. An approval hierarchy and responsibility of the executives and employees have been as well established and implemented with checks and balances, while the operating procedures have been clearly specified in written documents. Moreover, the Company has setup an independent internal control unit and outsourced the function to an expert outsource provider who regularly assesses and follow-up the Company's internal control, and reports to the Audit Committee quarterly, to ensure that the Company's internal control is trustworthy and meets the international standard.

4. The Corporate Governance of Subsidiaries, Associated Companies and Joint Ventures

For investment in subsidiaries, the Company's representatives shall be appointed for director and managing director positions of each subsidiary, while the number of representative directors depends on the Company's shareholding proportion of the subsidiaries. The representative directors and managing directors must be appointed by the Company's Board of Directors. In case that the subsidiary's business are presumed to significantly affect the Company, the authorities and responsibilities of the representative directors and executives have been defined by the Company as a guideline for the subsidiary management, which indicate the subjects that require an approval from the Company's Executive Committee or Board of Directors, such as the subsidiary's annual budget, annual budget for fixed asset investment, capital increase and capital reduction etc. Moreover, the representative directors are assigned to ensure that the subsidiaries have appropriate policies for connected transactions, assets acquisition and disposal, other significant transactions, and information disclosure policy which must be in compliance with the Company's. The representative directors must ensure that the subsidiaries' accounting data and documentation are appropriately collected and accountable for timely preparation of the consolidated financial statements of the Company.

As for the associated companies, the Company's representative directors will be appointed proportionally to the Company's shareholding proportion of each associated company. As for the joint ventures, the number of the Company's representative management depends on an agreement with co-investors. As for the investment policies in a subsidiary, an associated company or a joint venture to be established in the future, the Company has a policy to invest in a business benefiting to the Company's current business, a business in growing industry or in the same field of business as the Company. The Company, moreover, prioritizes the rate of returns from the investment.

5. Auditor's Remuneration for the Past Fiscal Year

ALT Telecom Public Company Limited

1. Accounting Audit Fees

- The Company's auditors (Mr. Pisit Thangtanakul or Mr. Paiboon Tankul or Ms. Sakuna Yamskul) for the past fiscal year
 - None-
- The audit firm (Pricewaterhousecoopers ABAS Ltd.) including a person or a firm related to the auditors and the audit firm
 - 1,745,000 baht

2. Other Fees

-None-

The Subsidiaries

1. Accounting Audit Fees

- The Company's auditors (Mr. Pisit Thangtanakul or Mr. Paiboon Tankul or Ms. Sakuna Yamskul) for the past fiscal year
-None-
- The audit firm (Pricewaterhousecoopers ABAS Ltd.) including a person or a firm related to the auditors and the audit firm
- 3,647,000 baht

2. Other Fees

-None-

6. Abidance to the Principles of Good Corporate Governance for Listed Company

The Board of Directors is aware that the Company has to be strengthen in order to stably achieve the goal. Hence the board has been striving to develop the Company's corporate governance and adopted "the Principle of Good Corporate Governance" to organize the Company's structure and relationship with the board, the management and shareholders in order to sustain its competence which will help the Company to grow and increase its value to shareholders in a long run; with concern to other stakeholders.

The Company has determined the corporate governance policy according to the principles specified by the Stock Exchange of Thailand and has set as a mission to continuously maintain the Good Corporate Governance and review the policy on annual basis. Moreover, the Board of Directors has made practical use of the principle of Good Corporate Governance for listed company (2017), to make it suitable to the Company's normal business operation and changing circumstances of the business according to the principles specified by the Stock Exchange of Thailand.

Regarding the Principles of Good Corporate Governance for Thai listed company, the Company received outstanding score (5-stars) for its corporate governance according to the Corporate Governance Report of Thai Listed Company (CGR) 2020 prepared by Thai Institute of Directors (IOD).

The Principles of Good Corporate Governance comprises of 5 categories of practice are as follows;

1. Rights of Shareholders

ALT respects fundamental rights and equality of shareholders either minor shareholders or major shareholders. All shareholders have equitable rights as follows;

- The use of record date to scheduling the shareholders' meeting, allowing shareholders appropriate time to consider a meeting invitation and related information prior to the meeting.
- The information on shareholder meeting: The Company shall inform its shareholders of the date of meeting, venue, and meeting agendas at least 7 days prior to the meeting date, for shareholders to have enough time to consider the information in advance. The Company shall publish all information on the Company's website as an additional channel for shareholders to access the information.

- The Company encourage shareholders to participate in decision making on important issues and vote for agenda items, and shall provide an opportunity for shareholders to make an inquiry during a shareholder meeting as to sustain transparency of the meeting and voting process.
- The right to receive sufficient information regarding the Company
- The right to equally receive profit sharing
- The right to participate in the shareholders' meeting. The right to offer an opinion or suggestion to the Board of Directors, and participate in important decisions such as connected transactions, asset acquisition and disposal etc.
- The right to vote for an appointment or a dismissal of director, auditor, or an agenda affecting the Company such as dividend payment, specification or amendment of the Company's articles of association and memorandum of association, capital decrease or capital increase, and special transactions.
- The right to submit a question to the Company which will be included in the agendas for the Annual General Meeting of Shareholders in advance.
- The Company shall facilitate shareholders regarding the shareholder meeting by;
 - Using barcode for registration and voting to increase efficiency and speed of the processes
 - Using a computer application in registration and voting to increase efficiency and transparency of the processes.
 - Offering revenue stamps, free of charge, for proxy holders.
- Prior to the meeting, the meeting conductor shall clarify voting and vote counting procedures for each agenda.
- During the meeting, shareholders have equal rights to express their opinions and ask questions. Inquiries and opinions discussed in the meeting shall be recorded in a minute of meeting.
- After the meeting was adjourned, the Company shall;
 - Disclose the meeting's resolutions and voting score of each agenda through the channels provided by the Stock Exchange of Thailand and the Company's website by the evening of the meeting date.
 - Publish the meeting's minutes through the channels provided by the Stock Exchange of Thailand and the Company's website.

2. Equitable Treatment of Shareholders

The Board of Directors has specified an equitable treatment of shareholders within the Section 2 of the Company's corporate governance policy. In addition to legal practice, the Company has completely abided to the principles of Good Corporate Governance prescribed by the Stock Exchange of Thailand. The Company adheres to an equitable treatment of all shareholders whether they are executive or non-executive, Thai or foreign, major or minor shareholders, to ensure that the Board of Directors and the executives equally disclose information to every group of shareholders.

2.1 Attendance of a Shareholder meeting

A Shareholder meeting is an important channel for the Company to communicate with shareholders. Thus, the Company shall arrange an annual general meeting once a year within 4 months after the end of a fiscal year, while an extraordinary general meeting of shareholders will be arranged as necessary. In case of emergency issues, which directly impacts shareholder benefit or relates to law-abidance, those agendas require shareholder approval, the Company shall send invitation letters for shareholder meeting, enclosed with attachments, to shareholders within the prescribed time limit prior the meeting date and publish the invitation documents on the Company's website.

Shareholders are encouraged to participate in the shareholder meeting, to exercise their right to elect the Board of Directors individually. Shareholders who cannot attend the meeting can apply to vote by proxy. After the meeting, the meeting report shall be prepared within 14 days and published on the Company website.

As the Company has placed importance on shareholder meetings; which is an important communication channel with shareholders, it received 100 score on the assessment of 2020 annual general meeting (AGM Checklist) assessed by Thai Investors Association.

2.2 Treatment of Minority Shareholders

(1) The independent directors are assigned to take a role in safeguarding minority shareholders. The minority shareholders can submit their opinion, suggestion, or petition to the independent directors, who shall consider the request as appropriate. For a petition, the independent directors shall investigate the matter and seek an appropriate resolution; for a suggestion and recommendation, if the independent directors deem that it is an important matter affecting the Company's stakeholders as a whole, or affecting the Company's business; the independent directors shall propose to the Board of Directors to put the issue on an agenda of a shareholder meeting.

(2) The Company encourages shareholders to vote in an election of the Company's directors separately.

(3) The Company shall not allow its shareholders who are the Company's executives to unnecessarily submit an agenda item without advance notice; especially the agenda item which shareholders should have adequate time to consider.

(4) The Company encourages shareholders to submit an item for the agenda, or to nominate a person as a director by submitting a profile of the nominated person in advance. The shareholders eligible to submit an agenda or nominate a director must meet the following qualifications;

(4.1) Must be the Company's shareholder, either a single or a group of shareholders.

(4.2) Must hold at least 5% of paid-up shares.

(4.3) 1.1 Must have hold the Company's share consecutively at least 12 months prior to the date of nomination/proposition of the agenda item.

In addition, ALT would abide by laws, regulations, or rules currently enforced, and any relating amendment to be issued by regulators, through announcements, orders and other methods. In such cases, the Company shall abide by the amendment that will be enforced in the future.

2.3 The Use of Insider Information

The Company has setup a policy to prohibit the exploitation of non-public information for personal benefit as follows

1. Educate the directors and executives about their responsibility regarding; the securities holding reports of themselves, their spouses and minor children, submitted to the Securities and Exchange Commission, regarding Section 59 and Section 275 of the Securities and Exchange Act. B.E.2535 (1992) (and amendments), and the change in securities holding reports of themselves, their spouses and minor children, submitted to the Securities and Exchange Commission, regarding Section 246 and Section 298 of the Securities and Exchange Act. B.E.2535 (1992) (and amendments).

2. Instruct the directors and executives; including their spouses and minors, to prepare and submit the securities holding report and the change in securities holding report, to the Securities and Exchange Commission, according to Section 59 and Section 275 of the Securities and Exchange Act. B.E.2535 (1992) (and amendments). A copy of the reports must be sent to the Company within the same day.

3. Directors, executives have to report to the Board of Directors about the transaction of buying (or selling) the Company's stock at least 1 day prior to the execution. In case of infringement, the management must inform the Audit Committee immediately.

4. Directors, executives, employees, and contractual employees of the Company, who has accessed to significant internal information, which will impact the Company's securities price, must be aware of trading of the Company's securities during 30 days prior public disclosure of financial statements and during 24 hours after public disclosure of such information. Relating persons are prohibited from sharing the information to third parties until the information has been disclosed to the Stock Exchange.

5. Directors, executives, employees, and contractual employees of the Company are prohibited from exploiting insider information; (non-public information), that could cause a change in the Company's securities price, which they received by using their positions or statuses in the Company. Those individuals are prohibited from insider trading, bidding and offering, neither by themselves or through third parties, of the Company's stocks or other securities (if any), whether or not such activities are executed directly or indirectly, for personal benefit or not. Those individuals are also forbidden to disclose the insider information to others to carry out such activities; whether or not the actions would benefit to themselves or others.

2.4 Prevention of a Conflict of Interest

1. Directors and executives must report their stakes on the activities according to the information disclosure guideline of the Stock Exchange of Thailand. For every change of the information, a report must be submitted to the Company's secretary.

2. Director, executive and employees of the Company must disclose their involvement in a transaction which may cause a conflict of interest to the Company immediately or at least before the approval of such transaction. The information must be recorded in a minute of the Board of Directors' meeting, to comply with the regulation or guideline of the Securities and Exchange Commission, the Stock Exchange of Thailand and the Company's policy.

3. A director having a significant stake in any agenda items which may be unable to independently provide an opinion regarding the issue, should restrain from participating in the meeting, and should abstain from voting for the agenda item.

In addition to the above practices, the Company shall abide by laws, regulations, and restrictions currently effective. In case of any changes, update, alteration of the regulations relating to the practices and procedures specified by the governing bodies; the Company shall also comply with the new regulations.

3. Consideration of the Roles of Stakeholders

The Board of Directors has defined the roles of stakeholders within the Good Corporate Governance policy. The Company has completely complied with the principles of Good Corporate Governance issued by the Stock Exchange of Thailand.

ALT holds the principle of equitable and fair treatment of stakeholders consisting of shareholders, customers, employees, suppliers, partners, creditors, competitors, public community and entire society. In order to maintain fairness and transparency, with an awareness of both legal and contractual rights of stakeholders, stakeholder policy has been defined as follows;

3.1 Shareholders

The Company determines to be a good representor of shareholders in generating profit with a consideration toward sustainable growth, transparency, and information disclosure with accuracy, integrity and regularity.

3.2 Customers

The Company endeavors to build up highest customer satisfaction by offering quality products and services within reasonable price and fairness, high quality after-sales services, with a consideration to customer privacy.

3.3 Employees

Employees are valued resource which is important to the Company's growth. Thus, the Company has setup a policy of quality, occupational health and work environment for employees to comply with. A safety policy has been setup with a distinct determination to emphasize the important of health and safety with the details as follows;

1. The work safety, occupational health and work environment of the Company must be in compliance with relevant laws and international standards. The Company concerns with employee safety and has taken into action. To comply with related laws, the Company has safety offices to oversee the Company's work safety and to prevent accident from work.

2. Control, improve safety and prevent work accident which affects employees and company assets

3. Continuously improve every aspect of operations relating to safety.

4. Encourage employee involvement and monitor workplace as a prevention such as turning off unneeded air-conditioning and lights.

5. Provide trainings and skill development for employees such as workplace safety training, fire extinguisher training, first-aid training etc.

6. Provide necessary resource for activities promoting workplace safety, occupational hygiene, and appropriate workplace environment

In 2020, no workplace injury has been reported. Moreover, the Company also concerns of employee development in terms of skill, knowledge, expertise and capability; as prescribed in the following 3 topics;

1. Knowledge and skill development: The Company offers training and apprenticeship to its employees (See more details in "Personnel Development").

2. Expertise development: The Company encourages employees to inspire a new vision and be ready for a change for better efficiency at work.

3. Attitude development: The Company instilled a value of self-worth and organizational worthiness in its employees with encouragement via salaries, wages, fringe benefits and career positions; and assessment, both personal and company's performance, via KPI system suitable for the Company's normal business operation. Nevertheless, the Company has encouraged a value of organizational loyalty to limit the amount of turnover rate.

3.4 Suppliers and Partners

The Company strives to establish a concrete and sustainable relationship relied on trust with suppliers and partners, and shall treat each supplier and partner fairly. The Company's procurement process is in accordance with ISO 9001: 2015 - a standard of quality management system. The Company has specified a guideline for the procurement procedure and strictly complied with the terms of contract. The Company has set a policy on supplier selection process as follows;

1. Suppliers must have reliable financial profile and capability to grow their business along with the Company in long-term.

2. Suppliers must be manufacturers or distributors of products which the quality of products meet the Company's requirement and can be checked.

3. Suppliers must provide after-sale support and service.

4. Suppliers must comply with intellectual property law; and must not offer any products infringing a patent or a trademark.

3.5 Creditors and Guarantors

The Company has established a policy and practice concerning the treatment of creditors. The Company attaches great importance to the condition of guarantees, money management and loan default under the following principles;

- The Company shall provide complete and accurate information to a creditor.
- The Company shall strictly comply with conditions and obligations of an agreement with creditor/guarantor.
- If the Company is unable to follow any criteria of the agreement, the creditor will be informed as soon as possible, to discuss for a resolution.
- The Company has set a money management plan emphasizing on liquidity management to assure on-time repayment.

3.6 Competitors

The Company promotes fair and ethical treatment to the competitors, and shall conduct the business with an aim to develop and move-forward the industry while abide by laws strictly.

3.7 Public Community

The Company is aware of the importance of society, environment and quality of life of people relevant to the Company's operation. Hence it has participated several activities to preserve environment and community and support culture of the countries which the Company's business located in (More details in "Social Responsibility").

3.8 Regulators Overseeing the Company

With an awareness in laws and regulations issued by the government agencies, ALT attempts to abide by the intention of such laws and regulations.

3.9 Non-Infringement of Human Rights and Intellectual Property

The Company has specified a policy of non-infringement regarding human rights and intellectual property in every aspect, directly or indirectly, with the code of practices as follows;

1. The Company encourages employees to contribute their knowledge in research and development to invent and create modernized and practical tools, devices and innovation that meet international standard. The development must be original without intellectual property infringement.
2. Employees should comply with intellectual property laws such as trademark law, patent law, license law and other relevance laws etc.
3. The Company shall monitor software and hardware utilized in equipment or office equipment of the Company, to prevent illegal and non-work related software and/or hardware.
4. Upon termination of employment, employees must return all intellectual properties including works to the Company, regardless of the content format.

Communication Channels Available for Whistleblower Reports and Complaints

The Board of Directors has specified a communication channel for whistleblower reports and complaints, from employees or stakeholders, regarding illegal practices, breaches of ethics, or any action indicating corruption or misbehavior of the Company's personnel as well as inaccurate financial reporting or defective internal control. For any channels of communication, the Company shall keep confidentiality of the whistleblowers. The Board of Directors has assigned the Audit Committee to consider reports and complaints of activities suspicious for corruption related to the Company; directly or indirectly, through the following channels;

| | |
|-------------------|---|
| By Mail: | Chairman of Audit Committee/ Audit Committee/ Secretary of Audit Committee ALT Telecom Public Company Limited 52/1 Moo 5 Bangkruay-Sai Noi road, Bang Sithong sub-district, Bang Kruay district Nonthaburi 11130 Tel. 02-863-8999 |
| By E-mail: | auditcommittee@alt.co.th |
| Website: | Go to "Contact" section on http://www.alt.co.th |

Company Contact:

| | |
|---------------------------|---|
| Board of Directors | Tel. 02-863-8997 E-mail directors@alt.co.th |
| Company Secretary | Tel. 02-863-8997 E-mail tanyaporn_m@alt.co.th |
| Investor Relations | Tel. 02-863-8935 Fax. 02-866-3364 E-mail chommanard_kra@alt.co.th |

In 2020, there was no complaint, suspicion, or any action breaching the Company's corporate governance, and code of conduct, relevant laws or the regulations of SEC and SET.

4. Information Disclosure and Transparency

ALT greatly concerns the importance of accuracy, integrity and transparency of information disclosure; financial/non-financial information and other information impacting to the Company securities' price and investor/stakeholder's decision. In accordance to the regulations of the Stock Exchange of Thailand, the Company has defied an information disclosure policy as follows;

- 1.Principle of Information Disclosure: The Company shall timely disclose significant information to shareholders and investors with accuracy and transparency. The Company is aware of its responsibility to the integrity, accuracy, and reasonableness of financial statements.
- 2.The Company shall publish the profile and number of attendances of each director, including duties and responsibilities of the Board of Directors and sub-committees, in an annual report.
- 3.The Company shall, with consideration, ensure that the financial statements reflect actual status and performance of the Company, based on accurate, complete and sufficient accounting information as required by general accepted accounting standard. The Company shall disclose auditing fee and other fee for services provided by the auditor.

4. The remuneration of the directors and executives shall be published in the Company's annual report, as well as the director and executive remuneration policy indicating roles, responsibilities and terms of remuneration of each person.

5. The Company concerns the relationship with shareholders and investors, and has assigned Investor Relationship Department to communicate with investors and shareholders; both individuals and institutions, who want to access the Company's information including financial information, performance report, financial status and the information of transaction affecting the Company. The Company shall regularly arrange a meeting for analyzing an annual performance.

Investor Relations

The Company acknowledges that all information regarding the Company including financial or non-financial information can affect investment decision of investors and stakeholders. The management gives precedence to accuracy, trustworthiness, regularity of information disclosure in accordance to the requirement of SEC and SET. Thus, the Company has established an investor relation department as a communication center to disclose and distribute information to public and investors, including financial reports, business performance and trends, and other key information affecting the Company's security price. The department also controls quality of information to be equally disclosed to investors and stakeholders. The Company reported its performance and disclosed related information, via both direct and indirect channels, as follows;

- **Direct Channel** : The Company arranged activities for shareholders, securities analyst, investors and employees to receive updates on its performance; such as analyst meeting, roadshows, and conferences held in Thailand and foreign country. Which in the past year, the Company has arranged following activities;
 1. Analyst meeting: (4 sessions) for securities analysts, to present the Company's operating performance
 2. Company Visit: (3 group and individual sessions) for institutional investors, personal investors and securities analysts to meet with and inquire information from the Company's executives (Company visit)
- **Indirect Channel** : The Company disclosed information regarding the Company, performance, financial reports, information memorandums and reports, which have been published on the Stock Exchange of Thailand's website, on the investor relations section of the company website (www.alt.co.th). The disclosed information was published in Thai and English and are regularly updated.

For more details, investors and concerned persons please find the investor relation contact in "Corporate Governance - Section 3: Company Contact Information"

5 The Board of Directors' Responsibilities

The Board of Directors has duties and responsibilities, as committed to shareholders, to manage the Company in compliance with laws, the Company's objectives, the articles of association, and the resolutions of lawful shareholders' meeting. Roles, duties, responsibilities of the Board of Directors shall be in accordance to the Board of Directors' charter (More details in "Organization Structure") and the Company's Good Corporate Governance policy. The practices are as follows;

- 1.The Board of Directors shall regularly revise the corporate governance policy and practices at least once a year.
- 2.The Board of Directors shall specify the code of conducts in written documents to promote acknowledgement on ethical standards of the Company to directors, executives, and employees. The Board of Directors will monitor compliance with the code of conducts and will revise the policy in response to any internal and external change.
- 3.The Board of Directors shall cautiously consider any issues related to conflict of interests, transactions that might cause conflict of interests shall be considered with solid decision criteria prioritizing the benefit of the Company and its shareholders. A person who has a conflict of interest with the transaction shall not be a part of decision making. The Board of Directors shall ensure the procedures have been conducted in accordance to the policy, and information regarding the transaction was disclosed completely.
- 4.The Board of Directors shall arrange for a control system for operation, financial reporting, and regulation and policy compliance. The Board of Directors will also appoint an independent person or an independent unit to be responsible for the internal control audit and shall revise key functions at least once a year. The Board of Directors shall also review the Company's vision, mission and strategic direction every year which, for the past year, the Board has monitored performance of the executives and the Company's operating performance to ensure that the operating results especially financial performance and business plans were in line with the Company's strategic direction, and reviewed the Company's vision, mission and strategic direction to conform with changing business situation and operations.
- 5.The Board of Directors shall regularly receive a report from the management regarding the risk management and shall revise or assess the effectiveness of the Company's risk management at least once a year.
- 6.The Board of Directors or the Audit Committee shall report their opinions regarding the adequacy of internal control system and risk management within the Company's annual report or other necessary channels.
- 7.The Board of Directors shall arrange a meeting without the directors involving in the management at least once a year.

The Company's 5 independent directors has arranged a meeting without the management on 10 November 2020. Details of the meeting are disclosed in "Management Structure: Directors and sub-committee's Meeting"

Board of Directors commits to perform its duties in compliance with the Good Corporate Governance to ensure transparency and effectiveness of the Company's business operation, and to ensure that the Company is responsible for every stakeholder which the Company has been complied with the principles of Good Corporate Governance of listed company. As for the noncompliance issues, the Company shall consider and apply the principles with its operations later on.

5.1 Terms of the Board of Directors

The Board of Directors prescribed the qualification of an "independent director" in accordance to the requirement of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (More details in "Organization Structure: Independent Director"). Moreover, a person can be in the position of independent director for not over than 9 years from the first appointment, except for a necessary reason. According to the article of associations, for each annual general meeting of shareholders, one-third of the directors who are in the position at the time must resign. In case that the number of directors cannot be perfectly divided by three, the number of directors to resign must be the closet number. In the first and second year of the company registration, the directors must draw lots to resign. As for later years, the directors with the longest term must resign. The resigned directors are eligible for re-election.

In case of vacant seat on the Board due to circumstances other than the end of term, during the next meeting of the Board, the remaining directors shall appoint a qualified individual without any legal prohibitions as a replacement, except that remaining term of the resigned director is less than 2 months. The replacement director's term equals to remaining term of the resigned director. The resolution of the Board must be approved by not less than three-fourth of the remaining directors.

5.2 The Board of Directors' Meeting

1. Meeting Schedule:

Each year, the Board of Directors shall schedule its regular meetings in advance; excluding a special meeting, and inform every director of the meeting schedule. The Company has specified that the Board of Directors shall arrange the meetings regularly, at least every 3 months, to consider the Company's financial report, policy and performance monitoring. In case of a special meeting, the Board of Directors must attend the meeting promptly.

2. Invitation Letter:

The company secretary will prepare an invitation letter for the Board of Directors' meeting indicating date, time, venue, and agendas altogether with the enclosures to the Audit Committee and meeting participants 7 days in advance prior to the meeting date, in order to provide adequate time for the participants to consider the details of each agendas or request for additional information. The invitation letter must specify agenda items which need to be approved, attached with complete relevant information.

3. Number of Meetings:

The Board of Directors shall arrange a meeting at least every 3 months, depends on situation and necessity. In case of 2 directors, at least, cautiously request to have a meeting, the Company must arrange the Board of Directors meeting within 14 days after receiving the request.

4. Meeting Participants:

The quorum of the Board of Directors' meeting must consist of not less than 75% of total number of directors. The Board of Director may invite sub-committee's members, executives, external auditor or internal auditor to participate in the meeting upon necessity.

5. Voting:

Meeting resolution is decided by majority voting. In case of indiscrete voting result, the Chairman may vote for an additional vote as a decisive vote. However, for the agenda relating to any of directors, the director who has conflict of interest must abstain his vote for the agenda.

6. Minute of the Meeting:

The company secretary is responsible to taking a minute of the meeting. Since the directors participating in the meeting are responsible for their decision, directors having different opinion from the others or abstaining their vote, must be recorded in the minute of the meeting, to determine their responsibility regarding the agenda. The Company has to prepare a minute of the Board of Directors' meeting within 14 days after the meeting date, and keeps the minute within the head office. The Company must be able to rapidly send a copy of the minute to a director as per requested.

5.3 Self-Assessment of Directors

The Board of Directors and sub-committees shall carry out a self-assessment for themselves as a whole and separately at least once a year, which the Board of Directors shall evaluate their performance and determine problematic issues to solve and improve the performance (More details in "Organization Structure: Assessment of the Directors").

5.4 Director's Remuneration

1. The Board of Directors' remuneration is determined by comparable practice in the industry, experience, accountability, responsibilities, and expected contribution of each director.
2. Director remuneration either in monetary or non-monetary terms shall be stipulated as necessary and appropriate in accordance with the director's duties, responsibilities and performance. The Company compared the remuneration with other peer companies and benefit received from the directors, before proposed to the Board of Directors and shareholders' meeting for approval.
3. The remuneration of the President and executives shall be in compliance with a policy specified by the Board of Directors which is approved by the meeting, for the best benefit of the Company.
4. The performance of the President shall be annually evaluated by non-executive directors which will be a reference for the determination of the President's remuneration, according to the tangible criteria committed to the President.

More details are available in "Organization Structure: Directors' Remuneration"

5.5 Development of the Directors and Executives

1. The Board of Directors encourages the Company train and educate, by an internal or external instructor, personnel involved in the Company's corporate governance to promote continuous improvement.
2. The management shall provide resources and information, including profiles of the Company and its business, for a newly-appointed director to help the new director carry out his duties.
3. The Board of Directors has specified that the President shall report a development and succession plan at least once a year, to support the growth of the Company and to be prepared for the circumstance that a person in the position is unable to conduct his duties.

Preparation of the Changes in Securities and Derivatives Holding Report of Management

The Company prescribed that directors and management have to inform the Board of Directors regarding the acquisition and disposal of securities; for internal use, at least one day prior to the transaction date. In case of failure, the management must report to the Audit Committee immediately. Moreover, those who can access to important internal information that may affect securities price must be aware when buying/selling the Company's securities during 30-days period before; and 24 hours after, the Company's financial report or information has been disclosed to public. Those persons must not disclose such information until the information has been disclosed to the Stock Exchange of Thailand.

The Changes in Securities and Derivatives Holding Reported by the Company's Directors

As of 30 December 2020.

| No. | Name | No. of shares | | | Remark |
|-----|-------------------------------------|---------------|-------------|---------------------------|--|
| | | 28 Dec 2019 | 30 Dec 2020 | Share Increase (Decrease) | |
| 1. | Dr. Anant Voratitipong | - | - | - | (Does not hold ALT's share) |
| | Spouse | - | - | - | (Does not hold ALT's share) |
| | Underage Child | - | - | - | (Does not hold ALT's share) |
| 2. | General Sittisak Tayparsit | - | - | - | (Does not hold ALT's share) |
| | Spouse | - | - | - | (Does not hold ALT's share) |
| | Underage Child | - | - | - | (Does not hold ALT's share) |
| 3. | Assoc. Prof. Suchart Laopreeda | - | - | - | (Does not hold ALT's share) |
| | Spouse | - | - | - | (Does not hold ALT's share) |
| | Underage Child | - | - | - | (Does not hold ALT's share) |
| 4. | Assoc. Prof. Dr.-Ing. Panit Pujinda | - | - | - | (Does not hold ALT's share) |
| | Spouse | - | - | - | (Does not hold ALT's share) |
| | Underage Child | - | - | - | (Does not hold ALT's share) |
| 5. | Asst. Prof. Chirasil Chayawan | 50,000 | 50,000 | - | No movement in 2020 |
| | Spouse | - | - | - | (Does not hold ALT's share) |
| | Underage Child | - | - | - | (Does not hold ALT's share) |
| 6. | Mrs. Preeyaporn Tangpaosak | 69,650,000 | 86,850,000 | 17,200,500 | Shares increased due to exercise of warrants during 2020 |
| | Spouse | - | - | - | (Does not hold ALT's share) |
| | Underage Child | - | - | - | (Does not hold ALT's share) |
| 7. | Mr. Pyut Bhuwakulwong | 59,700,000 | 60,000,000 | 300,000 | Shares increased due to exercise of warrants during 2020 |
| | Spouse | - | - | - | (Does not hold ALT's share) |
| | Underage Child | - | - | - | (Does not hold ALT's share) |
| 8. | Ms. Preeyapun Bhuwakul | 69,650,000 | 70,750,000 | 1,100,000 | Shares increased due to exercise of warrants during 2020 |
| | Spouse | - | - | - | (Does not hold ALT's share) |
| | Underage Child | - | - | - | (Does not hold ALT's share) |

The Changes in Securities and Derivatives Holding Reported by the Company's Executives

As of 30 December 2020

| No. | Name | No. of shares | | | Remark |
|-----|----------------------------|---------------|-------------|---------------------------|--|
| | | 28 Dec 2019 | 30 Dec 2020 | Share Increase (Decrease) | |
| 1. | Mrs. Preeyaporn Tangpaosak | 69,650,000 | 69,650,000 | 17,200,500 | Shares increased due to exercise of warrants during 2020 |
| | Spouse | - | - | - | (Does not hold ALT's share) |
| | Underage Child | - | - | - | (Does not hold ALT's share) |
| 2. | Mr. Pyut Bhuwakulwong | 59,700,000 | 59,700,000 | 300,000 | Shares increased due to exercise of warrants during 2020 |
| | Spouse | - | - | - | (Does not hold ALT's share) |
| | Underage Child | - | - | - | (Does not hold ALT's share) |
| 3. | Ms. Preeyapun Bhuwakul | 69,650,000 | 70,750,000 | 1,100,000 | Shares increased due to exercise of warrants during 2020 |
| | Spouse | - | - | - | (Does not hold ALT's share) |
| | Underage Child | - | - | - | (Does not hold ALT's share) |
| 4. | Mr. Somboon Setsuntipong | - | - | - | (Does not hold ALT's share) |
| | Spouse | - | - | - | (Does not hold ALT's share) |
| | Underage Child | - | - | - | (Does not hold ALT's share) |
| 5. | Mr. Pairoj Rujirawanich | - | - | - | (Does not hold ALT's share) |
| | Spouse | - | - | - | (Does not hold ALT's share) |
| | Underage Child | - | - | - | (Does not hold ALT's share) |
| 6. | Mr. Chanad Bhaobhandee | - | - | - | (Does not hold ALT's share) |
| | Spouse | - | - | - | (Does not hold ALT's share) |
| | Underage Child | - | - | - | (Does not hold ALT's share) |

Abidance to other topics of the principle of corporate governance.

Throughout the year of 2020, the Company has strictly abided by the principle of corporate governance for listed company as specified by the Stock Exchange of Thailand. The noncompliance issues in 2019 such as a director succession plan, risk assessment procedure for organizational corruption, have been proceeded excepted for some topics which the Company is currently in study and preparation and cannot completely comply with, including;

1. Preparation of a sustainability report according to the standard of Global Reporting Initiative (GRI); or the establishment of Corporate Government Committee (director level), to study GRI standard and evaluate possibilities of the management's policy.
2. Organizational risk assessment procedure, which is expected to be completed within 2021.

Corporate Social Responsibility

Corporate Social Responsibility intends to operate the business with responsibility for society, environment and community which the Company's business involved with. To encourage participation leading to sustainable growth, the Company has been arranging multiple activities consecutively. ALT has set 8 social responsibility policies as follows;

1. Fair Business Conduct

The Company shall encourage fair competition and avoid any activity that might cause a conflict of interest and intellectual property infringement, and promote social responsibility throughout the business chain.

2. Anti-corruption

ALT is against a corruption either within or outside the organization, to promote transparency and accountability of the business. The Company cooperates with other companies against any kind of corruption and encourage its employees to aware of anti-corruption practices.

3. Respect for Human Right

The Company treats all related parties; employees, communities and society, with respect and, will not breach their basic human rights. All parties are encouraged to participate and provide their opinion to identify a problem occurred and seek a solution together with the Company.

4. Fair treatment at work

The Company shall treat all employees equally and fairly, by providing employee welfare, secured and hygiene workplace as well as promoting learning and training to further their professional mastery. The Company encourages improvement in work procedure and the employees' participation in social activities, to bring the benefit, directly or indirectly, to the society.

5. Responsibility to Consumers

The Company shall deliver service without causing any harm to consumers and environment and shall maintain the service standard at expected or higher level of quality with fair terms, and will provide accurate information of products and services without exaggeration, and shall not wrongfully exploit customers' confidential information for benefit of the Company or relating parties.

6. Environment Protection

The Company shall assess environmental risks and hygiene of every business activity, and shall promote efficient resource utilization and energy saving in accordance to international practices.

7. Community and Social Development

The Company encourages business involvement to support an improvement in the quality of life, by building up economy and strengthening neighboring communities as well as Thai society.

8. Develop and Publish Innovation

The Company supports new creations and encourages the stakeholders to engage in innovation to balance between values of the community, society and environment, and a sustainable growth of the business.

In 2020 ALT has organized corporate social responsibility (CSR) activities as follows;

ALT FAMILY RUN 2020

The management put importance to employee health and support activities that encourage employees to pay more attention to their health. The Company supported the running program “**ALT Family Run 2020**” which is a continuous project to promote exercise through the cumulative running challenge for good health, using an application to track and report the total accumulated running distance of the challenge. To encourage motivation of employees and as another way to give back to society, employees participating in the challenge were jointly participated in the donation campaign contributing to the construction of 84 Year Navamindrabopitr building.



Donation for the purchase of medical supplies

On 22 October 2020, ALT donated 100,000 baht for medical supply and 4 mobile phones for medical and healthcare operation of Sunpasitthiprasong Hospital, Ubon Ratchathan. The donation was received by the director and management of the hospital.



We're Sharing for Kids

ALT Group, in collaboration with VGI, organized We're Sharing for Kids program to bring happiness to children in 10 schools along the BTS lines. The program is aim to create happiness by sharing and giving back to society; by giving "MIMI" bags loaded with education toolkits for more than 4,000 elementary students in 10 schools along the BTS lines.



Donation of telecom equipment for Educational Institutions for research and study

ALT prioritizes developing understanding in telecommunication business in educational institutions to promote and develop knowledge in telecommunication business to students and the faculty. The Company has donated high-frequency aircraft communication fiber and equipment, and arranged the training courses on "Telecom Business and 5G Technology" to students and the faculty of Electronics and Telecommunication Department of Yala Technical College, Yala, on 28 December 2020.



Donation of telecommunication equipment and infrastructure network installation technology to support education for the Faculty of Architecture and Planning, Thammasat University, Rangsit Campus.

ALT signed an MOU for academic collaboration between ALT Telcom Plc. and the Faculty of Architecture and Planning, Thammasat University, Rangsit Campus. The objective of the MOU is to establish academic collaboration between business and academic sector to develop model community area for smart technology including research and development of the area within the Faculty of Architecture and Planning of Thammasat University. The model community area consists of Smart Environment, Smart Mobility and Smart Energy.

The cooperation will develop suitable environment for research and study for students and the faculty along with real experience practice to encourage further development of skills in technologies which can be applied in industries, technologies and commercial use.

For the collaboration, on 30 November 2020 ALT gave the modula data center, equipment and technology in telecom networking and engineering which the value is more than 12 million baht. The equipment and technology which are information infrastructure were provided for the faculty to support research and study.



Efficient Use of Resources

The Company has raised awareness about efficient use of environmental resource among the employees, by striking a campaign asking staffs to turn off unneeded lights, set air – conditioning temperature to 25 degrees, unplug unused electronic equipment and change traditional light bulbs to energy – efficient ones.



Environmental Standard Abidance

ALT has specified that the Company and subsidiaries have to abide with environmental standard and the conditions indicated in the right-of-way agreement, whereas employees must aware of environmental protection including preventing waste contamination, waste separation and environmental compliance. The Company has been strictly taking ISO 14001's environmental practices in to actions; for example, inspecting vehicles parking at the working site for oil stains, collecting all left-over scraps, and waste separation.

Related transactionsRelated transactions

ALT and subsidiaries have agreed to enter into transaction with related persons. The transactions are normal business transactions of the Company and subsidiaries and are in the normal course of business, in compliance with The Securities and Exchange Act No.4 (B.E. 2551) Section 89/12 (1).

The Company has set policy and procedures regarding an approval on related transaction which were approved by the Board of Directors during the Board of Directors meeting No. 7/2015 on 15 June 2015. In case where it is necessary for the Company to enter into transaction with an interested person which has possible conflict of interest, the Audit Committee will provide an advice regarding the necessity and appropriateness of the transaction. If the Audit Committee does not have appropriate competency to consider potential related transaction, the Company will appoint independent expert or accounting auditor of the Company to provide an advice regarding the transaction as a reference to support a decision of the Board of Directors and/or the Audit Committee and/or the shareholders, depending on the matters. Whereas the interested person or the person with possible conflict of interests on the transaction will not eligible to cast a vote for approval on the transaction.

Moreover, the Audit Committee shall review transaction between the Company and subsidiaries and connected persons in every quarter, to carefully eliminate the conflict of interests in concern of the Company’s overall benefit. As for the fiscal year ended 31 December 2020 and 31 December 2019, ALT and subsidiaries had entered into transaction with related persons which have been disclosed by the auditor in the note to financial statements audited, and reviewed by the Audit Committee with comments on the transaction that all related transactions are reasonable, in the normal course of business. The Company offered reasonable purchasing-selling price of products and services, with transaction conditions under the normal course of business, to the related parties with the details as followed;



| Related Company/ Relationship with the Company | Transaction Type | Consolidated Financial Statements | | Separated Financial Statements | | Reasonableness and Necessities |
|---|---|---|---|--|--|---|
| | | Transaction Amount for Fiscal Year Ended 31 December | | | | |
| | | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht | |
| 1. ALT Holding Co., Ltd ALT’s majority shareholders holding 50 percent of shares and sharing the same directors as follows; 1. Mr.Pyut Bhuwakul 2. Mrs.Preeyaporn Tangpaosak 3. Ms.Preeyapun Bhuwakul | ALT borrowed from ALT Holding Co., Ltd for business operation Dividend payment | 54,516,300 | – | 54,516,300 | – | |
| 2. Information Highway Co., Ltd ("IH") ("Joint venture") ALT holds 71% of shares and sharing the same directors as follows; 1. Mr.Pyut Bhuwakul 2. Mrs.Preeyaporn Tangpaosak 3. Ms.Preeyapun Bhuwakul | ALT and subsidiaries constructed the assets and sold telecom equipment to the joint venture Sales of products and services Revenue from sales Revenue from services Revenue from management service Revenue from rental and common charge Trade account receivable Other receivable Accrued income Purchase of goods and services Purchase of goods Network service and maintenance fee Trade account payable Borrowing/Lending Interest received Accrued interest Lending | 396,400 38,493,620 5,134,282 846,344 39,745,123 13,267,317 1,702,429 – 8,847,879 619,843 10,692,390 – 200,000,000 | 1,301,041 10,385,470 5,290,680 592,860 35,339,937 12,994,961 9,002,747 392,918 5,846,813 4,951,781 18,852,705 – 341,500,000 | 396,400 953,490 5,134,282 846,344 2,280,159 13,267,317 1,206,000 – 778,103 12,034 10,692,390 – 200,000,000 | 9,541 1,248,000 5,290,680 592,860 44,940 12,994,961 2,412,000 – 3,429,217 635,560 18,852,705 – 341,500,000 | < |

| Related Company/ Relationship with the Company | Transaction Type | Consolidated Financial Statements | | Separated Financial Statements | | Reasonableness and Necessities |
|---|--|--|--|---|--|--|
| | | Transaction Amount for Fiscal Year Ended 31 December | | | | |
| | | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht | |
| <p>3. Group Tech Solutions Co., Ltd ("GTS") ("Subsidiary")</p> <p>ALT holds 100% of shares and sharing the same directors as follows</p> <p>1. Mr. Pyut Bhuwakul</p> <p>2. Mrs. Preeyaporn Tangpaosak</p> <p>3. Ms. Preeyapun Bhuwakul</p> | <p>GTS provided network installation service and sold base station equipment to ALT, while ALT sold telecom shelters and telecom equipment to GTS</p> <p>Sales of products and services</p> <p>Revenue from sales</p> <p>Revenue from management service</p> <p>Revenue from rental and common charge</p> <p>Trade account receivable</p> <p>Other receivables</p> <p>Purchase of goods and services</p> <p>Network installation service</p> <p>Network service and maintenance fee</p> <p>Trade account payable</p> <p>Accrued expense</p> <p>Borrowing/Lending</p> <p>Interest payment</p> <p>Borrowing/Lending</p> <p>Others</p> <p>Dividend received</p> | <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> | <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> | <p>1,206,068</p> <p>—</p> <p>1,409,583</p> <p>—</p> <p>120,472</p> <p>9,403,120</p> <p>19,995,603</p> <p>315,018</p> <p>1,683,189</p> <p>—</p> <p>10,274</p> <p>—</p> <p>75,000,000</p> | <p>72,332</p> <p>4,925,640</p> <p>2,644,937</p> <p>65,605</p> <p>3,182,344</p> <p>46,096,692</p> <p>60,530,856</p> <p>329,761,371</p> <p>—</p> <p>10,151,507</p> <p>1,000,000</p> <p>219,998,020</p> | <p>• ALT sold telecom shelters and telecom equipment to GTS at the price comparable to normal customers</p> <p>• GTS rent partial of ALT’s office space at comparable rental fee in comparison to nearby Office building</p> <p>• ALT hired GTS to deploy fiber-optic cable networks and maintenance service</p> |
| <p>4. Innova Telecommunication Co., Ltd ("INN") ("Subsidiary")</p> <p>ALT holds 99.75% of shares and sharing the same directors as follows;</p> <p>1. Mr. Pyut Bhuwakul</p> <p>2. Mrs. Preeyaporn Tangpaosak</p> <p>3. Ms. Preeyapun Bhuwakul</p> | <p>ALT charged management fee from the subsidiary</p> <p>Sales of products and services</p> <p>Revenue from management service</p> <p>Other revenue</p> <p>Other receivable</p> <p>Purchase of goods and services</p> <p>Purchase of goods</p> <p>Trade account payable</p> <p>Borrowing/Lending</p> <p>Interest payment</p> <p>Borrowing/Lending</p> | <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> | <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> <p>—</p> | <p>1,646,764</p> <p>—</p> <p>150,142</p> <p>24,740</p> <p>14,894</p> <p>756,918</p> <p>—</p> | <p>1,535,544</p> <p>136,919</p> <p>—</p> <p>—</p> <p>—</p> <p>1,544,342</p> <p>36,100,000</p> | <p>• ALT charged management fee from INN at the actual cost</p> <p>• ALT borrowed from GTS to use business operation</p> |

| Related Company/ Relationship with the Company | Transaction Type | Consolidated Financial Statements | | Separated Financial Statements | | Reasonableness and Necessities |
|---|---|---|--|--|---|---|
| | | Transaction Amount for Fiscal Year Ended 31 December | | | | |
| | | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht | |
| 5. I21 Co., Ltd ("I21") ("Subsidiary") ALT holds 100% of shares and sharing the same directors as follows 1. Mr. Pyut Bhuwakul 2. Mrs. Preeyaporn Tangpaosak 3. Ms. Preeyapun Bhuwakul | ALT charged management fee from the subsidiary Sales of products and services Revenue from sales Revenue from management service Trade account receivable Other receivable Purchase of goods and services Purchase of goods Service fee Trade account payable Borrowing/Lending Interest received Interest payment Borrowing/Lending | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | - 1,646,764 - 150,142 - - - - - - 3,236 213,510 - - - | - 1,535,544 4,011,629 136,919 397,060 18,323,004 28,248 1,390,413 684,767 31,000,000 | <ul style="list-style-type: none">ALT charged management fee from I21 at the actual costALT borrowed from I21 for working capital |
| 6. International Gateway Co., Ltd ("IGC") ("Subsidiary") ALT holds 100% of shares and sharing the same directors as follows 1. Mr. Pyut Bhuwakul 2. Mrs. Preeyaporn Tangpaosak 3. Ms. Preeyapun Bhuwakul | ALT sold network products and quipment to IGC to be used in its business operation. Sales of products and services Revenue from sales Revenue from services Revenue from fiber optic services Revenue from management service Revenue from rental and common charge Other revenue Trade account receivable Other receivable Accrued income Purchase of goods and services Service fee Trade account payable Accrued expense Borrowing/Lending Interest received Lending | - | - | 624,600 81,407,885 9,052,780 6,217,037 867,668 - 54,678,957 184,881 4,933,766 3,204,178 221,886 2,012,844 2,604,007 - | (7,293,651) - - - 7,439,340 49,015 105,361,887 6,192,235 2,360,764 241,533 41,483,129 - 598,788 38,500,000 | <ul style="list-style-type: none">ALT sold products and equipment using cost-plus pricingALT provided network connection service to IGALT charged management fee from I21 at the actual costALT provided loan to IG to be used in business operation |

| Related Company/ Relationship with the Company | Transaction Type | Consolidated Financial Statements | | Separated Financial Statements | | Reasonableness and Necessities |
|---|---|--|---|---|---|--|
| | | Transaction Amount for Fiscal Year Ended 31 December | | | | |
| | | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht | |
| 7. Energy Max Co., Ltd ("Emax") ("Subsidiary") ALT holds 97.82% of shares and sharing the same directors as follows 1. Mr. Pyut Bhuwakul 2. Mrs. Preeyaporn Tangpaosak 3. Ms. Preeyapun Bhuwakul | ALT purchase goods and services from the Subsidiary to be used in the Company's project Purchase of goods and services Purchase of goods and services Trade account payable Accrued expense Advance payment | – – – – – | – – – – – | 324,743,838 42,909,165 3,161,976 1,588,040 | 67,846,806 54,094,750 – 21,658,178 | |

| Related Company/ Relationship with the Company | Transaction Type | Consolidated Financial Statements | | Separated Financial Statements | | Reasonableness and Necessities |
|--|---|---|---|---|--|--|
| | | Transaction Amount for Fiscal Year Ended 31 December | | | | |
| | | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht | |
| 10. Spotwerkz (Thailand) Co., Ltd ("SWT") ("Associated company") ALT holds 45.19% of shares and sharing the same directors as follows 1. Mrs. Preeyaporn Tangpaosak 2. Ms. Preeyapun Bhuwakul | Sales of products and services Revenue from services Trade account receivable Purchase of goods and services Service fee Network fee Borrowing/Lending Interest received Accrued interest Lending | 2,250,000 2,204,615 — — 267,431 134,446 5,080,000 | — — — — — — — | 2,250,000 2,204,615 — — 267,431 134,446 5,080,000 | — — 375,000 12,705,000 192,590 — 5,080,000 | |

Report from the Executive Committee

To shareholders of ALT Telecom PCL,

2020 has been a challenging year due to economic fluctuations and COVID-19 epidemic forcing telecommunication industrial to confront with sudden and drastic changes. Therefore, ALT has set organizational strategy to in accordance with a national strategy and strengthen the Company by collaborating with business partners to reduce cost, increase efficiency and value the business.

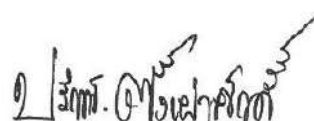
7 members of the Executive Committee comprises of,

| | |
|-------------------------------|--|
| 1. Mrs. Preeyaporn Tangpaosak | Chairman of the Executive Committee |
| 2. Mr. Pyut Bhuwakulwong | Vice Chairman of the Executive Committee |
| 3. Ms. Preeyapun Bhuwakul | Member of the Executive Committee |
| 4. Mr. Pichit Satapattayanont | Member of the Executive Committee |
| 5. Mr. Somboon Setsuntipong | Member of the Executive Committee |
| 6. Mrs. Samorn Deeseng | Member of the Executive Committee |
| 7. Mr. Tepparit Ritthongpitak | Member of the Executive Committee |

In 2020, the Executive Committee arranged 3 meeting to consider important matters before submitting to the Board of Director and providing suggestion regarding the matters, which can be summarized as followed;

1. Present the Company's draft business plan, corporate goals and strategic plan, in accordance with the Company's vision and mission.
2. Quarterly follow up and report operating performance of the Company and subsidiaries, to measure their achievement.
3. Consider, review and approve the business plan, annual budget, company investment, risk policy and organizational risks of the Company for the year 2020 - 2022 before submitting to the Board of Directors for approval.
4. Consider and approve organization structure of the Company and subsidiaries, DRP practice of information technology before submitting to the Board of Directors for approval.
5. Consider and approve operational plans of each department, and approve transaction requests exceeding the level of approval authority of each department.
6. General business administration.

The Executive Committee has been cautiously, circumspectly, honestly and reasonably carrying out its duties and thoroughly explored information regarding the matters for the best benefit of both shareholders and stakeholders. The committee has been administrating the Company to ensure that business operation abides with laws and the principles of good corporate governance, to overcome obstacles and prepare to move the Company forward to achieve corporate sustainability.



Mrs. Preeyaporn Tangpaosak
Chairman of the Executive Committee

Report from the Audit Committee

To Shareholders of ALT Telecom PCL,

As for the fiscal year of 2020 (1 January 2020 – 31 December 2020), the Audit Committee of ALT Telecom Public Company Limited comprising of 3 independent directors who are fully qualified in accordance to the Audit Committee Charter of the best practice guideline for Audit Committee prepared by the Securities and Exchange Commission (SEC) the Stock Exchange of Thailand (SET). The Committee have arranged 4 meetings which were reported to the Board of Directors. Meeting attendance of each member of the Audit Committee are as follows;

| | |
|--|---|
| 1. Gen. Sittisak Tayparsit | Chairman of Audit Committee 4/4 meeting attendance |
| 2. Assoc. Prof. Suchart Laopreeda | Member of Audit Committee 4/4 meeting attendance |
| 3. Assoc. Prof. Dr.-Ing. Panit Pujinda | Member of Audit Committee 4/4 meeting attendance |

In order to assure effectiveness and efficiency of audit and review, for every meeting, directors taking part in the management, management members and related persons were invited to provide information regarding important matters to the Audit Committee. The committee also arranged a meeting with the external auditor and the internal auditor as appropriate without the management involvement to independently discuss important operational matters.

The Audit Committee has carried out its duties independently according to the charter approved by the Board of Directors, to ensure that the Company's business operation has appropriate level of corporate governance, in compliance with regulations and the best practice guideline for Audit Committee defined by the Securities and Exchange Commission and the Stock Exchange of Thailand. Details of the Audit Committee's meetings in 2020 can be summarized as follows;

1.Review of Financial Reports

The Audit Committee reviewed accuracy, completeness, significant accounting adjustment, appropriateness of accounting method and scope of accounting audit, of the Company's quarterly and annual financial report for the year 2020, including the consolidated financial statements of the Company and its subsidiaries. The Audit Committee discussed with the external auditor; Pricewaterhousecoopers ABAS Ltd, regarding important matters, accounting estimation, discretion applied in the preparation of financial statement, and adequacy of information disclosure. The committee had made inquiries and discreteness to ensure that the preparation of financial statement and the information disclosure are trustworthy, transparent and accurate; and that the financial statements are prepared promptly and sufficiently in compliance with Thai Financial Reporting Standard, benefitting to investors and users of the financial statements.

The Audit Committee has concluded that the financial statements of ALT Telecom Public Company Limited had been prepared under appropriate internal control, by a certified independent auditor without scope limitation. Thus, it can be assured that the preparation of the Company's financial statements complied with relevant regulations and the financial reporting standards. The accounting and financial statements are trustworthy and information disclosure is accurate and appropriate.

2. Internal Control and Internal Audit

The Audit Committee has overseen the Company's internal audit to comply with professional standard and COSO framework of internal control as required by the Securities and Exchanges Commission and the Stock Exchange of Thailand; and to ascertain that the internal audit procedure is independent and effective. In this regard, the committee had reviewed the internal audit report prepared by the internal auditor; AMT Solution Co., Ltd which was the Company's internal auditor in 2020, on a quarterly basis; in accordance with the internal audit plan governing all major business activities of the Company. The procedure was to ensure that the internal control was in-line with the Company's strategic direction, using risk assessment as a basis of internal control. The committee had provided suggestions on important matters to the board of directors, to follow up issues in internal control reported by the internal auditor, which were to be solved and consistently improved by the management.

The Audit Committee had evaluated and reviewed the internal auditing of the Company, and opined that the internal audit procedure is appropriate, effective, and independent. Annual internal audit plan was in line with the corporate goals and risks, while the achievement of internal audit department has met the target. There was no subject matter or fault that can possibly affect the Company significantly, representing that the Company has been placing value on the internal control and it can be reasonably assured that the Company's internal control is adequate, efficient and effective.

3. Compliance with the laws applicable to the securities and exchanges, regulations of the Stock Exchange of Thailand and/or the laws relevant to the Company's business

The Audit Committee has supervised and monitored the Company to ensure their regulatory compliance with rules, regulations and laws applicable to the securities and exchange, the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, laws applicable to the Company's business. And to ensure that the corporate operations complied with corporate policy, rules, and obligations arising from agreements with third parties and demands.

The Audit Committee had an opinion that the obligations which the Company has to proceed to comply with all obligations and laws applicable to the securities and exchange, the regulations of the Stock Exchange of Thailand and other laws applicable to the Company's business, had been executed completely, accurately and appropriately.

4. Consideration of nomination and remuneration of the auditor for 2020

The Audit Committee considered the nomination and remuneration of auditors based on the auditor's independence, qualification, competency and expertise in financial statement auditing presented during the previous year, and the auditing fee. The Audit Committee suggested an opinion to the board of directors to seek approval from shareholders' meeting to appoint Mr. Pisit Thangtanagul CPA 4095 and/or Mr. Paiboon Tunkoon CPA 4298 and/or Mrs. Sakuna Yamsakul CPA 4906 from Pricewaterhousecoopers ABAS Ltd. as the Company's auditors for 2020.

5. Review of Connected Transactions or Transactions that might cause a conflict of interest

The Audit Committee reviewed the appropriateness of the procedure relating to the connected transactions or the transactions that might cause a conflict of interest during the year, to ensure that the transactions are fair, reasonable and for the best benefit of the Company. The review of the connected transactions is one of the primary meeting agenda items of the Audit Committee. The committee has overseen the disclosure of the transaction to ensure the information was disclosed completely, lawfully and in compliance with notifications of the Securities and Exchange Commission and the Stock Exchange of Thailand.

6. Performance Assessment of the Audit Committee

The Audit Committee evaluated their performance by taking the self-assessment; as a group, suggested by the Stock Exchange of Thailand. The assessment result represented that the Audit Committee has carried out its duties and responsibilities according to the charter, using their knowledge, experience and cautiousness, under appropriate independence. The committee had provided suggestions regarding important matters benefitting all stakeholders.

7. Review and Update of Audit Committee Charter

The Audit Committee reviews and update the Audit Committee charter on annual basis to ascertain that the charter complies with the regulations and the best practice of the Securities and Exchanges Commission and the Stock Exchange of Thailand. The committee has evaluated its performance in accordance with the best practice specified by the Securities and Exchange Commission and the Stock Exchange, and the result was at satisfied level in which the committee has completely carried out its duties, as prescribed in the charter of Audit Committee approved by the board of directors, with expertise, knowledge and independence of the committee's members. The committee also consistently assisted the management and the board of directors by providing opinions and suggestions.

Overall, the Audit Committee has an opinion that the board of directors, the executive committee and the management endeavored to professionally carry out their duties with ethics, to achieve corporate goal and cope with changes in business, while thoroughly emphasizing on effective and transparent corporate governance, including appropriate risk management and internal control.



General Sitthisak Tayparsit
Chairman of Audit Committee

Report from Risk Management Committee

To shareholders of ALT Telecom Public Company Limited,

The Risk Management Committee which has been appointed by the Board of Directors, comprises of 6 members which 2 members; who are professional in finance, accounting, management and specialists, are the independent directors and completely meet the qualification of the committee. The committee comprises of the following 6 members;

| | |
|---------------------------------------|--|
| 1. Mr. Pyut Bhuwakul | Chairman of the Risk Management Committee |
| | Member of the Risk Management Committee / Independent Director |
| 2. Assoc. Prof. Suchart Laopreeda | Member of the Risk Management Committee / Independent Director |
| 3. Assoc. Prof. Dr.-Ing Panit Pujinda | Member of the Risk Management Committee |
| 4. Mr. Satian Tantanasarit | Member of the Risk Management Committee / |
| 5. Mrs. Preeyaporn Tangpaosak | Member of the Executive Committee |
| | Member of the Risk Management Committee / |
| 6. Ms. Preeyapun Bhuwakul | Member of the Executive Committee |

In 2020, the Risk Management Committee arranged 2 meetings. The committee have carried out their duties in accordance with the code of conduct of the Risk Management Committee, and invited the corporate management to the meetings as appropriate. In compliance with the principles of good corporate governance, the committee has been supporting the Company's operation to establish efficient and effective risk management to achieve corporate goals according to the Company's vision and organizational direction, whilst reducing the effects from uncertainties in business environment and building-up shareholder confidence by ascertaining that the Company's risk management can handle every possible risk. The duties of the committee can be summarized as follows;

1. Annually review the risk management policy and the code of conduct of the Risk Management Committee, to maintain appropriate scope of duties.
2. Consider the risks in major corporate investment projects. The Risk Management Committee have provided their suggestions and opinions independently to ensure that all significant risks were fully defied, handled with appropriate risk management and minimized to acceptable level. And that risk management has been applying to business practice.
3. Closely follow up the Company's risk management and provide suggestions for improvement to the management. The risk management plan was reviewed in correspondence with changing corporate strategies and business environment. The operating results and operation plans were reported to the committee who then independently and transparently stated their suggestions and opinions regarding the issues.

The Risk Management Committee-with their competency, knowledge and experience-have independently, cautiously, and appropriately offered their suggestions, and have introduced suitable framework for risk management to the management to increase efficiency in business management, and to achieve corporate goals while maintaining the acceptable level of risk appetite. The committee places value on excellence in risk and strategic management, as well as employee dedication and participation, to support the Company to grow with full capacity in challenging business environment.



Mr. Pyut Bhuwakul

Chairman of the Risk Management Committee

Report from Nomination and Remuneration Committee

To shareholders of ALT Telecom Public Company Limited,

The Nomination and Remuneration Committee comprises of 1 independent directors and 2 executives as follows;

- | | |
|-----------------------------------|---|
| 1. Assoc. Prof. Suchart Laopreeda | Chairman of the Nomination and Remuneration Committee/ Independent Director |
| 2. Mr. Pyut Bhuwakulwong | Member of the Nomination and Remuneration Committee/ Member of the Executive Committee |
| 3. Ms. Natika Praduttanachote | Member of the Nomination and Remuneration Committee/ Company Executive |

In 2020, the Nomination and Remuneration Committee had one meeting, attended by all members of the committee, which the resolutions altogether with the committee's opinions and recommendations were reported to the Board of Directors. The committee's duties can be summarized as follows;

1. Recruit, select, and nominate appropriate personnel for the position of company director replacing those who had completed their term and/or fill in a vacant position, and/or an additional position.
2. Annually review the code of conduct of the Nomination and Remuneration Committee of the Company
3. Consider the selection of new director replacing those who retired by rotation of ALT Telecom Plc. and subsidiaries and their remuneration. The Committee freely provide opinion and suggestions to the Board of Directors and specified appropriate remuneration; monetary or non-monetary terms, of company directors—based on their scope of duties, responsibilities, and accomplishment--comparing to other counterparts and benefit which the Company expected from the directors. The result then was reported to the Board of Director for consideration which would submit to the shareholders meeting for approval.
4. Consider personnel selection from the qualified candidates for the positions of a member of the Executive Committee and Vice President and determine appropriate remuneration.
5. Consider the determination of remuneration, commission, bonus, rewards, and welfare of the executives of ALT Telecom Plc. and subsidiaries, and report to the Board of Directors for approval.
6. Consider the succession plan for executives of the Company and report to the Board of Directors for approval.
7. Evaluate performance of the Executive Vice President and the Nomination and Remuneration Committee, and report to the Board of Directors for approval.
8. Provide explanation and clarification regarding the remuneration and nomination of directors to the shareholders meetings.

The Nomination and Remuneration Committee have been thoroughly, transparently and reasonably carried out their duties abiding the regulations, while put importance on the best benefit of shareholders and stakeholders of the Company. Each member of the committee stated their opinions independently and creatively corresponding to their scope of duties as defied in the code of conduct of the Nomination and Remuneration Committee.



Assoc. Prof. Suchart Laopreeda

Chairman of the Nomination and Remuneration Committee

Report on the Board of Directors

Responsibilities for Financial Reports

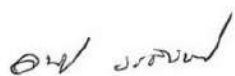
The Board of Directors is responsible for the consolidated and separated financial statements of ALT Telecom Plc. and subsidiaries, information memorandums, financial and other information disclosed in the annual report 2020. The financial statements have been prepared in accordance with general accepted accounting principles. In the preparation of these financial statements, proper accounting policies have been employed and consistently adhered to, including careful consideration, prudent and reasonable estimations, and appropriate information disclosure in the note to the financial statements. The certified accounting auditor has audited and provided unqualified opinion for the Company's financial statement.

The Board of Directors is aware of their roles and responsibilities to consistently comply with the good corporate governance policy to ensure efficiency, transparency and reliability of the Company's operation. The Board have arranged for appropriate internal control and risk management, in order to reasonably ascertain that the Company's accounting information is complete and sufficient to protect the Company's assets and to prevent significant fraud and corruption.

Moreover, the Board of Directors has arranged for proper and efficient internal control system and internal audit system. The Audit Committee, which entirely comprised of three independent directors, was appointed by the Board of Directors to audit and review the Company's financial reports, internal control, and risk management, as well as information disclosure of the related transactions, compliance with the laws and regulations relating to the Company's business, to ensure that the Company's accounting records were accurate, complete and sufficient as a safeguard to protect the Company's asset and prevent fraud or significant abnormality. Whereas the opinion of the Audit Committee regarding the issues have been disclosed in a report of the Audit Committee stated in this annual report.

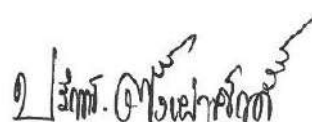
The Company's financial statements have been audited by the Company's accounting auditor; Pricewaterhousecoopers ABAS Ltd., and received unqualified opinions reflecting the Company's financial status and performance for the benefit of shareholders and investors. As for the accounting audit, the Board of Directors have provided supports regarding information and documents for the accounting auditor to carry out their auditing task and to provide their opinion in accordance with the auditing standards. Opinion of the accounting auditor has been stated in the auditor's report published in the Company's annual report.

The Board of Directors had an opinion that the Company's internal control was generally on satisfied level. The Company has been abided by Thai financial reporting standard and other relevance laws and regulations. Thus, the financial reports of ALT Telecom Public Company Limited; both the consolidated and separated financial reports, and the financial reports of its subsidiaries for the fiscal year ended 31 December 2010 are accountable.



(Dr. Anant Voratitipong)

Chairman of the Board



(Mrs. Preeyaporn Tangpaosak)

Executive President

EXECUTIVE SUMMARY

The performance of ALT Telecom Public Company Limited ("ALT") for the year ended 31 December 2020 compared to the prior year are summarized as follows:

MillionTHB

| Income Statement | 2020 | | 2019 (Restated) | | Up (down) | |
|---------------------------------|------------|---------|--------------------|---------|-----------|------------|
| Revenues | | | | | | |
| Sales | 171.87 | 11.0% | 354.77 | 35.4% | (182.90) | −51.6% |
| Services - construction | 1,151.26 | 73.9% | 491.72 | 49.1% | 659.54 | 134.1% |
| Services - network | 234.42 | 15.1% | 154.69 | 15.5% | 79.72 | 51.5% |
| Total revenues | 1,557.54 | 100% | 1,001.18 | 100.0% | 556.36 | 55.6% |
| Cost | | | | | | |
| Cost of sales | (140.26) | −81.6% | (285.42) | −80.5% | (145.16) | −50.9% |
| Cost of services - construction | (1,042.07) | −90.5% | (323.11) | −65.7% | 718.96 | 222.5% |
| Cost of service - network | (276.95) | −118.1% | (299.80) | −193.8% | (22.85) | −7.6% |
| Total cost | (1,459.27) | −93.7% | (908.32) | −90.7% | 550.95 | 60.7% |
| Gross profit (loss) | 98.27 | 6.3% | 92.86 | 9.3% | 5.14 | 5.8% |
| Other income | 535.41 | 34.4% | 52.37 | 5.2% | 483.03 | 922.3% |
| Selling expenses | (83.74) | −5.4% | (76.83) | −7.7% | 6.91 | 9.0% |
| Administrative expenses | (158.71) | −10.2% | (136.66) | −13.6% | 22.05 | 16.1% |
| Loss of exchange rate | 3.31 | 0.2% | 3.33 | 0.3% | (0.02) | −0.6% |
| Share of loss of associate | (12.98) | −0.8% | (12.64) | −1.3% | (0.34) | −2.7% |
| Share of gain of JV | 13.97 | 0.9% | (6.47) | −0.6% | 20.44 | 316.1% |
| Finance costs | (31.66) | −2.0% | (41.43) | −4.1% | (9.77) | −23.6% |
| Profit (loss) before income tax | 363.88 | 23.4% | (125.47) | −12.5% | 489.34 | 390.0% |
| Income tax | (94.19) | −6.0% | 0.17 | 0.0% | 94.36 | 57059.9% |
| Profit (Loss) for the period | 269.69 | 17.3% | (125.30) | −12.5% | 394.99 | 315.2% |
| Profit (Loss) attributable to: | | | | | | MillionTHB |
| Owners of the parent | 267.43 | 17.2% | (132.88) | −13.3% | 400.30 | 301.3% |
| Non-controlling interests | 2.26 | 0.1% | 7.57 | 0.8% | (5.31) | −70.2% |
| | | | | | | THB/Share |
| Earnings (loss) per share | 0.26 | | (0.13) | | 0.39 | 300.0% |

Consolidated financial Statement 2019 restated

As a result of shares acquisition of Energy Max Co., Ltd. (EMAX) dated August 19, 2020 at the portion of 97.82% from previous shareholder – ALT Holding Co., Ltd, who has control over the Company and EMAX. This transaction is determined as business combination under common control. The Company therefore reflected this transaction in the consolidated financial statements as if the transaction incurred since 1 January 2019. This follows the guideline for business combination under common control as issued by the Federal of Accounting Professions. The purpose of this restatement is for comparison and analysis on financial report.

Consolidated Financial Statement for year ended 31 December 2020 compared to the prior year;

- Total revenue increased by THB 556.36 million or 55.6% from THB 1,001.18 million to THB 1,557.54 million.
- Revenue from services with an increase of THB 659.54 million or 134.1% from THB 491.72 million to THB 1,151.26 million. The major portion of change resulted from revenue from Smart Grid Project.
- Revenue from product sales decreased by THB 182.90 million or 51.6% from THB 354.77 million to THB 171.87 million.
- Revenue from network service increased by THB 79.72 million or 51.5% from THB 154.69 million to THB 234.42 million.
- Gross profit increased by THB 5.41 million or 5.8% from THB 92.86 million to THB 98.27 million.
- Other income of THB 535.41 million, mainly items were revenue from recovery claim on legal dispute case THB 412.53 million and the profit from asset sale THB 89.28 million.
- Selling expenses increased by THB 6.91 million or 9.0%, which increased as the growth of revenue. Anyhow if it be compared to the revenue size, the expense ratio decreased from 7.7% to 5.4%.
- Administrative expenses increased by THB 22.05 million, mainly incurred from the writing off defected network equipment in Hemaraj Project amounting to THB 15.69 million and provision of impairment on account receivable as new accounting standard TFRS 9.
- The finance cost decreased by THB 9.77 million or 23.6% from THB 41.43 million to THB 31.66 million, as a result of decreasing of loan balance and interest rate.
- Overall performance of the Company for the year 2020 was net profit of THB 269.69 million, compared to net loss of THB 125.30 million in 2019, the Company had growth of net profit about 315.2%
- As at the end of the year 2020, the Company has backlog on hand about THB 1,184 million.

| MillionTHB | | | | |
|------------------------------|------------|------------|-----------|---------|
| Financial Position | Dec 30, 20 | Dec 31, 19 | Up (Down) | |
| Asset | | | | |
| Current assets | 1,405.04 | 1,083.28 | 321.76 | 29.7% |
| Non-Current assets | 1,796.56 | 1,791.30 | 5.25 | 0.3% |
| Total assets | 3,201.60 | 2,874.58 | 327.01 | 11.4% |
| Liabilities and equity | | | | |
| Current Liabilities | 961.04 | 1,351.16 | (390.12) | −28.9% |
| Non-Current Liabilities | 409.54 | 115.07 | 294.47 | 255.9% |
| Total Liabilities | 1,370.57 | 1,466.22 | 95.65 | −6.5% |
| Paid-up capital | 566.11 | 509.50 | 56.61 | 11.1% |
| Share premium | 1,341.06 | 1,058.00 | 283.06 | 26.8% |
| Other component | 33.17 | 49.52 | (16.35) | −33.0% |
| Retained earning | (110.01) | (202.42) | 92.40 | −45.6% |
| Legal reserve | 62.50 | 55.00 | 7.50 | 13.6% |
| Unappropria | (172.51) | (257.42) | 84.90 | −33.0% |
| Non-controlling interests | 0.69 | 6.25 | 6.95 | −111.0% |
| Total equity | 1,831.02 | 1,408.36 | 422.67 | 30.0% |
| Total Liabilities and equity | 3,201.60 | 2,874.58 | 372.01 | 11.4% |

Statement of Financial Position

- Total assets increased by THB 327.01 million, total liabilities decreased by THB 95.65 million and equity increased by THB 422.67 million.
- Increase of assets most of it was an increase in current assets, by THB 321.76 million, the main items were an increase of cash and trade accounts receivable of THB 459.96 million and THB 288.60 million, respectively. Such account receivable was receivable on short term project, which it has already been paid in January 2021. The main items that decreased were inventories and loans to related parties in the amount of THB 212.60 million and THB 142.40 million, respectively.
- The current liabilities decreased by THB 390.12 million, the main items were the repayment of loans from financial institutions THB 415.03 million.
- Non-current liabilities increased THB by 294.47 million. The main item was the outstanding of unearned revenue from IRU contracts (Indefeasible rights of use) amounting to THB 240.23 million
- The increase of THB 422.67 million, main items consisted of annual profit THB 269.69 million, capital increase from the exercise of ALT-W1 THB 336.67 million and payment of interim dividend THB 101.88 million.

Financial Ratio

| | 2020 | 2019 |
|-------------------------------------|-------|------|
| Debt to equity | 0.75 | 1.04 |
| Net interest bearing debt to Equity | -0.06 | 0.61 |
| Current Ratio | 1.46 | 0.80 |

The leverage ratio of the Company was quite low; Debt to Equity ratio was only at 0.75 time and Net Interest-bearing Debt was negative due to the summary of cash short term investment and Restricted Cash was higher than interest-bearing debt.

| | Million THB | |
|------------------------------------|---------------|-----------------|
| Cash Flow | 2020 | 2019 |
| Net cash generated from operation | 710.56 | (35.58) |
| Net cash generated from investment | 34.06 | 70.20 |
| Net cash generated from finance | (284.66) | (221.92) |
| Net cash flow | 459.96 | (187.29) |
| Beginning cash | 37.48 | 224.77 |
| Ending cash | 497.44 | 37.48 |

Cash flow statement

In 2020, the Company's net operating cash flow amounted to THB 710.56 million, which most of it was made repayment to banks loan, provided interim dividend to shareholders and used for projects investment and working capital for normal operation.

Direction for development and enhancing resources value

2020 was the year of restructuring organization, the Company rearranged the investment portfolio in accordance with the business environment and capital structure of the Company, to suit with the future growth, along with strengthening the business status by synergy with strategic partners. The alliances will assist the Company to enhance its assets utilization and expand the business opportunity in line with the direction of development of the country such as change of technology, cities and social development as well as consumer behaviours. The framework for developing and adding value of the Company's resources are as follows;

1. Accelerate the utilization of the Company's network

- Expand domestic customer base to link to the electricity business by joint venture with RATCH to establish a joint venture company Smart Infranet Co., Ltd.
- Add up the value of Smart Grid project by acquiring the common shares of Energy Max Co., Ltd. "EMAX"), at the price THB 25,554,962 for the portion 97.82% of its paid-up capital. Total capital of EMAX was THB 1,187,500 divided into ordinary shares 687,500 shares, at THB 25 par.

For the readiness of future growth, EMAX increased its capital by THB 275,000,000, divided into 11,000,000 shares at THB 25 par, which resulted in the capital of EMAX increased from THB 17,187,500 to be THB 292,187,500. After increased capital, the shareholding portion of ALT up from 97.82% to be 99.97%.

EMAX called for capital injection 25% of par or THB 6.25 per share. The payment of such injection was done and complete registered on 8 February 2021.

- Enhance network value with technology Link services with vehicle use, such as paying tolls, traffic discipline detection, auto insurance business.

2. Add network value with Platform in Fiber Space project, which providing the integration picture of the Company's every network. The platform will be the management tool to assist the Company well manages its assets efficiently. Furthermore, it expanded the opportunities to the network of the partners such as the Electricity Generating Authority of Thailand.

3. Complement and expand the revenue base of existing telecommunication assets and cooperate to promote Thailand developing to **ASEAN DIGITAL HUB**.

4. Seek alliances to strengthen business opportunities and financial status to be able to reach the future opportunities.

Independent Auditor's Report

To the Shareholders and the Board of Directors of ALT Telecom Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of ALT Telecom Public Company Limited (the Company) and its subsidiaries (the Group) and separate financial position of the Company as at 31 December 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2020;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that are relevant to my audit of the consolidated and separate 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 judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

| Key audit matter | How my audit addressed the key audit matter |
|---|--|
| <p><i>Revenue recognition for long-term contracts</i></p> <p>Refer to note 7.19 (c)</p> <p>The Group has revenue from long-term contracts for the year ended 31 December 2020 of Baht 1,151.26 million representing 73.92% of total revenue in the consolidated income statement.</p> <p>Recognition of revenue for long-term contracts of the Group is complex due to the several contract types made with customers which varies depending on the project in which it is executed. Revenue is recognised when the Group satisfies a performance obligation by transferring services to customers over time. time.</p> <p>I focused on this area as revenue recognition involves significant judgement and estimation made by management in relation to a determination of whether contracts contain multiple performance obligations which should be accounted for separately and the most appropriate method for revenue recognition for each identified performance obligation. This also comprises an allocation of consideration to the individual performance obligations of multi-element contracts.</p> <p>In addition, I focused on assessing the stage of completion of contracts, which are accounted for over time.</p> | <p>My procedures in relation to management's assessment of revenue recognition of those contracts included:</p> <ul style="list-style-type: none"> • discussing the Group accounting policy with management, including the key accounting estimates and judgements made by the management • testing internal controls over the budgeting process relating to the estimated total contract costs and verifying management's estimated total contract costs by inquiring the project engineer and inspecting the supporting evidence; • testing the internal controls over the revenue and receivable cycle, and the purchase and payable cycle for projects; • understanding and assessing the judgements applied in management's forecast, particularly, the key assumptions including the expected recovery in the forecast, and the historical financial performance and forecast out-turn against budget of other contracts of a similar nature and size; • evaluating the management's significant judgements and estimates in applying the revenue recognition accounting policy to a sample of specific contracts and separable performance obligations of contracts by obtaining evidence to support them including client acceptance certificates, correspondence and minutes of meetings with customers, invoices, and delivery notes; and • evaluating source of data and management's judgement in calculation of the stage of completion of contracts against supporting evidence. <p>I found revenue recognition on long-term contracts were reasonable and appropriate based on the environment and circumstances.</p> |

| Key audit matter | How my audit addressed the key audit matter |
|--|---|
| <p>Assessment of recoverable amount of fiber optic network</p> <p>The Group has total fiber optic network as at 31 December 2020 of Baht 766.05 million, including fiber optic cable along the railway of Thailand (SRT) of Baht 548.37 million. SRT project has experienced loss from operations, indicating that such fiber optic network may be impaired. The Group, therefore, tests impairment of this fiber optic network.</p> <p>Management determined the recoverable amount for the fiber optic network from the fair value less cost to sell model by applying a discounted cash flow approach.</p> <p>An assessment of the recoverable amount of fiber optic network is determined to be a key audit matter because the amount of that fiber optic network is material to the financial statements. The recoverable amount depends on assumptions which involve significant management judgements, such as an estimate of the future cash flows and the discount rate including the assessment of risk and other factors relevant to the estimation.</p> | <p>My procedures in relation to management's assessment of the recoverable amount of the fiber optic network included:</p> <ul style="list-style-type: none"> • understanding and assessing the reasonableness of key assumptions such as the discount rate and customer attrition rate. The procedures included comparing the key assumptions to external sources; • testing the reliability of input data to supporting evidence such as quotations from third parties to consider the reasonableness of the budget; • analysing whether costs and expense were in line with sales and consistent with actual historical amounts; • engaging my firm's valuation expert to evaluate the methodology used by management to estimate fair value, reasonableness of discount rate and testing calculation of recoverable amount; and • performed a sensitivity analysis on key assumptions. <p>I found management's assumptions in relation to fair value calculations were reasonable and supported by the available evidence.</p> |

Emphasis of matter

I draw attention to note 7 and 8.1.2 of the consolidated and separate financial statements, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2020 and 31 December 2020. My opinion is not modified in respect to this matter.

Other information

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

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated 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.

PricewaterhouseCoopers ABAS Ltd.

Pisit Thangtanagul

Certified Public Accountant (Thailand) No. 4095

Bangkok

23 February 2021

| | Notes | Consolidated financial statements | | | Separate financial statements | |
|---|-------|--------------------------------------|---------------------------------|-------------------------------|----------------------------------|----------------------|
| | | 31 December 2020 | 31 December 2019 Restated | 1 January 2019 Restated | 31 December 2020 | 31 December 2019 |
| | | Baht | Baht | Baht | Baht | Baht |
| Assets | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | 12 | 497,436,779 | 37,478,317 | 224,773,059 | 325,626,470 | 15,193,700 |
| Short-term investments | | - | 840,974 | 648,449 | - | 840,974 |
| Trade and other receivables | 13 | 514,573,805 | 225,975,591 | 454,754,230 | 208,347,787 | 222,359,414 |
| Current portion of long-term receivables | | 1,346,323 | 23,466,498 | 17,296,765 | 1,346,323 | 1,351,250 |
| Contract assets | 13 | 169,462,902 | 135,860,710 | 212,489,638 | 89,716,911 | 41,734,724 |
| Short-term loans to related parties | 39 | 7,600,000 | 150,000,000 | 16,000,000 | 7,600,000 | 188,500,000 |
| Financial assets measured at amortised cost | | 1,099,730 | - | - | 1,099,730 | - |
| Inventories | 14 | 156,409,386 | 369,378,925 | 347,567,137 | 101,062,391 | 276,417,132 |
| Current portion of prepaid rent | | - | 24,330,097 | 22,829,111 | - | 18,684,716 |
| Other current assets | 16 | 57,109,428 | 115,945,919 | 149,822,337 | 1,496,130 | 57,791,952 |
| Total current assets | | 1,405,038,353 | 1,083,277,031 | 1,446,180,726 | 736,295,742 | 822,873,862 |
| Non-current assets | | | | | | |
| Restricted cash | 17 | 108,361,907 | 69,077,771 | 100,912,672 | 27,925,307 | 27,925,171 |
| Long-term receivables | | 3,253,617 | 4,616,774 | 22,115,248 | 3,253,617 | 4,616,774 |
| Prepaid rent | | - | 60,373,158 | 54,314,733 | - | 60,373,158 |
| Investment in subsidiaries | 20 | - | - | - | 925,866,469 | 800,311,507 |
| Investment in associates | 19 | 26,459,947 | 38,586,346 | 42,164,174 | 39,935,345 | 39,935,345 |
| Interest in joint venture | 19 | 235,991,513 | 41,974,942 | 48,355,810 | 306,224,815 | 37,214,815 |
| Long-term loans to related parties | 39 | 189,153,476 | 196,580,000 | 390,000,000 | 189,153,476 | 196,580,000 |
| Property, plant and equipment | 21 | 99,548,048 | 95,958,822 | 100,382,190 | 57,363,535 | 56,843,370 |
| Right-of-use assets | 18 | 230,046,657 | - | - | 92,318,629 | - |
| Fiber optic network equipment | 22 | 766,048,397 | 1,086,507,276 | 1,071,653,211 | 217,680,466 | 732,830,027 |
| Intangible assets | 23 | 8,460,395 | 10,310,494 | 18,514,802 | 2,111,872 | 2,674,673 |
| Deferred tax assets | 24 | 60,013,251 | 115,547,241 | 100,945,905 | - | 49,965,972 |
| Other non-current assets | | 69,221,175 | 71,772,029 | 21,263,553 | 31,884,167 | 32,918,579 |
| Total non-current assets | | 1,796,558,383 | 1,791,304,853 | 1,970,622,298 | 1,893,717,698 | 2,042,189,391 |
| Total assets | | 3,201,596,736 | 2,874,581,884 | 3,416,803,024 | 2,630,013,440 | 2,865,063,253 |

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

ALT Telecom Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 December 2020

| | Notes | Consolidated financial statements | | | Separate financial statements | |
|--|-------|--------------------------------------|----------------------|----------------------|----------------------------------|----------------------|
| | | 31 December 2020 | 31 December 2019 | 1 January 2019 | 31 December 2020 | 31 December 2019 |
| | | | Restated | Restated | | |
| | | Baht | Baht | Baht | Baht | Baht |
| | | | | | | |
| Liabilities and equity | | | | | | |
| Current liabilities | | | | | | |
| Bank overdrafts and short-term | | | | | | |
| borrowings from financial institutions | 25 | 465,979,586 | 881,004,761 | 1,113,214,585 | 325,005,353 | 513,044,109 |
| Trade and other payables | 26 | 367,045,767 | 361,268,662 | 574,182,239 | 183,474,804 | 576,329,001 |
| Current portion of long-term payables | | 3,409,833 | - | - | - | - |
| Current portion of finance lease liability | 25 | - | 313,205 | 356,252 | - | - |
| Current portion of lease liabilities | 25 | 56,734,274 | - | - | 660,069 | - |
| Current portion of long-term borrowings | | | | | | |
| from financial institutions | 25 | 21,893,715 | 27,468,000 | 23,301,000 | 21,893,715 | 27,468,000 |
| Short-term loans from related parties | 39 | - | 24,000,000 | - | - | 69,100,000 |
| Accrued income tax | | 5,818,487 | 225,156 | - | 53,864 | - |
| Other current liabilities | 27 | 40,154,570 | 56,879,613 | 58,748,713 | 12,941,117 | 20,879,610 |
| Total current liabilities | | 961,036,232 | 1,351,159,397 | 1,769,802,789 | 544,028,922 | 1,206,820,720 |
| Non-current liabilities | | | | | | |
| Long-term borrowings from financial institutions | 25 | 15,053,000 | 36,430,110 | 62,908,305 | 15,053,000 | 36,430,110 |
| Advanced receipt from customers | | 240,232,255 | - | - | - | - |
| Long-term payables | | 4,729,746 | - | - | - | - |
| Finance lease liabilities | | - | - | 313,206 | - | - |
| Lease liabilities | 25 | 81,505,594 | - | - | 6,613,633 | - |
| Employee benefit obligations | 28 | 39,078,606 | 31,642,020 | 28,578,679 | 12,600,077 | 9,930,584 |
| Provision for decommissioning | | 8,579,983 | 31,522,025 | 30,319,192 | 5,097,162 | 28,528,330 |
| Deferred tax liabilities | 24 | 4,386,537 | - | - | 4,386,537 | - |
| Other non-current liabilities | | 15,971,574 | 15,471,179 | 14,881,905 | - | - |
| Total non-current liabilities | | 409,537,295 | 115,065,334 | 137,001,287 | 43,750,409 | 74,889,024 |
| Total liabilities | | 1,370,573,527 | 1,466,224,731 | 1,906,804,076 | 587,779,331 | 1,281,709,744 |

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

ALT Telecom Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 December 2020

| | Notes | Consolidated financial statements | | | Separate financial statements | |
|---|-------|--------------------------------------|----------------------|----------------------|----------------------------------|---------------------|
| | | 31 December 2020 | 31 December 2019 | 1 January 2019 | 31 December 2020 | 31 December 2019 |
| | | | Restated | Restated | | |
| | | Baht | Baht | Baht | Baht | Baht |
| Liabilities and equity (Cont'd) | | | | | | |
| Equity | | | | | | |
| Share capital | 29 | | | | | |
| Authorised share capital | | | | | | |
| Ordinary share 1,250,000,000 shares of par Baht 0.50 each (31 December 2019: Ordinary share 1,250,000,000 shares of paid-up Baht 0.50 each) | | 625,000,000 | 625,000,000 | 625,000,000 | 625,000,000 | |
| Issued and paid-up share capital | | | | | | |
| Ordinary share 1,132,227,419 shares of paid-up Baht 0.50 each (31 December 2019: Ordinary share 1,019,004,200 shares of paid-up Baht 0.50 each) | | 566,113,710 | 509,502,100 | 508,002,100 | 566,113,710 | |
| Share premium | 29 | 1,341,061,548 | 1,058,003,500 | 1,050,503,500 | 1,341,061,548 | |
| (Discount) surplus from business combination under common control | | (11,884,999) | 4,605,502 | 4,605,502 | - | |
| Share surplus from share-based payment | | 1,836,570 | 1,836,570 | 1,836,570 | - | |
| Change in parent's ownership interest in subsidiaries | | 42,694,664 | 42,694,664 | 42,694,664 | - | |
| Retained earnings (Deficits) | | | | | | |
| Appropriated - legal reserve | 30 | 62,500,000 | 55,000,000 | 55,000,000 | 62,500,000 | |
| Unappropriated | | (172,513,569) | (257,416,719) | (139,270,699) | 72,558,851 | |
| Other components of equity | | 524,779 | 386,067 | 452,126 | - | |
| Equity attribute to owners of the parent | | 1,830,332,703 | 1,414,611,684 | 1,523,823,763 | 2,042,234,109 | |
| Non-controlling interests | | 690,506 | (6,254,531) | (13,824,815) | - | |
| Total equity | | 1,831,023,209 | 1,408,357,153 | 1,509,998,948 | 2,042,234,109 | |
| Total liabilities and equity | | 3,201,596,736 | 2,874,581,884 | 3,416,803,024 | 2,630,013,440 | |

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

ALT Telecom Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2020

| | Notes | Consolidated | | Separate | |
|---|-------|------------------------|----------------------|----------------------|----------------------|
| | | financial statements | | financial statements | |
| | | 2020 | 2019 | 2020 | 2019 |
| | | Baht | Restated Baht | Baht | Baht |
| Revenues | | | | | |
| Sales | | 171,867,416 | 354,772,246 | 124,848,930 | 60,440,675 |
| Services income | | 1,151,261,090 | 491,717,991 | 592,540,490 | 171,504,919 |
| Services income - fiber optic network | | 234,415,773 | 154,693,668 | 53,900,795 | 67,233,167 |
| Total revenues | | 1,557,544,279 | 1,001,183,905 | 771,290,215 | 299,178,761 |
| Cost | | | | | |
| Cost of sales | | (140,256,350) | (285,416,569) | (106,969,350) | (44,302,018) |
| Cost of services | | (1,042,069,541) | (323,111,786) | (706,799,130) | (136,817,383) |
| Cost of service - fiber optic network | | (276,946,657) | (299,795,714) | (95,466,389) | (177,303,009) |
| Total cost | | (1,459,272,548) | (908,324,069) | (909,234,869) | (358,422,410) |
| Gross profit (loss) | | 98,271,731 | 92,859,836 | (137,944,654) | (59,243,649) |
| Other income | 33 | 535,407,591 | 52,373,303 | 595,751,804 | 289,735,434 |
| Selling expenses | | (83,738,232) | (76,833,167) | (34,223,077) | (31,754,992) |
| Administrative expenses | | (158,710,660) | (136,658,852) | (72,360,376) | (82,727,322) |
| Gain (loss) from exchange rate | | 3,310,382 | 3,330,313 | (272,846) | (879,551) |
| Share of loss of investments in associate | 19 | (12,983,589) | (12,644,019) | - | - |
| Share of profit (loss) of interest in joint venture | 19 | 13,974,742 | (6,467,159) | - | - |
| Finance costs | 34 | (31,655,574) | (41,427,261) | (17,649,138) | (37,118,495) |
| Profit (loss) before income tax | | 363,876,391 | (125,467,006) | 333,301,713 | 78,011,425 |
| Income tax | 36 | (94,190,619) | 165,363 | (68,344,931) | 6,323,394 |
| Profit (Loss) for the year | | 269,685,772 | (125,301,643) | 264,956,782 | 84,334,819 |
| Other comprehensive income (expense) : | | | | | |
| <i>Items that will not be reclassified to profit or loss</i> | | | | | |
| Other comprehensive income from investment in associate for using the equity method | 19 | 718,477 | 9,132,250 | - | - |
| Other comprehensive expense from interest in joint venture for using the equity method | 19 | - | (1,349,816) | - | - |
| Remeasurements of post - employment benefit obligations, net of tax | | - | 6,947,508 | - | 3,535,936 |
| Total items that will not be reclassified to profit or loss | | 718,477 | 14,729,942 | - | 3,535,936 |
| <i>Item that will be reclassified subsequently to profit or loss</i> | | | | | |
| Other comprehensive income (expense) from investment in associate for using the equity method | 19 | 138,712 | (66,059) | - | - |
| Total item that will be reclassified to profit or loss | | 138,712 | (66,059) | - | - |
| Other comprehensive income for the year, net of tax | | 857,189 | 14,663,883 | - | 3,535,936 |
| Total comprehensive income (expense) for the year | | 270,542,961 | (110,637,760) | 264,956,782 | 87,870,755 |

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

ALT Telecom Public Company Limited
Statement of Comprehensive Income (Cont'd)
For the year ended 31 December 2020

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|--------------------------------------|----------------------|----------------------------------|-------------------|
| | | 2020 | 2019 | 2020 | 2019 |
| | | Restated | | | |
| | | Baht | Baht | Baht | Baht |
| Profit (Loss) attributable to: | | | | | |
| Owners of the parent | | 267,425,600 | (132,875,962) | 264,956,782 | 84,334,819 |
| Non-controlling interests | | 2,260,172 | 7,574,319 | - | - |
| | | <u>269,685,772</u> | <u>(125,301,643)</u> | <u>264,956,782</u> | <u>84,334,819</u> |
| Total comprehensive income (expense) | | | | | |
| attributable to: | | | | | |
| Owners of the parent | | 268,282,789 | (118,212,079) | 264,956,782 | 87,870,755 |
| Non-controlling interests | | 2,260,172 | 7,574,319 | - | - |
| | | <u>270,542,961</u> | <u>(110,637,760)</u> | <u>264,956,782</u> | <u>87,870,755</u> |
| Earnings (loss) per share | | | | | |
| Basic earnings (loss) per share | 37 | <u>0.26</u> | <u>(0.13)</u> | <u>0.26</u> | <u>0.08</u> |

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

ALT Telecom Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2020

| Consolidated financial statements | | | | | | | | | | | | | | |
|---|----------------------------------|---------------|---|--|--|------------------------------|----------------|------------------------------|----------------------|---|-------------|---------------------------|---------------------------------|---------------|
| | | | | | | | | | | | | | | |
| Attributable to owners of the parent | | | | | | | | | | Non-controlling interests | | | | |
| | | | | | | | | | | | | | | |
| | | | | | | | | | | Other components of equity | | | | |
| | | | | | | | | | | Share of other comprehensive income | | | | |
| | | | | | | | | | | Total owners of the parent | | | | |
| | | | | | | | | | | Other owner interests before of business combination under common control | | | | |
| | | | | | | | | | | Non-controlling interests | | | | |
| | | | | | | | | | | Total Non-controlling interests | | | | |
| | | | | | | | | | | Total equity | | | | |
| | | | | | | | | | | | | | | |
| Notes | Issued and paid-up share capital | Share premium | Surplus (discount) from business combination under common control | Share surplus from share-based payment | Changes in parent's ownership interest in subsidiaries | Retained earnings (Deficits) | | Other components of equity | | Other owner interests before of business combination under common control | | Non-controlling interests | Total Non-controlling interests | Total equity |
| | Baht | Baht | Baht | Baht | Baht | Appropriated - Legal reserve | Unappropriated | from investment in associate | owners of the parent | Baht | Baht | Baht | Baht | Baht |
| Closing balance at 31 December 2018 | | | | | | | | | | | | | | |
| - as previously reported | 508,002,100 | 1,050,503,500 | 4,605,502 | 1,836,570 | 42,694,664 | 55,000,000 | (139,270,699) | 452,126 | 1,523,823,763 | - | 161,837 | 161,837 | 1,523,985,600 | |
| Impact of business combination under common control | 5 | - | - | - | - | - | - | - | - | (13,986,652) | - | (13,986,652) | (13,986,652) | |
| Opening balance as at 1 January 2019 | | | | | | | | | | | | | | |
| - as restated | 508,002,100 | 1,050,503,500 | 4,605,502 | 1,836,570 | 42,694,664 | 55,000,000 | (139,270,699) | 452,126 | 1,523,823,763 | (13,986,652) | 161,837 | (13,824,815) | 1,509,998,948 | |
| Change in equity for the year | | | | | | | | | | | | | | |
| Proceeds from shares issued | 29 | 1,500,000 | 7,500,000 | - | - | - | - | - | 9,000,000 | - | - | - | 9,000,000 | |
| Dividends payment from subsidiary | | - | - | - | - | - | - | - | - | - | (3,960) | (3,960) | (3,960) | |
| Loss of control of a subsidiary | | - | - | - | - | - | - | - | - | - | (75) | (75) | (75) | |
| Total comprehensive expense for the year | | - | - | - | - | - | (118,146,020) | (66,059) | (118,212,079) | 7,588,310 | (13,991) | 7,574,319 | (110,637,760) | |
| Closing balance at 31 December 2019 | | 509,502,100 | 1,058,003,500 | 4,605,502 | 1,836,570 | 42,694,664 | 55,000,000 | (257,416,719) | 386,067 | 1,414,611,684 | (6,398,342) | 143,811 | (6,254,531) | 1,408,357,153 |
| Balance at 31 December 2019 | | | | | | | | | | | | | | |
| - previously reported | | 509,502,100 | 1,058,003,500 | 4,605,502 | 1,836,570 | 42,694,664 | 55,000,000 | (257,416,719) | 386,067 | 1,414,611,684 | - | 143,811 | 143,811 | 1,414,755,495 |
| Impact of business combination under common control | 5 | - | - | - | - | - | - | - | - | (6,398,342) | - | (6,398,342) | (6,398,342) | |
| Balance at 31 December 2019 | | | | | | | | | | | | | | |
| - restated | | 509,502,100 | 1,058,003,500 | 4,605,502 | 1,836,570 | 42,694,664 | 55,000,000 | (257,416,719) | 386,067 | 1,414,611,684 | (6,398,342) | 143,811 | (6,254,531) | 1,408,357,153 |
| Retrospective adjustments from changes in accounting policy | 6 | - | - | - | - | - | (73,858,467) | - | (73,858,467) | - | - | - | (73,858,467) | |
| Opening balance at 1 January 2020 | | | | | | | | | | | | | | |
| - restated | | 509,502,100 | 1,058,003,500 | 4,605,502 | 1,836,570 | 42,694,664 | 55,000,000 | (331,275,186) | 386,067 | 1,340,753,217 | (6,398,342) | 143,811 | (6,254,531) | 1,334,498,686 |
| Change in equity for the year | | | | | | | | | | | | | | |
| Proceeds from shares issued | 29 | 56,611,610 | 283,058,048 | - | - | - | - | - | 339,669,658 | - | - | - | 339,669,658 | |
| Increase in investment in subsidiary | | - | - | - | - | - | - | - | - | 13,750,000 | - | 13,750,000 | 13,750,000 | |
| Dividends payment | 32 | - | - | - | - | - | (101,882,460) | - | (101,882,460) | - | - | - | (101,882,460) | |
| Dividends payment from subsidiary | | - | - | - | - | - | - | - | - | - | (674) | (674) | (674) | |
| Appropriation of legal reserve | 30 | - | - | - | - | 7,500,000 | (7,500,000) | - | - | - | - | - | - | |
| Total comprehensive expense for the year | | - | - | - | - | - | 268,144,077 | 138,712 | 268,282,789 | 1,914,998 | 345,174 | 2,260,172 | 270,542,961 | |
| Business combination under common control | 38 | - | - | (16,490,501) | - | - | - | - | (16,490,501) | (9,266,656) | 202,195 | (9,064,461) | (25,554,962) | |
| Closing balance at 31 December 2020 | | 566,113,710 | 1,341,061,548 | (11,884,999) | 1,836,570 | 42,694,664 | 62,500,000 | (172,513,569) | 524,779 | 1,830,332,703 | - | 690,506 | 690,506 | 1,831,023,209 |

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

ALT Telecom Public Company Limited
Statement of Changes in Equity (Cont'd)
For the year ended 31 December 2020

| | | Separate financial statements | | | | |
|---|----|--|------------------|---|------------------------|-----------------|
| | | Issued and paid-up share capital | Share premium | Retained earnings (Deficits) | | Total equity |
| Notes | | Baht | Baht | Appropriated - Legal reserve Baht | Unappropriated Baht | Baht |
| Opening balance at 1 January 2019 | | 508,002,100 | 1,050,503,500 | 55,000,000 | (127,022,846) | 1,486,482,754 |
| Changes in equity for the year | | | | | | |
| Proceeds from shares issued | 29 | 1,500,000 | 7,500,000 | - | - | 9,000,000 |
| Total comprehensive income for the year | | - | - | - | 87,870,755 | 87,870,755 |
| Closing balance at 31 December 2019 | | 509,502,100 | 1,058,003,500 | 55,000,000 | (39,152,091) | 1,583,353,509 |
| Balance at 31 December 2019 - previously reported | | 509,502,100 | 1,058,003,500 | 55,000,000 | (39,152,091) | 1,583,353,509 |
| Retrospective adjustments from changes in accounting policy | 6 | - | - | - | (43,863,380) | (43,863,380) |
| Opening balance at 1 January 2020 - restated | | 509,502,100 | 1,058,003,500 | 55,000,000 | (83,015,471) | 1,539,490,129 |
| Changes in equity for the period | | | | | | - |
| Proceeds from shares issued | 29 | 56,611,610 | 283,058,048 | - | - | 339,669,658 |
| Appropriation of legal reserve | 30 | - | - | 7,500,000 | (7,500,000) | - |
| Dividends payment | 32 | - | - | - | (101,882,460) | (101,882,460) |
| Total comprehensive income for the year | | - | - | - | 264,956,782 | 264,956,782 |
| Closing balance at 31 December 2020 | | 566,113,710 | 1,341,061,548 | 62,500,000 | 72,558,851 | 2,042,234,109 |

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

ALT Telecom Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2020

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|-------|--------------------------------------|------------------|----------------------------------|---------------|
| | | 2020 | 2019 | 2020 | 2019 |
| | | Baht | Restated Baht | Baht | Baht |
| Cash flows from operating activities | | | | | |
| Profit (loss) before income tax | | 363,876,391 | (125,467,006) | 333,301,713 | 78,011,425 |
| Adjustments for: | | | | | |
| Depreciation of building and equipment | 21 | 13,486,852 | 14,372,715 | 3,855,639 | 4,106,852 |
| Depreciation of fiber optic network | 22 | 60,518,472 | 70,827,421 | 33,974,566 | 53,939,253 |
| Amortisation expenses of right-of-use assets | 18 | 85,729,198 | - | 20,077,022 | - |
| Amortisation expenses of intangible assets | 23 | 1,958,373 | 2,004,476 | 584,200 | 646,454 |
| Impairment of doubtful | | - | 7,289,745 | - | 4,505,232 |
| Impairment of loss allowance | | 606,720 | - | 3,526,160 | - |
| Reversal of impairment of contract assets | | (7,307,367) | (697,935) | (2,540,944) | (134,638) |
| Reversal of impairment of loans to related parties | | (8,302,720) | - | (8,302,720) | - |
| Gain on disposal of equipment | | - | (80,660) | - | (2,673) |
| Loss on disposal of intangible assets | | - | 12,327 | - | 12,327 |
| Gain on disposal of fiber optic network | | (89,277,431) | (1,236,372) | (73,331,362) | (1,236,372) |
| Loss on write-off of equipment | 21 | 6,706,043 | 77 | 977,167 | 47 |
| Loss on write-off of fiber optic network | 22 | 18,104,880 | 19,917,320 | 16,891,113 | 19,917,320 |
| Loss on write-off of intangible assets | 23 | 10,677 | - | - | - |
| Loss on impairment of investment in associate | | - | - | - | 35,424,655 |
| Loss on disposal of investment in subsidiaries | | - | - | - | 283,108 |
| Interest income | | (11,910,518) | (21,071,868) | (13,910,339) | (21,454,675) |
| Interest expense | 34 | 31,655,574 | 41,427,261 | 17,649,138 | 37,118,495 |
| Reversal of (loss) on diminution in value of inventories | | (1,696,769) | 15,800,969 | (2,447,000) | 13,344,000 |
| Write-off of withholding tax | | - | 298,680 | - | - |
| Dividend income | | - | - | (74,999,325) | - |
| Employee benefit obligations | | 10,125,774 | 15,178,986 | 3,095,125 | 3,736,017 |
| Share of loss of investments in associate | 19 | 12,983,589 | 12,644,019 | - | - |
| Share of (profit) loss of interest in joint venture | 19 | (13,974,742) | 6,467,159 | - | - |
| Changes in operating assets and liabilities | | | | | |
| - trade and other receivables | | (298,850,195) | 87,991,072 | 22,893,108 | (77,094,018) |
| - long-term trade receivables | | 23,483,332 | 12,477,504 | 1,368,084 | (5,968,024) |
| - contract assets | | (50,196,166) | 77,326,863 | (53,412,561) | (6,433,181) |
| - inventories | | 311,487,277 | (37,612,757) | 177,801,741 | (103,223,342) |
| - other current assets | | 92,360,718 | 37,813,848 | 10,658,972 | 26,081,933 |
| - prepaid rent | | - | (7,559,411) | - | (4,669,751) |
| - other non-current assets | | 1,049,801 | (50,508,477) | 1,034,412 | (30,836,109) |
| - trade and other payables | | (4,687,131) | (146,497,490) | (375,715,234) | 51,208,151 |
| - advance receipt | | 240,232,255 | - | - | - |
| - other current liabilities | | (16,725,043) | (1,869,100) | (7,938,493) | 2,007,218 |
| - long-term payables | | 8,139,579 | - | - | - |
| - other non-current liabilities | | 500,395 | 589,274 | - | - |
| - employee benefit obligations | | (2,689,188) | (2,801,442) | (425,632) | - |
| Cash generated from operations | | 777,398,630 | 27,037,198 | 34,664,550 | 79,289,704 |
| <u>Less</u> Interest paid | | (37,985,429) | (42,418,506) | (17,801,225) | (36,599,383) |
| Income tax refund | | - | 3,987,800 | - | - |
| Income tax paid | | (28,855,286) | (24,185,490) | (11,527,742) | (7,106,400) |
| Net cash generated from (used in) operating activities | | 710,557,915 | (35,578,998) | 5,335,583 | 35,583,921 |

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

ALT Telecom Public Company Limited
Statement of Cash Flows (Cont'd)
For the year ended 31 December 2020

| | Notes | Consolidated financial statements | | Separate financial statements | |
|---|-------|--------------------------------------|---------------|----------------------------------|---------------|
| | | 2020 | 2019 | 2020 | 2019 |
| | | Restated | | | |
| | | Baht | Baht | Baht | Baht |
| Cash flow from investing activities | | | | | |
| Proceed from short-term investments | | - | 123,668 | - | 123,668 |
| Payment for financial assets measured at amortised cost | | (258,756) | - | (258,756) | - |
| Purchase of property, plant and equipment | 21 | (23,782,121) | (9,779,749) | (5,352,971) | (1,251,716) |
| Purchase of fiber optic network | 22 | (228,120,207) | (100,077,851) | (9,361,532) | (40,480,228) |
| Purchase of right-of-use assets | | (25,632,139) | - | (22,223,160) | - |
| Purchase of intangible assets | 23 | (118,951) | (140,650) | (21,399) | (61,700) |
| (Decrease) increase in restricted cash | | (39,284,136) | 31,834,901 | (136) | 9,974,829 |
| Payment for investment in subsidiaries | | - | - | (100,000,000) | - |
| Payment for investment in subsidiaries under common control | 38 | (25,554,962) | - | (25,554,962) | - |
| Payment for interest in joint venture | 19 | (269,010,000) | (489,990) | (269,010,000) | (489,990) |
| Payment for loans to related parties | 39 | (142,100,000) | (97,580,000) | (315,100,000) | (267,480,000) |
| Proceeds from loans to related parties | 39 | 276,000,000 | 157,000,000 | 487,500,000 | 349,400,000 |
| Proceeds from disposals of equipment | | - | 658,602 | - | 76,142 |
| Proceeds from disposals of fiber optic network | | 496,139,000 | 52,214,881 | 537,625,444 | 52,214,881 |
| Proceeds from disposals of intangible assets | | - | 59,584 | - | 53,977 |
| Proceeds from disposal of investment in subsidiary | | - | - | - | 991,892 |
| Decrease from loss of control of investment in subsidiary, net | | - | (1,245,967) | - | - |
| Dividend received | | - | - | 59,999,460 | - |
| Interest received | | 15,786,881 | 37,622,766 | 13,786,881 | 38,854,798 |
| Net cash from investing activities | | 34,064,609 | 70,200,195 | 352,028,869 | 141,926,553 |
| Cash flows from financing activities | | | | | |
| Proceeds from short-term borrowing from related parties | 39 | 1,000,000 | 72,000,000 | 70,500,000 | 489,400,000 |
| Repayment of short-term borrowing from related parties | 39 | (25,000,000) | (48,000,000) | (139,600,000) | (522,300,000) |
| Repayment from short-term borrowing from financial institutions | | (415,025,175) | (232,209,824) | (188,038,756) | (169,955,891) |
| Repayment of long-term borrowing from financial institutions | 25 | (26,951,395) | (22,311,195) | (26,951,395) | (22,311,195) |
| Repayment of finance lease liabilities | 25 | (70,224,016) | (390,960) | (628,729) | - |
| Proceeds from shares issuance from non-controlling interest | | 13,750,000 | - | - | - |
| Proceeds from shares issuance | 29 | 339,669,658 | 9,000,000 | 339,669,658 | 9,000,000 |
| Dividends paid to non-controlling interest | | (674) | (3,960) | - | - |
| Dividends paid to shareholders | 32 | (101,882,460) | - | (101,882,460) | - |
| Net cash used in financing activities | | (284,664,062) | (221,915,939) | (46,931,682) | (216,167,086) |

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

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|--------------------------------------|-------------------|----------------------------------|-------------------|
| | | 2020 | 2019 | 2020 | 2019 |
| | | Restated | | | |
| | | Baht | Baht | Baht | Baht |
| Net increase (decrease) in cash and cash equivalents | | 459,958,462 | (187,294,742) | 310,432,770 | (38,656,612) |
| Opening balance of cash and cash equivalents | | 37,478,317 | 224,773,059 | 15,193,700 | 53,850,312 |
| Closing balance of cash and cash equivalents | | <u>497,436,779</u> | <u>37,478,317</u> | <u>325,626,470</u> | <u>15,193,700</u> |
| Significant non-cash transactions | | | | | |
| Right-of-use assets arising from lease liabilities | | 89,338,858 | - | - | - |
| Dividend receivable | 39 | - | - | 14,999,865 | - |

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

1 General information

ALT Telecom Public Company Limited (the "Company") is a public limited company which listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The address of the Company's registered office is as follows:

52/1 Moo 5, Bangkruay-Sainoi Rd., Bangsithong, Bangkruay, Nonthaburi.

The principal business operations of the Company and its subsidiaries ("the Group") are sales, installation, maintenance and network rental for telecommunication network, and manufacture, assemble, installation and distribution of electricity meter.

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 23 February 2021.

2 Significant events during the current year

Coronavirus Disease 2019 outbreak

The outbreak of Coronavirus Disease 2019 ("COVID-19") in early 2020 has adverse effects on operating results for the year ended 31 December 2020 particularly on telecommunication network installation. The global COVID-19 outbreak initiated government-imposed travelling restrictions and controls. As a result, the operation to provide installation of telecommunication network services was delayed. In May 2020, the government has relieved travelling restrictions and controls. The business resumed to operate as normal.

3 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 10.

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

4 New and amended financial reporting standards

4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group

a) Financial instruments

The new financial standards related to financial instruments are as follows:

| | |
|----------|---|
| TAS 32 | Financial instruments: Presentation |
| TFRS 7 | Financial instruments: Disclosures |
| TFRS 9 | Financial instruments |
| TFRIC 16 | Hedges of a net investment in a foreign operation |
| TFRIC 19 | Extinguishing financial liabilities with equity instruments |

The new financial reporting standards related to financial instruments introduce new classification and measurement requirements for financial instruments as well as provide derecognition guidance on financial assets and financial liabilities. The new guidance also provides an option for the Group to apply hedge accounting to reduce accounting mismatch between hedged item and hedging instrument. In addition, the new rule provides detailed guidance on financial instruments issued by the Group whether it is a liability or an equity. Among other things, they require extensive disclosure on financial instruments and related risks.

The new classification requirements of financial assets require the Group to assess both i) business model for holding the financial assets; and ii) cash flow characteristics of the asset whether the contractual cash flows represent solely payments of principal and interest (SPPI). The classification affects the financial assets' measurement. The new guidance requires assessment of impairment of financial assets as well as contract assets and recognition of expected credit loss from initial recognition.

On 1 January 2020, the Group has adopted the financial reporting standards related to financial instruments in its financial statements. The impact from the first-time adoption has been disclosed in Note 6.1.

b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, Leases will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

On 1 January 2020, the Group has adopted the new lease standard in its financial statements. The impact from the first-time adoption has been disclosed in Note 6.2.

c) Amendment to TAS 12, Income tax clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

d) Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement) clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.

e) Amendment to TAS 23, Borrowing costs clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

f) Amendment to TAS 28, Investments in associates and joint ventures (long-term interests in associates and joint ventures) clarified the accounting for long-term interests in an associate or joint venture, which is in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. The Group must account for such interests under TFRS 9, Financial instruments before applying the loss allocation and impairment requirements in TAS 28, Investments in associates and joint ventures.

- g) **Amendment to TFRS 3, Business combinations** clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages. The previously held interest is therefore re-measured.
- h) **Amendment to TFRS 11, Joint arrangements** clarified that the party obtaining joint control of a business that is a joint operation should not remeasure its previously held interest in the joint operation.
- i) **TFRIC 23, Uncertainty over income tax treatments** explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:
 - that the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored.
 - that the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
 - that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

New and amended financial reporting standards have no significant impact to the Group.

4.2 **New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2021 and have significant impacts to the Group**

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Group.

- a) **Revised Conceptual Framework for Financial Reporting** added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

- b) **Amendment to TFRS 3, Business combinations** amended the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.
- c) **Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures** amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.
- d) **Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors** amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

The Group is in process of considering the impact of amended financial reporting standards.

5 The impact of retrospective adjustments of business combination under common control following related accounting guideline, adoption of new financial reporting standards and changes in accounting policies

On 19 August 2020, the Company paid for investment in Energy Max Company Limited amounting to Baht 25,554,962 to acquire 672,499 shares which represents 97.82% of issued shares from ALT Holding Company Limited, the ultimate parent company, which has control over both the Company and Energy Max Company Limited. This transaction is determined as business combination under common control. The Company therefore reflected this transaction in the consolidated financial statements as if the transaction incurred before 1 January 2019. This follows the guideline for business combination under common control as issued by the Federal of Accounting Professions. Detail of a business combination under common control was disclosed in Note 38.

The impact to of restatement from business combination under common control following related accounting guideline is as follows:

| | Consolidated financial information | | |
|--|------------------------------------|---------------------|----------------------|
| | Previously reported Baht | Adjustments Baht | Restated Baht |
| Effected items in statements of financial position as at 1 January 2019 | | | |
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 191,741,677 | 33,031,382 | 224,773,059 |
| Trade and other receivables | 454,618,844 | 135,386 | 454,754,230 |
| Inventories | 314,180,746 | 33,386,391 | 347,567,137 |
| Other current assets | 145,771,149 | 4,051,188 | 149,822,337 |
| Total current assets | 1,106,312,416 | 70,604,347 | 1,176,916,763 |
| Non-current assets | | | |
| Restricted cash | 96,574,727 | 4,337,945 | 100,912,672 |
| Property, plant and equipment | 98,413,314 | 1,968,876 | 100,382,190 |
| Intangible assets | 16,729,808 | 1,784,994 | 18,514,802 |
| Other non-current assets | 20,895,853 | 367,700 | 21,263,553 |
| Total non-current assets | 232,613,702 | 8,459,515 | 241,073,217 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 483,433,154 | 90,749,085 | 574,182,239 |
| Other current liabilities | 58,682,384 | 66,329 | 58,748,713 |
| Total current liabilities | 542,115,538 | 90,815,414 | 632,930,952 |
| Non-current liabilities | | | |
| Employee benefit obligations | 26,343,579 | 2,235,100 | 28,578,679 |
| Total non-current liabilities | 26,343,579 | 2,235,100 | 28,578,679 |
| Equity | | | |
| Non-controlling interests | 161,837 | (13,986,652) | (13,824,815) |
| Total equity | 161,837 | (13,986,652) | (13,824,815) |

ALT Telecom Public Company Limited
Notes to the consolidated and separate financial statements
For the year ended 31 December 2020

| | Consolidated financial information | | |
|--|---|----------------------------|--------------------------|
| | Previously reported Baht | Adjustment Baht | Restated Baht |
| Effected items in statements of financial position as at 31 December 2019 | | | |
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 35,375,657 | 2,102,660 | 37,478,317 |
| Trade and other receivables | 246,977,955 | (21,002,364) | 225,975,591 |
| Inventories | 364,453,536 | 4,925,389 | 369,378,925 |
| Other current assets | 113,240,239 | 2,705,680 | 115,945,919 |
| Total current assets | 760,047,387 | (11,268,635) | 748,778,752 |
| Non-current assets | | | |
| Restricted cash | 64,825,171 | 4,252,600 | 69,077,771 |
| Property, plant and equipment | 91,449,880 | 4,508,942 | 95,958,822 |
| Intangible assets | 8,809,993 | 1,500,501 | 10,310,494 |
| Other non-current assets | 71,261,729 | 510,300 | 71,772,029 |
| Total non-current assets | 236,346,773 | 10,772,343 | 247,119,116 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 381,166,228 | (19,897,566) | 361,268,662 |
| Short-term loans from related parties | 1,000,000 | 23,000,000 | 24,000,000 |
| Other current liabilities | 55,961,599 | 918,014 | 56,879,613 |
| Total current liabilities | 438,127,827 | 4,020,448 | 442,148,275 |
| Non-current liabilities | | | |
| Employee benefit obligations | 29,882,715 | 1,759,305 | 31,642,020 |
| Other liabilities | 15,348,882 | 122,297 | 15,471,179 |
| Total non-current liabilities | 45,231,597 | 1,881,602 | 47,113,199 |
| Equity | | | |
| Non-controlling interests | 143,811 | (6,398,342) | (6,254,531) |
| Total equity | 143,811 | (6,398,342) | (6,254,531) |

| | Consolidated financial information | | |
|---|------------------------------------|-----------------|---------------|
| | Previously reported Baht | Adjustment Baht | Restated Baht |
| Item in statements of comprehensive income for the year ended 31 December 2019 | | | |
| Sales | 903,242,332 | 97,941,573 | 1,001,183,905 |
| Cost of sales | (833,581,692) | (74,742,377) | (908,324,069) |
| Other income | 52,342,755 | 30,548 | 52,373,303 |
| Selling expenses | (70,045,103) | (6,788,064) | (76,833,167) |
| Administrative expenses | (124,987,042) | (11,671,810) | (136,658,852) |
| Gain from exchange rate | 262,294 | 3,068,019 | 3,330,313 |
| Finance costs | (12,644,019) | (28,783,242) | (41,427,261) |
| Loss for the period | (132,889,953) | 7,588,310 | (125,301,643) |
| Other comprehensive expense for the period | (118,226,070) | 7,588,310 | (110,637,760) |
| Loss attributable to: | | | |
| Non-controlling interests | (13,991) | 7,588,310 | 7,574,319 |
| Total comprehensive expense attributable to: | | | |
| Non-controlling interests | (13,991) | 7,588,310 | 7,574,319 |

6 Impacts from initial application of the new and revised financial reporting standards

This note explains the impact of the adoption of TAS 32 Financial Instruments: Presentation, TFRS 7 Financial Instruments: Disclosure, TFRS 9 Financial Instruments and TFRS 16 *Leases* on the Group's consolidated financial statements and the Company's separate financial statements. The new accounting policies applied from 1 January 2020 were disclosed in Note 4.

The Group and the Company have adopted those accounting policies from 1 January 2020 by applying the modified retrospective approach. The comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies were therefore recognised in the statement of financial position as of 1 January 2020.

ALT Telecom Public Company Limited
Notes to the consolidated and separate financial statements
For the year ended 31 December 2020

The impact of first-time adoption of new financial reporting standards on the consolidated and separate statements of financial position are as follows:

| | | Consolidated financial information | | | |
|--|---|---|--|--|--------------------------|
| | | At 31 December 2019 | TAS 32 and TFRS 9 | TFRS 16 | At 1 January 2020 |
| | | Restated | Reclassifications and adjustments | Reclassifications and adjustments | Restated |
| Notes | | Baht | Baht | Baht | Baht |
| Assets | | | | | |
| Current assets | | | | | |
| Short-term investments | B | 840,974 | (840,974) | - | - |
| Trade and other receivables | A | 225,975,591 | (9,801,060) | - | 216,174,531 |
| Contract assets | A | 135,860,710 | (23,901,341) | - | 111,959,369 |
| Current portion of prepaid rent | D | 24,330,097 | - | (24,330,097) | - |
| Short-term loans to related party | | 150,000,000 | - | - | 150,000,000 |
| Financial assets measured at amortised cost | B | - | 840,974 | - | 840,974 |
| Total current assets | | 537,007,372 | (33,702,401) | (24,330,097) | 478,974,874 |
| Non-current assets | | | | | |
| Right-of-use assets | C | - | 900,471 | 310,805,494 | 311,705,965 |
| Prepaid Rent | D | 60,373,158 | - | (60,373,158) | - |
| Long-term loans to related parties | A | 196,580,000 | (24,229,244) | - | 172,350,756 |
| Fiber optic network equipment | D | 1,086,507,276 | - | (9,579,983) | 1,076,927,293 |
| Other non-current assets | B | 71,772,029 | (924,392) | - | 70,847,637 |
| Total non-current assets | | 1,415,232,463 | (24,253,165) | 240,852,353 | 1,631,831,651 |
| Total assets | | 1,952,239,835 | (57,955,566) | 216,522,256 | 2,110,806,525 |
| Liabilities and equity | | | | | |
| Current liabilities | | | | | |
| Trade and other payables | D | 361,268,662 | - | (13,178,689) | 348,089,973 |
| Current portion of finance lease liabilities | D | 313,205 | - | (313,205) | - |
| Current portion of lease liabilities | C | - | - | 58,262,692 | 58,262,692 |
| Total current liabilities | | 361,581,867 | - | 44,770,798 | 406,352,665 |
| Non-current liabilities | | | | | |
| Lease liabilities | C | - | - | 187,654,359 | 187,654,359 |
| Total non-current liabilities | | - | - | 187,654,359 | 187,654,359 |
| Total liabilities | | 361,581,867 | - | 232,425,157 | 594,007,024 |
| Equity | | | | | |
| Deficits | | (257,416,719) | (57,955,566) | (15,902,901) | (331,275,186) |
| Total equity | | (257,416,719) | (57,955,566) | (15,902,901) | (331,275,186) |
| Total liabilities and equity | | 104,165,148 | (57,955,566) | 216,522,256 | 262,731,838 |

| | | Separate financial information | | | |
|---|---|---|---|---|---|
| | | At 31 December 2019 Restated Baht | TAS 32 and TFRS 9 Reclassifications and adjustments Baht | TFRS 16 Reclassifications and adjustments Baht | At 1 January 2020 Restated Baht |
| Notes | | | | | |
| Assets | | | | | |
| Current assets | | | | | |
| Short-term investments | B | 840,974 | (840,974) | - | - |
| Trade and other receivables | A | 222,359,414 | (5,246,793) | - | 217,112,621 |
| Contract assets | A | 41,734,724 | (7,971,318) | - | 33,763,406 |
| Current portion of prepaid rent | D | 18,684,716 | - | (18,684,716) | - |
| Short-term loans to related parties | | 188,500,000 | - | - | 188,500,000 |
| Financial assets measured at amortised cost | B | - | 840,974 | - | 840,974 |
| Total current assets | | 472,119,828 | (13,218,111) | (18,684,716) | 440,217,001 |
| Non-current assets | | | | | |
| Right-of-use assets | C | - | - | 201,073,600 | 201,073,600 |
| Prepaid Rent | D | 60,373,158 | - | (60,373,158) | - |
| Long-term loans to related parties | A | 196,580,000 | (24,229,244) | - | 172,350,756 |
| Fiber optic network equipment | D | 732,830,027 | - | (6,915,984) | 725,914,043 |
| Total non-current assets | | 989,783,185 | (24,229,244) | 133,784,458 | 1,099,338,399 |
| Total assets | | 1,461,903,013 | (37,447,355) | 115,099,742 | 1,539,555,400 |
| Liabilities and equity | | | | | |
| Current liabilities | | | | | |
| Trade and other payables | D | 576,329,001 | - | (13,178,689) | 563,150,312 |
| Current portion of lease liabilities | C | - | - | 1,121,529 | 1,121,529 |
| Total current liabilities | | 576,329,001 | - | (12,057,160) | 564,271,841 |
| Non-current liabilities | | | | | |
| Lease liabilities | B | - | - | 133,572,927 | 133,572,927 |
| Total non-current liabilities | | - | - | 133,572,927 | 133,572,927 |
| Total liabilities | | 576,329,001 | - | 121,515,767 | 697,844,768 |
| Equity | | | | | |
| Deficits | | (39,152,091) | (37,447,355) | (6,416,025) | (83,015,471) |
| Total equity | | (39,152,091) | (37,447,355) | (6,416,025) | (83,015,471) |
| Total liabilities and equity | | 537,176,910 | (37,447,355) | 115,099,742 | 614,829,297 |

Note:

- A) Adjustments on impairment of financial assets (Note 6.1)
B) Impacts from changes in classification and measurement of financial assets (Note 6.1)
C) Recognition of right of use assets and lease liabilities under TFRS 16 (Note 6.2)
D) Reclassification of leased assets and finance lease liabilities (Note 6.2)

6.1 Financial instruments

The total impact on the Group's and the Company's deficits as of 1 January 2020 are as follows:

| | Notes | Consolidated financial statements Baht | Separate financial statements Baht |
|--|-------|---|---------------------------------------|
| Deficits as of 31 December 2019 | | (257,416,719) | (39,152,091) |
| Change in classification of financial assets | A | - | - |
| Measurement of other financial assets | B | (23,921) | - |
| | C | | (13,218,111) |
| Increase in provision for trade receivables and contract assets | | (33,702,401) | (1) |
| | C | | (24,229,244) |
| Increase in provision for loans to related parties | | (24,229,244) | (4) |
| | | | (37,447,355) |
| Total adjustments to opening deficits from adoption of TFRS 9 | | (57,955,566) | (5) |
| Deficits as of 1 January 2020 after reflecting TFRS 9 adoption (before impact from TFRS 16) | | (315,372,285) | (76,599,446) |

(A) General investments classified as amortised cost

Cash at bank previously classified as general investment was reclassified to investment measured at amortised cost. The Group intends to hold the assets to maturity to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

(B) Measurement of other financial assets

On 1 January 2020, the date of initial application, the measurement categories and carrying amounts of other financial assets were as follows.

| Consolidated financial statements | | | | | |
|--|------------------------|----------------|-----------------------------|------------------|--------------------|
| Measurement categories | | | Carrying amounts | | |
| Previously reported (TAS 101 and other TAS) | Adjustment (TFRS 9) | | Previously reported Baht | Restated Baht | Difference Baht |
| Financial assets | | | | | |
| Other financial assets | Amortised cost | Amortised cost | 12,408,000 | 12,384,079 | 23,921 |

(C) Impairment of financial assets

The Group and the Company have following financial assets that are subject to the expected credit loss model:

- trade and other receivables
- contract assets and
- loans to related parties

The Group was required to revise its impairment methodology under TFRS 9. The impact of the change in impairment methodology on the Group's and the Company's retained earnings at 1 January 2020 were Baht 57.93 million and Baht 37.45 million, respectively.

While cash and cash equivalents are subject to the new impairment requirement, the identified impact was immaterial.

The reconciliations of loss allowance for trade receivables and contract assets was disclose in 8.1.2(c).

6.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of TAS 17 Leases for leases of land and telecommunication network properties with lease terms more than 12 months. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2020. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2020 was 4.45% - 5.28% per annum.

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied in which the incremental borrowing rate for the whole lease term is applied. Other right-of-use assets were measured at the amount equal to the lease liability in which the incremental borrowing rate for the whole lease is applied, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

For leases previously classified as finance leases the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of TFRS 16 are only applied after that date.

As of 1 January 2020, the reconciliation of the lease liabilities is as follows:

| | Consolidated financial statement Baht | Separate financial statement Baht |
|--|--|--|
| Operating lease commitments disclosed as at 31 December 2019 | 370,702,129 | 195,815,745 |
| Add: Finance lease liabilities | 313,205 | - |
| (Less): Impact from the incremental borrowing rate at the date of initial application | (125,098,283) | (61,121,289) |
| Lease liability recognised as at 1 January 2020 - restated | 245,917,051 | 134,694,456 |
| Current lease liabilities | 58,262,692 | 1,121,529 |
| Non-current lease liabilities | 187,654,359 | 133,572,927 |

Practical expedients applied

In applying TFRS 16 for the first time, the group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease, and
- elect not to reassess whether a contract is, or contains a lease as defined under TFRS 16 at the date of initial application but relied on its assessment made applying TAS 17 and TFRIC 4 Determining whether an arrangement contains a Lease.

7 Accounting policies

7.1 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for using cost method.

c) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

In the separate financial statements, investments in joint ventures are accounted for using cost method.

d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

f) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

7.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost

Acquisition-related cost are recognised as expenses in consolidated financial statements.

Step-up acquisition

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

Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

Business combination under common control

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed of by transferred to retained earnings.

7.3 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group's and the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

7.4 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date and bank overdrafts.

In the statements of financial position, bank overdrafts are shown in current liabilities.

7.5 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30-90 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables is disclosed in Note 8.1.2 (c).

7.6 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the first-in, first-out and specific method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts, allowance or rebates. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

Net realizable is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

7.7 Financial asset

For the year ended 31 December 2020

a) Classification

From 1 January 2020, the Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest (SPPI).

d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets are derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

e) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

f) Impairment

From 1 January 2020, the Group assesses on a forward looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 6.1 for details.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables and contract assets. The Group applied historical credit loss adjusted with the management's judgement in estimating the expected credit loss as disclosed in note 6.1.

Impairment (and reversal of impairment) losses are recognised in profit or loss included in administrative expenses.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss included in administrative expenses.

Classification and measurement of financial assets for the year ended 31 December 2020 is disclosed in Note 15.

For the year ended 31 December 2019

Investments in debt and equity securities

Investments other than investments in subsidiaries, associates and joint ventures are initially recognised at fair value of consideration paid plus direct transaction cost.

General investments

General investments are carried at cost less impairment.

7.8 Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

| | |
|--|--------------|
| Buildings | 20, 30 years |
| Utilities system, tools and equipment | 5 years |
| Furniture fixture and office equipment | 5 years |
| Computer equipment | 3, 5 years |
| Vehicles | 5 years |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in other income in the statement of comprehensive income.

7.9 Fiber optic network

Fiber optic network are stated at historical cost less accumulated depreciation and provision for impairment (if any). Depreciation is calculated using the straight line method to allocate their cost to their residual values over the estimated useful lives.

| | |
|---|------------------|
| Fiber optic network | 10, 15, 25 years |
| | 3, 5, 10 |
| Equipment and transceiver at base station | years |
| Computer software | 10 years |

Depreciation expenses shown a cost of services, under "Cost of service - fiber optic network" in the statement of comprehensive income.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in income statements.

7.10 Intangible assets

Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 10 years.

Cost associated with maintaining computer software programmes are recognised as an expense as incurred.

7.11 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding information related to COVID-19 as an indication of the impairment of assets.

7.12 Leases

Leases - where the Group is the lessee

The Group leases various telecommunication network properties. Rental contracts are typically made for fixed periods of 2 to 16 years but may have extension options. Before 2020 financial year, leases were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

During the reporting period, the Group received discounts in the lease payments from lessors due to the COVID-19 outbreak. The Group elected not to account for all discounts in the lease payments under the lease modification in accordance with TFRS 16. Instead, the Group has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by reducing lease liabilities in the proportion of the reduction to the lease payments throughout the period that the Group has received the reduction. The Group also reversed depreciation charges on the right-of-use assets and interest expenses on the lease liabilities recognised of Baht 1.57 million and Baht 0.20 million, respectively. The differences between the reduction of the lease liabilities and the reversal of the expenses of Baht 0.08 million and Baht 0.01 million are recognised in other gains(losses) instead of remeasuring lease liabilities and adjusting the corresponding right-of-use assets from the lease modification.

Leases - where the Group is the lessor

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

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

7.13 Financial liabilities

For the year ended 31 December 2020

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

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

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

For the year ended 31 December 2019

Borrowings

Borrowings are recognised initially at the fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it will be drawn down. The fee is deferred until the drawn down occurs and included in effective interest calculation. However, if it is probable that facility will not be drawn down, that portion of the fee paid is recognised as a prepayment and amortised over the period of related facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

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

7.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

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

Other borrowing costs are expensed in the period in which they are incurred.

7.15 Current and deferred income taxes

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

Current tax

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

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

7.16 Employee benefits

a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, profit-sharing and bonuses that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are charged or credited to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

c) Other long-term benefits

The Group gives gold rewards to employees when they have worked for the Group for 15 and 25 years.

These obligations are measured similar to defined benefit plans except remeasurment gains and losses that are charged to profit or loss.

d) Termination benefits

The Group recognises termination benefits at the earlier of (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

7.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

7.18 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

7.19 Revenue recognition

Revenue include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

a) Sale of goods

The Group sells a range of Telecommunication equipments. Sales are recognised when control of the products has transferred, being when the products are delivered, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

b) Services

The Group recognised service contracts with a continuous service provision as revenue on a straight line basis over the contract term, regardless of the payment pattern.

Services revenue is recognised on an accrual basis in accordance with the substance of the relevant agreements.

Contract assets and contract liabilities

A contract asset is recognised where the Group recorded revenue for fulfillment of a contractual performance obligation before the customer paid consideration or before the requirements for billing.

A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Group fulfilled a contractual performance obligation.

For each customer contract, contract liabilities is set off against contract assets.

c) Revenue from construction

Revenue from construction includes contracts to provide construction and foundation services for building and telecommunication network. Under the contracts, the Group's construction activities create or enhance an asset or work in progress that the customer controls as the asset is created or enhanced, and hence revenue is recognised over time by reference to the progress towards completing the construction works. Revenue from construction contract is recognised using the stage of completion determined by reference to the completion of a physical proportion of the contract work performed as assessed by the project engineers and customers as a percentage of total services to be performed. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Claims, variations and liquidated damages are accounted for as variable consideration and are included in contract revenue provided. It is highly probable that a significant reversal will not occur in the future.

Percentage of completion

Revenue from construction contracts or construction-type service contracts or service contracts where a defined output is promised, is recognised using the percentage of completion method. The stage of completion is generally determined as the percentage of cost incurred up until the reporting date relative to total estimated cost, adjusted with uninstalled materials that the customer accepts and takes control but not yet installed. Where the stage of completion is not reliably measured, revenue is only recognised up to the amount of contract costs expensed, provided it is recoverable.

d) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

e) Incremental costs of obtaining a contract

The Group capitalises incremental costs of obtaining a contract (mainly sales commission to third parties and to employees) and amortised to selling expenses in the same pattern of related revenue recognition.

f) Interest income

Interest income is recognised using the effective interest method.

7.20 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

7.21 Segment reporting

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

8 Financial risk management**8.1 Financial risk**

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's risk management is controlled by a central treasury department under policies approved by the board of directors. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and other financial instruments as well as investment of excess liquidity.

8.1.1 Market risk

a) Foreign exchange risk

The Group has exposure to foreign currency risk from purchase of goods in various currencies. Entities in the Group does not use derivative, transacted with the commercial banks, to hedge their exposure to foreign currency risk arising from future commercial transactions.

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

| | Consolidated financial statements | | | |
|-----------------------------|-----------------------------------|----------------|------------------------|----------------|
| | As at 31 December 2020 | | As at 31 December 2019 | |
| | US Dollar Baht | Others Baht | US Dollar Baht | Others Baht |
| Cash and cash equivalents | 562,302 | 199,925 | 123,580 | 196,659 |
| Trade and other receivables | 60,981,876 | - | 36,185,848 | - |
| Trade and other payables | 49,402,436 | - | 59,731,046 | - |

| | Separate financial statements | | | |
|-----------------------------|-------------------------------|----------------|------------------------|----------------|
| | As at 31 December 2020 | | As at 31 December 2019 | |
| | US Dollar Baht | Others Baht | US Dollar Baht | Others Baht |
| Cash and cash equivalents | 562,302 | 199,925 | 123,580 | 196,659 |
| Trade and other receivables | 6,152,684 | - | 6,611,102 | - |
| Trade and other payables | 2,669,544 | - | 5,797,126 | - |

b) Cash flow and fair value interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The Group's income and operating cash flows are not substantially independent of changes in market interest rates. The Group does not use the interest rate derivative to manage exposure from fluctuation in interest rate on specific borrowing.

8.1.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL), derivative financial instruments as well as credit exposures to customers, including outstanding receivables.

a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, the Group accept only the reliable financial institution.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

The Group's investments in debt instruments are considered to be low risk investments. The Group regularly monitors the credit ratings of the investments for credit deterioration.

b) Security

For some trade receivables the Group may obtain security in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

c) Impairment of financial assets

The Group and the Company has 3 types of financial assets that are subject to the expected credit loss model:

- trade and other receivables
- contract assets
- loans to related parties

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Trade and other receivables and contract assets

The Group applies the simplified approach in measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected loss rates are based on the historical payment profiles of sales, the corresponding historical credit losses experienced as well as forward-looking information that may affect the ability of the customers to settle the receivables.

As of 1 January 2020, the Group and the Company recognised additional loss allowance of Baht 9.80 million and Baht 5.25 million, respectively for trade receivables; and of Baht 23.90 million and Baht 7.97 million, respectively for contract assets.

During the year 2020, the loss allowance of the Group and the Company increased by Baht 0.61 million and Baht 3.53 million, respectively for trade receivables; and of Baht 7.31 million and Baht 2.54 million, respectively for contract assets.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables and contract assets. The expected credit loss were assessed based on historical credit loss together with the management's judgement in estimating the expected credit loss.

On that basis, the loss allowance was determined as follows for both trade receivables and contract assets:

| | Consolidate financial statements | | | | | Total Baht |
|---------------------------------------|---|------------------------------------|----------------------------------|-----------------------------------|---|-----------------------|
| | Not yet due Baht | Up to 3 months Baht | 3 - 6 months Baht | 6 - 12 months Baht | More than 12 months Baht | |
| As of 1 January 2020 | | | | | | |
| Gross carrying amount | | | | | | |
| - trade receivables | 57,956,578 | 39,009,450 | 7,932,043 | 6,086,892 | 51,014,330 | 161,999,293 |
| - trade receivables - related parties | 674,095 | 8,212,645 | 2,445,934 | 9,167,870 | 15,177,206 | 35,677,750 |
| - contract assets | 73,590,071 | 30,843,635 | 10,460,842 | 15,518,425 | 18,039,464 | 148,452,437 |
| Loss allowance | (3,732,767) | (4,207,238) | (4,264,089) | (13,016,581) | (34,533,340) | (59,754,015) |
| | | | | | | |
| | Consolidate financial statements | | | | | Total Baht |
| | Not yet due Baht | Up to 3 months Baht | 3 - 6 months Baht | 6 - 12 months Baht | More than 12 months Baht | |
| As of 31 December 2020 | | | | | | |
| Gross carrying amount | | | | | | |
| - trade receivables | 76,155,952 | 320,122,970 | 10,733,746 | 11,494,332 | 18,225,679 | 436,732,679 |
| - trade receivables - related parties | 3,059,208 | 17,850,698 | 11,215,082 | 14,025,238 | 44,940 | 46,195,166 |
| - contract assets | 165,789,723 | 3,581,539 | 2,663,922 | 5,559,376 | 21,054,043 | 198,648,603 |
| Loss allowance | (4,046,420) | (2,302,629) | (3,075,417) | (4,676,986) | (38,951,916) | (53,053,368) |

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| | Separate financial statements | | | | | Total Baht |
|---------------------------------------|-------------------------------|---------------------|-------------------|--------------------|--------------------------|--------------|
| | Not yet due Baht | Up to 3 months Baht | 3 - 6 months Baht | 6 - 12 months Baht | More than 12 months Baht | |
| As of 1 January 2020 | | | | | | |
| Gross carrying amount | | | | | | |
| - trade receivables | 7,298,768 | 2,256,905 | 451,937 | 5,701,296 | 44,243,558 | 59,952,464 |
| - trade receivables - related parties | 8,877,313 | 55,671,905 | 15,000,976 | 27,074,903 | - | 106,625,097 |
| - contract assets | 10,966,262 | 17,917,123 | - | 12,850,150 | 12,541,189 | 54,274,724 |
| Loss allowance | (237,655) | (1,633,024) | (159,156) | (11,242,261) | (19,223,247) | (32,495,343) |
| As of 31 December 2020 | | | | | | |
| Gross carrying amount | | | | | | |
| - trade receivables | 17,633,395 | 82,363,506 | 3,797,219 | 950,730 | 12,327,729 | 117,072,579 |
| - trade receivables - related parties | 56,460,682 | 3,754,122 | 926,620 | 2,222,795 | 44,940 | 63,409,159 |
| - contract assets | 88,423,285 | 252,378 | - | 2,243,594 | 16,768,028 | 107,687,285 |
| Loss allowance | (536,677) | (927,181) | (1,229,220) | (1,646,784) | (29,140,697) | (33,480,559) |

The reconciliations of loss allowance for trade receivables and contract assets for the year ended 31 December are as follow:

| | Consolidated financial statements | | | |
|--|-----------------------------------|------------|-----------------|------------|
| | Trade receivables | | Contract assets | |
| | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| As of 31 December - calculated under TAS 101 | 13,459,887 | 6,170,142 | 12,591,727 | 13,289,662 |
| Amounts restated through opening retained earnings | 9,801,060 | - | 23,901,341 | - |
| Opening loss allowance as at 1 January - calculated under TFRS 9 (2019: TAS 101) | 23,260,947 | 6,170,142 | 36,493,068 | 13,289,662 |
| Increase in loss allowance recognised in profit or loss during the year | 606,720 | 7,289,745 | - | - |
| Reversal of impairment | - | - | (7,307,367) | (697,935) |
| As of 31 December - calculated TFRS 9 (2019: TAS 101) | 23,867,667 | 13,459,887 | 29,185,701 | 12,591,727 |
| | Separate financial statements | | | |
| | Trade receivables | | Contract assets | |
| | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| As of 31 December - calculated under TAS 101 | 6,737,232 | 2,232,000 | 12,540,000 | 12,674,638 |
| Amounts restated through opening retained earnings | 5,246,793 | - | 7,971,318 | - |
| Opening loss allowance as at 1 January - calculated under TFRS 9 (2019: TAS 101) | 11,984,025 | 2,232,000 | 20,511,318 | 12,674,638 |
| Increase in loss allowance recognised in profit or loss during the year | 3,526,160 | 4,505,232 | - | - |
| Reversal of impairment | - | - | (2,540,944) | (134,638) |
| As of 31 December - calculated TFRS 9 (2019: TAS 101) | 15,510,185 | 6,737,232 | 17,970,374 | 12,540,000 |

The Group and the Company write-off trade receivables and contract assets when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Previous accounting policy for impairment of trade receivables for comparative period.

In the year 2019, the Group recognised impairment of trade receivables based on the incurred loss model such as uncollectible or past due for a period less than 30 days, which was not taken into account future losses. Therefore, loss allowance and allowance for doubtful accounts are not comparable

Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

Loans to related parties

Loans to related parties measured at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses is recognised for the loans that the credit risk is significant increased.

The reconciliations of loss allowances for loans to related parties measured at amortised cost are as follows:

| | Consolidated financial statements | Separate financial statements |
|---|--|--|
| | Baht | Baht |
| At 31 December 2019 - calculated under TAS 101 | - | - |
| Amount restated through opening retained earnings | 24,229,244 | 24,229,244 |
| Opening loss allowance as at 1 January 2020 | | |
| - calculated under TFRS 9 | 24,229,244 | 24,229,244 |
| Reversal of impairment | (8,302,720) | (8,302,720) |
| At 31 December 2020 | 15,926,524 | 15,926,524 |

8.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 497.43 million (2019: Baht 37.48 million) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

a) Financing arrangements

The Group has access to the following undrawn credit facilities as at 31 December as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--------------------------|--|----------------------|--|----------------------|
| | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| Floating rate | | | | |
| Expiring within one year | | | | |
| - Bank overdraft | 549,372,895 | 394,661,028 | 142,277,541 | 105,607,183 |

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b) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

| Consolidated financial statements | | | | | |
|---|--------------------------|---------------------|-------------------------|----------------------|-----------------------|
| | Within 1 year Baht | 1 - 5 years Baht | Over 5 years Baht | Total Baht | Book value Baht |
| At 1 January 2020 | | | | | |
| Bank overdrafts and short-term loans from financial institutions | 881,004,761 | - | - | 881,004,761 | 881,004,761 |
| Trade and other payables | 136,816,526 | - | - | 136,816,526 | 136,816,526 |
| Lease liabilities | 68,884,597 | 89,626,078 | 217,791,339 | 376,302,014 | 245,917,051 |
| Long-term loans from financial institutions | 29,463,676 | 38,378,977 | - | 67,842,653 | 63,898,110 |
| Total | 1,116,169,560 | 38,378,977 | 217,791,339 | 1,461,965,954 | 1,327,636,448 |
| Consolidated financial statements | | | | | |
| | Within 1 year Baht | 1 - 5 years Baht | Over 5 years Baht | Total Baht | Book value Baht |
| At 31 December 2020 | | | | | |
| Bank overdrafts and short-term loans from financial institutions | 465,979,586 | - | - | 465,979,586 | 465,979,586 |
| Trade and other payables | 152,994,629 | - | - | 152,994,629 | 152,994,629 |
| Long-term trade payables | 3,505,647 | 5,393,304 | - | 8,898,951 | 8,139,579 |
| Lease liabilities | 61,728,520 | 81,245,767 | 4,000,000 | 146,974,287 | 138,239,868 |
| Long-term loans from financial institutions | 22,981,452 | 15,400,873 | - | 38,382,325 | 36,946,715 |
| Total | 707,189,834 | 102,039,944 | 4,000,000 | 813,229,778 | 802,300,377 |
| Separate financial statements | | | | | |
| | Within 1 year Baht | 1 - 5 years Baht | Over 5 years Baht | Total Baht | Book value Baht |
| At 1 January 2020 | | | | | |
| Bank overdrafts and short-term loans from financial institutions | 513,044,109 | - | - | 513,044,109 | 513,044,109 |
| Trade and other payables | 452,651,594 | - | - | 452,651,594 | 452,651,594 |
| Lease liabilities | 8,257,794 | 33,515,665 | 217,791,339 | 259,564,798 | 134,694,456 |
| Long-term loans from financial institutions | 29,463,676 | 38,378,977 | - | 67,842,653 | 63,898,110 |
| Total | 1,003,417,173 | 71,894,642 | 217,791,339 | 1,293,103,154 | 1,164,288,269 |
| Separate financial statements | | | | | |
| | Within 1 year Baht | 1 - 5 years Baht | Over 5 years Baht | Total Baht | Book value Baht |
| At 31 December 2020 | | | | | |
| Bank overdrafts and short-term loans from financial institutions | 325,005,353 | - | - | 325,005,353 | 325,005,353 |
| Trade and other payables | 105,469,737 | - | - | 105,469,737 | 105,469,737 |
| Lease liabilities | 1,000,000 | 4,000,000 | 4,000,000 | 9,000,000 | 7,273,702 |
| Long-term loans from financial institutions | 22,981,452 | 15,400,873 | - | 38,382,325 | 36,946,715 |
| Total | 454,456,542 | 19,400,873 | 4,000,000 | 477,857,415 | 474,695,507 |

8.2 Capital management

8.2.1 Risk management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- the gearing ratio must be not more than 1.5 times, and
- the ratio of net finance cost to EBITDA must be not less than 1.25 times.

the Group was able to maintain the ratio as stipulated in the borrowing contracts for the long-term borrowings.

9 Fair value

Fair value of financial assets and liabilities with a maturity of less than one year is considered to be the same as their the carrying value. Majority of the financial assets and financial liabilities with a maturity of more than one year are loan to related parties and long-term borrowings from financial institutions carry interest rate at floating rate. The management of the Group believes that the fair values of the Group's financial assets and financial liabilities do not materially differ from their carrying amounts.

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand.

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data.

There were no changes in valuation techniques during the year.

10 Critical accounting estimates and judgements

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

a) Estimated impairment of assets

At the end of each reporting period the Group shall assess whether there is any indication that an asset may be impaired. Management needs to consider both external and internal factors. If there is any indication that an asset may be impaired, management needs to consider whether the expected recoverable amount is greater than the carrying amount of an asset or not. The recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use.

In measuring value in use an entity shall base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset.

b) Property plant and equipment and intangible assets

Management determines the estimated useful lives and residual values for the Group's property plant and equipment and intangible assets. Management will revise the depreciation charge when useful lives and residual values are different to previous estimation or will write off or write down technically obsolete or assets that have been abandoned or sold.

c) Employee benefit obligations

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for retirement include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of retirement obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related liability.

Other key assumptions for pension obligations are based in part on current market conditions. Additional informations are disclosed in Note 28.

d) Deferred tax asset for carried forward tax losses

The subsidiary has incurred the losses over the past years. The Group has concluded that the deferred tax assets arising from the carried-forward tax losses will be recoverable using the estimated future taxable income based on the approved business plans and budgets. It is expected that the losses carried forward will be utilised within 5 years.

e) Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

f) Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

g) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

h) Construction revenue and costs

Construction revenue and construction costs are recognised by using the percentage of completion method. The stage of completion is measured by reference to the completion of a physical proportion of the contract work performed as assessed by the project engineers and customers. Construction costs are estimated based from management and engineer experience after taking into consideration of work progress and updated budget project costs incurred as part of the budget.

11 Segment and revenue information

The Group has three segments report which are comprised of network equipment and electricity meter distribution business, network equipment installation business, network equipment rental business.

Reporting segments are referred from the Group's internal report which is reviewed by the Chief Operating Decision Maker (CODM). CODM is the Executive Directors who makes decisions about resource allocation and assesses the segment performance, making strategic decision principally based on segment results.

The Chief Operating Decision Maker considers the following reporting segments.

| | Consolidated financial statements | | | |
|---|---|--|--|---------------|
| | Network equipment and electricity meter distribution Baht | Network equipment installation Baht | Network equipment rental Baht | Total Baht |
| For the year ended 31 December 2020 | | | | |
| Total revenue | 171,867,416 | 1,151,261,090 | 234,415,773 | 1,557,544,279 |
| Segment results | 31,611,066 | 109,191,549 | (42,530,884) | 98,271,731 |
| Other income | | | | 535,407,591 |
| Unallocated costs | | | | (239,138,510) |
| Share of results of investments using equity method | | | | 991,153 |
| Finance costs | | | | (31,655,574) |
| Profit before income tax | | | | 363,876,391 |
| Income tax | | | | (94,190,619) |
| Net income | | | | 269,685,772 |
| Timing of revenue recognition | | | | |
| At a point in time | 171,867,416 | - | - | 171,867,416 |
| Over time | - | 1,151,261,090 | 234,415,773 | 1,385,676,863 |
| Total revenue | 171,867,416 | 1,151,261,090 | 234,415,773 | 1,557,544,279 |
| Fixed assets | 29,806,925 | 182,841,208 | 882,994,969 | 1,095,643,102 |
| Other assets | 47,239,369 | 548,098,884 | 223,441,700 | 818,779,953 |
| Unallocated assets | | | | 1,287,173,681 |
| Consolidated total assets | | | | 3,201,596,736 |

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| | Consolidated financial statements | | | |
|---|--|--|--|-----------------------|
| | Network equipment and electricity meter distribution Baht | Network equipment installation Baht | Network equipment rental Baht | Total Baht |
| For the year ended 31 December 2019 - restated | | | | |
| Total revenues | 354,772,246 | 491,717,991 | 154,693,668 | 1,001,183,905 |
| Segment results | 69,355,677 | 168,606,205 | (145,102,046) | 92,859,836 |
| Other income | | | | 52,373,303 |
| Unallocated costs | | | | (210,161,706) |
| Share of results of investments using equity method | | | | (19,111,178) |
| Finance costs | | | | (41,427,261) |
| Loss before income tax | | | | (125,467,006) |
| Income tax | | | | 165,363 |
| Net loss | | | | (125,301,643) |
| Timing of revenue recognition | | | | |
| At a point in time | 354,772,246 | - | - | 354,772,246 |
| Over time | - | 491,717,991 | 154,693,668 | 646,411,659 |
| Total revenue | 354,772,246 | 491,717,991 | 154,693,668 | 1,001,183,905 |
| Fixed assets | 34,607,658 | 43,099,824 | 1,104,758,616 | 1,182,466,098 |
| Other assets | 119,802,227 | 646,491,507 | 182,048,970 | 948,342,704 |
| Unallocated assets | | | | 743,773,082 |
| Consolidated total assets | | | | 2,874,581,884 |

The Group has 2 major customers which is government organization and telecom providers. The revenue generated from those customers is 43.85% and 23.03% respectively of the total revenue in the consolidated statement of comprehensive income for the year ended 31 December 2020. These customers belong to network equipment and electricity meter distribution network equipment installation segments and network equipment rental segments (2019: 36.77%).

12 Cash and cash equivalents

| | Consolidated financial statements | | Separate financial statements | |
|--------------------------|--|--------------------------|--|-------------------|
| | 2020 | 2019 Restated | 2020 | 2019 |
| | Baht | Baht | Baht | Baht |
| Cash at bank and on hand | 496,992,197 | 37,090,633 | 325,626,470 | 15,193,700 |
| Short-term bank deposits | 444,582 | 387,684 | - | - |
| Total | 497,436,779 | 37,478,317 | 325,626,470 | 15,193,700 |

The interest rate on deposits held at call with banks is at 0.05% to 1.00% per annum (2019: 0.04% to 1.00% per annum).

13 Trade and other receivables and contract assets

13.1 Trade and other receivables

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|------------------|----------------------------------|-------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| Trade receivables - third parties | 436,732,679 | 161,999,293 | 117,072,579 | 59,952,464 |
| Trade receivables - related parties (Note 39) | 46,195,166 | 35,677,750 | 63,409,159 | 106,625,097 |
| Total trade receivables | 482,927,845 | 197,677,043 | 180,481,738 | 166,577,561 |
| <u>Less</u> Loss allowance (2019: Allowance for doubtful account under TAS 101) | (23,867,667) | (13,459,887) | (15,510,185) | (6,737,232) |
| Trade receivables, net | 459,060,178 | 184,217,156 | 164,971,553 | 159,840,329 |
| Other receivables - third parties | 6,372,488 | 5,950,336 | 985,760 | 657,945 |
| Other receivables - related parties (Note 39) | 13,267,317 | 12,994,961 | 13,872,954 | 25,029,114 |
| Advance payment - third parties | 1,788,783 | 343,557 | 830,624 | 101,259 |
| Advance payment - related parties (Note 39) | - | - | 7,124 | 811,041 |
| Advance payment for inventory | 2,371,356 | 1,348,142 | 2,261,259 | 1,226,147 |
| Advance payment for inventory - related parties (Note 39) | - | - | 1,588,040 | 21,658,178 |
| Accrued interest income - related parties (Note 39) | 134,446 | 10,989 | 134,446 | 10,989 |
| Accrued income | 10,960,198 | 13,292,873 | 2,433,346 | 6,886,203 |
| Accrued income - related parties (Note 39) | 19,564,455 | 9,377,747 | 6,139,766 | 5,147,764 |
| Accrued dividend income - related parties (Note 39) | - | - | 14,999,865 | - |
| Prepayments | 4,857,376 | 3,440,826 | 123,050 | 990,445 |
| Prepayments - related parties (Note 39) | 1,198,204 | - | - | - |
| Total other receivables | 60,514,623 | 46,759,431 | 43,376,234 | 62,519,085 |
| <u>Less</u> Loss allowance (2019: Allowance for doubtful account under TAS 101) | (5,000,996) | (5,000,996) | - | - |
| Other receivables, net | 55,513,627 | 41,758,435 | 43,376,234 | 62,519,085 |
| Total trade and other receivables, net | 514,573,805 | 225,975,591 | 208,347,787 | 222,359,414 |

Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

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13.2 Contract assets

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|--------------|----------------------------------|--------------|
| | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| Contract assets | 198,648,603 | 148,452,437 | 107,687,285 | 54,274,724 |
| <u>Less</u> Loss allowance (2019: Allowance for doubtful accounts under TAS 101) | (29,185,701) | (12,591,727) | (17,970,374) | (12,540,000) |
| Total contract assets | 169,462,902 | 135,860,710 | 89,716,911 | 41,734,724 |

Significant change of contract assets

Contract assets increased from providing service before payment due date on contract. Additionally, the Group reversed loss allowance for contract assets amounting to Baht 7.31 million and Baht 2.54 million in the consolidated and separate financial statements, respectively

13.3 Loss allowance for trade receivable and contract assets

Information about the loss allowance for trade receivable and contract assets as disclosed in note 8.1.2 (c).

14 Inventories

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|--------------------------|----------------------------------|--------------|
| | 2020 Baht | 2019 Restated Baht | 2020 Baht | 2019 Baht |
| Raw material | 51,809,522 | 57,075,051 | 22,329,592 | 31,962,845 |
| Work in progress | - | 613,723 | - | 613,723 |
| Work in process - construction contract | 114,148,335 | 251,364,793 | 89,774,364 | 242,610,473 |
| Goods in Transit | - | 2,757,272 | - | - |
| Supplies | 340,644 | 54,366,516 | 5,105 | 5,328,691 |
| Finished goods | 24,845,940 | 39,633,394 | 3,293,330 | 12,688,400 |
| | 191,144,441 | 405,810,749 | 115,402,391 | 293,204,132 |
| <u>Less</u> Provision for impairment of diminution in value of inventories | (34,735,055) | (36,431,824) | (14,340,000) | (16,787,000) |
| Total | 156,409,386 | 369,378,925 | 101,062,391 | 276,417,132 |

In 2020, the Group and the company reverse provision on impairment of diminution in value of inventories, totalling Baht 1.70 million and Baht 2.45 million in the consolidated and separate statement of comprehensive income, respectively (2019: recognised amounting to Baht 15.80 million and reversal of Baht 13.34 million in the consolidated and separate statement of comprehensive income, respectively).

15 Financial assets and financial liabilities

At 31 December 2020, classification of the Group's financial assets and financial liabilities are as follows:

| | Consolidated financial statements | Separate financial statements |
|---|--|--|
| | Amortised cost | Amortised cost |
| | Baht | Baht |
| Financial assets | | |
| Cash and cash equivalents | 497,436,779 | 325,626,470 |
| Trade and other receivables | 473,833,433 | 194,964,578 |
| Short-term loans to related parties | 7,600,000 | 7,600,000 |
| Financial assets measured at amortised cost | 1,099,730 | 1,099,730 |
| Restricted cash | 108,361,907 | 27,925,307 |
| Long-term trade receivables | 4,599,940 | 4,599,940 |
| Long-term loan to related parties | 189,153,476 | 189,153,476 |
| Other financial assets | 11,461,044 | - |
| | | |
| | Consolidated financial statements | Separate financial statements |
| | Amortised cost | Amortised cost |
| | Baht | Baht |
| Financial liabilities | | |
| Bank overdrafts and short-term borrowings from financial institutions | 465,979,586 | 325,005,353 |
| Trade and other payables | 152,994,629 | 105,469,737 |
| Long-term trade payable | 8,139,579 | - |
| Long-term borrowings from financial institutions | 36,946,715 | 36,946,715 |

Expected credit losses for the year

Information about the impairment and the Group's exposure to credit risk is disclosed in Note 8.1.2.

16 Other current assets

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------|--|--------------------------|--|-------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| Revenue department receivable | 36,772,600 | 73,292,479 | 177,716 | 26,139,086 |
| Undue input tax | 8,168,911 | 30,976,636 | 1,263,724 | 24,394,063 |
| Withholding tax receivables | 12,061,034 | 11,444,971 | - | 7,106,400 |
| Others | 106,883 | 231,833 | 54,690 | 152,403 |
| | 57,109,428 | 115,945,919 | 1,496,130 | 57,791,952 |

17 Restricted cash

On 31 December 2020, restricted cash represent fixed deposits with financial institutions carrying interest at the rate of 0.25% to 0.38% per annum (2019: 0.70% to 1.05% per annum). The Company pledged a fixed deposit account with bank as security against the bank overdraft, bank guarantees and promissory note.

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18 Right-of-use assets

Book value of right-of-use assets comprises:

| | Consolidated financial statements | | Separate financial statements | |
|---------------------|--|---|--|---|
| | 31 December 2020 Baht | 1 January 2020 Restated Baht | 31 December 2020 Baht | 1 January 2020 Restated Baht |
| Land and properties | 216,522,657 | 289,165,965 | 78,794,629 | 178,533,600 |
| Equipment | 13,524,000 | 22,540,000 | 13,524,000 | 22,540,000 |
| Total | 230,046,657 | 311,705,965 | 92,318,629 | 201,073,600 |

For the year ended 31 December, amounts charged to profit or loss and cash flows relating to leases are as follows:

| | Consolidated financial statements | Separate financial statements |
|---|--|--|
| | 31 December 2020 Baht | 31 December 2020 Baht |
| Depreciation charge of right-of-use assets: | | |
| Land and properties | 76,713,198 | 11,061,022 |
| Equipment | 9,016,000 | 9,016,000 |
| Total | 85,729,198 | 20,077,022 |
| Addition to the right-of-use assets during the year | 114,970,998 | 22,223,160 |
| Disposal, net | (110,901,109) | (110,901,109) |

19 Interests in associates and joint ventures

a) Investments in associate

The movements of investments in associate can be analysed as follows:

| | Consolidated financial statements | | Separate financial statements | |
|----------------------------------|--|----------------------|--|----------------------|
| | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| At 1 January | 38,586,346 | 42,164,174 | 39,935,345 | 75,360,000 |
| Addition | - | - | - | - |
| Share of loss | (12,983,589) | (12,644,019) | - | - |
| Currency translation differences | 138,713 | (66,059) | - | - |
| Change in equity | 718,477 | 9,132,250 | - | - |
| Impairment loss | - | - | - | (35,424,655) |
| At 31 December | 26,459,947 | 38,586,346 | 39,935,345 | 39,935,345 |

Nature of investments in associate 2020 and 2019

| Name of entity | Country of incorporation | Nature of business | % of ownership interest | | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------|---------------------------------------|-------------------------|-----------|-----------------------------------|--------------|-------------------------------|--------------|
| | | | 2020 % | 2019 % | Investment at equity method | | Investment at cost, net | |
| | | | | | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| | | | | | | | | |
| Associates: | | | | | | | | |
| Telecom Solutions Provider Co., Ltd. ("TSP") | Thailand | Holding company investing in overseas | 19.79 | 21.23 | 7,158,965 | 11,075,345 | 11,075,345 | 11,075,345 |
| Spotwerkz (Thailand) Co., Ltd. ("SW") | Thailand | Providing data analytics services | 45.19 | 45.19 | 19,300,982 | 27,511,001 | 28,860,000 | 28,860,000 |
| Total | | | | | 26,459,947 | 38,586,346 | 39,935,345 | 39,935,345 |

There are no contingent liabilities relating to the Group's investment in associates.

Summarised financial information for associates

The table below is summarised of financial information for associates that are material to the Group. The financial information is included in associates own financial statements which has been adjusted with the adjustments necessary for the equity method including, adjusting fair value and differences in accounting policy.

| | TSP | | SW | |
|--|--------------|--------------|--------------|--------------|
| | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| <i>Summarised of statement of financial position</i> | | | | |
| Current assets | 104,531,441 | 19,236,624 | 21,743,910 | 40,481,288 |
| Non-current assets | 155,178,564 | 237,897,449 | 39,655,377 | 39,906,750 |
| Current liabilities | 62,812,810 | 206,283,709 | 28,612,979 | 36,026,360 |
| Non-current liabilities | 162,210,516 | - | 6,755,811 | 163,401 |
| Net assets including non-controlling interests | 34,686,679 | 50,850,364 | 26,030,497 | 44,198,277 |
| Non-controlling interests | 1,487,979 | 1,318,004 | - | - |
| Net assets excluding non-controlling interests | 36,174,658 | 52,168,368 | 26,030,497 | 44,198,277 |
| <i>Summarised of performance</i> | | | | |
| Revenue | 84,564,958 | 44,810,405 | 7,867,967 | 24,799,272 |
| (Loss) profit before tax | (24,181,118) | (45,380,531) | (18,167,780) | 3,995,142 |
| (Loss) profit for the year | (24,181,118) | (54,145,220) | (18,167,780) | 3,995,142 |
| Other comprehensive income | 700,920 | (311,158) | - | - |
| Total comprehensive income | (23,420,198) | (54,456,378) | (18,167,780) | 3,995,142 |
| Dividend received from associates | - | - | - | - |

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Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associates

Summarised financial information

| | TSP | | SW | |
|--|--------------|--------------|--------------|--------------|
| | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| Net assets excluding non-controlling interests | 36,174,658 | 52,168,368 | 26,030,497 | 44,198,277 |
| Group's share in associates (%) | 19.79 | 21.23 | 45.19 | 45.19 |
| Group's share in associates (Baht) | 7,158,965 | 11,075,345 | 11,763,182 | 19,973,201 |
| Goodwill | - | - | 7,537,800 | 7,537,800 |
| Associates carrying amount | 7,158,965 | 11,075,345 | 19,300,982 | 27,511,001 |

(b) Interests in joint ventures

The movements of interests in joint ventures can be analysed as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|--------------|----------------------------------|--------------|
| | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| At 1 January | 41,974,942 | 48,355,810 | 37,214,815 | 35,499,900 |
| Additions | 269,010,000 | 489,990 | 269,010,000 | 489,990 |
| Transfer from investment in subsidiaries | - | 946,117 | - | 1,224,925 |
| Related-party transactions | (88,968,171) | - | - | - |
| Share of profit (loss) | 13,974,742 | (6,467,159) | - | - |
| Share of comprehensive loss | - | (1,349,816) | - | - |
| At 31 December | 235,991,513 | 41,974,942 | 306,224,815 | 37,214,815 |

Additional interest in joint venture

Smart Infranet Company Limited

On 3 August 2020, ALT Telecom Public Company Limited paid for additional investment in Smart Infranet Company Limited, a joint venture of the Company, amounting to Baht 269 million to acquire 26,901,000 shares with a par value of Baht 10 per share. There is no effect to the shareholding interest in Smart Infranet Company Limited after share subscription.

The joint ventures listed below have share capital consisting solely of ordinary shares, which are held directly by the Group.

| Name of entity | Country of incorporation | Nature of business | % of ownership interest | | Consolidated financial statements Investment at equity method | | Separate financial statements Investment at cost | |
|--------------------------------------|-----------------------------|---|----------------------------|-----------|--|--------------|---|--------------|
| | | | 2020 % | 2019 % | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| | | | | | | | | |
| <i>Joint ventures:</i> | | | | | | | | |
| Information Highway Co., Ltd. ("IH") | Thailand | Telecom network installation and network rental | 71.00 | 71.00 | 66,973,700 | 40,556,919 | 35,499,900 | 35,499,900 |
| Smart Infranet Co., Ltd. ("SIC") | Thailand | Engaging in telecommunication business | 48.99 | 48.99 | 168,304,884 | 489,990 | 269,499,990 | 489,990 |
| Thaithanan Co., Ltd. ("TTN") | Thailand | Leasing and management of telecommunication basic structure | 48.99 | 48.99 | 712,929 | 928,033 | 1,224,925 | 1,224,925 |
| Total | | | | | 235,991,513 | 41,974,942 | 306,224,815 | 37,214,815 |

Information Highway Company Limited

Shareholders agreement of Information Highway Company Limited between the Company and external party identified that the Company and external party have joint control over Information Highway Company Limited. The resolution of Board of Directors and shareholders must receive the approval of the representative appointed by the Company and the representative appointed by the external party. If there is a disagreement between representatives of both parties the resolution cannot resolve. Considering the above condition, the Group classify investment in Information Highway Company Limited as interest in joint venture.

Information Highway is a private company and there is no quoted market price available for its shares.

There are no contingent liabilities relating to the Group's interests in the joint venture.

Summarised financial information for joint ventures

The table below is summarised of financial information for joint ventures that are material to the Group. The financial information is included in joint ventures own financial statements which has been amended to reflect adjustments necessary for the equity method, including adjusting fair value and differences in accounting policy.

| | IH | | SIC | |
|--|-------------|-------------|--------------|-------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Baht | Baht | Baht |
| <i>Summarised of statement of financial position</i> | | | | |
| Current assets | 57,422,686 | 94,147,694 | 67,254,015 | 1,000,000 |
| Total non-current assets | 456,779,590 | 443,593,767 | 486,134,663 | - |
| Current liabilities | 114,902,826 | 421,969,275 | 31,992,187 | - |
| Non-current liabilities | 296,255,655 | 39,402,103 | - | - |
| Net assets | 103,043,795 | 76,370,083 | 521,396,491 | 1,000,000 |
| <i>Summarised of performance</i> | | | | |
| Revenue | 159,598,670 | 136,366,630 | 15,553,307 | - |
| Profit (Loss) before tax | 26,950,846 | (4,004,557) | (28,603,509) | - |
| Profit (Loss) for the year | 26,673,712 | (3,876,465) | (28,603,509) | - |
| Other comprehensive income | - | (1,901,149) | - | - |
| Total comprehensive income | 26,673,712 | (5,777,614) | (28,603,509) | - |
| Dividend received from joint ventures | - | - | - | - |

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in joint ventures.

| | IH | | SIC | |
|--|--------------|--------------|--------------|--------------|
| | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| Reconciliation to carrying amounts: | | | | |
| Opening net assets | 76,370,083 | 82,147,697 | 1,000,000 | 1,000,000 |
| Increase | - | - | 549,000,000 | - |
| Profit (Loss) for the period | 26,673,712 | (5,777,614) | (28,603,509) | - |
| Closing net assets | 103,043,794 | 76,370,083 | 521,396,491 | 1,000,000 |
| Group's share in joint ventures (%) | 71.00 | 71.00 | 48.99 | 48.99 |
| Group's share in joint ventures (Baht) | 73,161,094 | 54,222,759 | 255,432,141 | 489,990 |
| Loss from downstream transactions | (6,187,394) | (13,665,840) | (87,127,257) | - |
| Joint ventures' carrying amount | 66,973,700 | 40,556,919 | 168,304,884 | 489,990 |

The table below is the carrying amount of its interests, in aggregate, all individually immaterial joint venture that are accounted for using equity method.

| | 2020 Baht | 2019 Baht |
|--|--------------|--------------|
| Aggregate carrying amount of individually immaterial joint ventures | | |
| The Group's share of: | | |
| Loss from continuing operations | (215,104) | - |
| Post-tax loss from continuing operations | (215,104) | - |
| Other comprehensive income | - | - |
| Total comprehensive loss | (215,104) | - |

20 Investments in subsidiaries

Movements of investments in subsidiaries are as follows:

| | Separate financial information | |
|---------------------------------------|-----------------------------------|--------------|
| | 2020 Baht | 2019 Baht |
| At 1 January | 800,311,507 | 802,811,432 |
| Addition | 125,554,962 | - |
| Transfer to interest in joint venture | - | (1,224,925) |
| Disposals | - | (1,275,000) |
| At 31 December | 925,866,469 | 800,311,507 |

Addition of investments in subsidiaries

International Gateway Company Limited

On 25 May 2020, the Company paid for additional investment in International Gateway Company Limited, amounting to Baht 100,000,000 to acquire 1,000,000 shares with a par value of Baht 100 per share. There is no effect to the shareholding interest in International Gateway Company Limited after share subscription.

Energy Max Company Limited

On 19 August 2020, the Company paid for investment in Energy Max Company Limited, founded in Thailand to produce, assemble, install and distribute electricity meter, amounting to Baht 25,554,962 to acquire 672,499 shares with a par value of Baht 25 per share at Baht 38 per share. After the acquisition, the investment represents 97.82% of issued shares. Energy Max Company Limited registered for change in shareholders with Ministry of Commerce on 19 August 2020.

| Entity name | Country of incorporation | Nature of business | Ownership interest held by Company | | Ownership interests held by non-controlling interests | | Investment in cost method | |
|--|--------------------------|---|------------------------------------|----------|---|----------|---------------------------|-------------|
| | | | 2020 (%) | 2019 (%) | 2020 (%) | 2019 (%) | 2020 Baht | 2019 Baht |
| Group Tech Solutions Company Limited | Thailand | Sales and installation electrical system and telecom | 99.99 | 99.99 | 0.01 | 0.01 | 100,998,800 | 100,998,800 |
| I Twenty One Inter Corporation Company Limited | Thailand | Sales and installation electrical equipment and telecom | 99.99 | 99.99 | 0.01 | 0.01 | 31,317,228 | 31,317,228 |
| Innova Telecommunication Company Limited | Thailand | Sales and maintenance electrical equipment and telecom | 99.75 | 99.75 | 0.25 | 0.25 | 41,745,854 | 41,745,854 |
| International Gateway Company Limited | Thailand | Leasing and management of telecommunication basic structure | 99.99 | 99.99 | 0.01 | 0.01 | 724,999,700 | 624,999,700 |
| Energy Max Company Limited | Thailand | Produce, assemble, install and distribute electricity meter | 97.82 | - | 2.18 | - | 25,554,962 | - |
| Win and Win Telecom Company Limited | Thailand | Engaging in telecommunication business | 99.99 | 99.99 | 0.01 | 0.01 | 1,249,925 | 1,249,925 |

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

The total non-controlling interest at 31 December 2020 is Baht 690,506 (2019: Baht 143,811) of which is not material to the consolidated financial statements.

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21 Property, plant, and equipment assets

| | Consolidated financial statements | | | | | | | | Total Baht |
|---|---|-------------------|-----------------------------|--------------------------------|--|-------------------------------|------------------|-----------------------------|---------------|
| | Land and land improvement Baht | Buildings Baht | Utilities system Baht | Tools and equipment Baht | Furniture fixtures and office equipment Baht | Computer equipment Baht | Vehicles Baht | Work in progress Baht | |
| At 1 January 2019 - restated | | | | | | | | | |
| Cost | 24,012,780 | 83,294,318 | 1,506,828 | 59,197,246 | 16,240,273 | 16,199,904 | 6,042,678 | 421,462 | 206,915,489 |
| Less Accumulated depreciation | - | (30,152,824) | (335,388) | (49,136,320) | (12,115,137) | (9,671,327) | (5,122,303) | - | (106,533,299) |
| Net book value | 24,012,780 | 53,141,494 | 1,171,440 | 10,060,926 | 4,125,136 | 6,528,577 | 920,375 | 421,462 | 100,382,190 |
| For the year ended 31 December 2019 – restated | | | | | | | | | |
| Opening net book value | 24,012,780 | 53,141,494 | 1,171,440 | 10,060,926 | 4,125,136 | 6,528,577 | 920,375 | 421,462 | 100,382,190 |
| Additions | - | 95,000 | 346,827 | 5,775,040 | 834,159 | 505,959 | - | 2,222,764 | 9,779,749 |
| Disposals, net | - | (48,460) | (272,045) | (147,255) | (85,049) | (133) | - | (25,000) | (577,942) |
| Write-off, net | - | - | - | - | (14) | (63) | - | - | (77) |
| Transfer in (out) | 850,000 | 1,656,264 | - | 1,005,756 | (224,139) | - | - | (2,540,264) | 747,617 |
| Depreciation charge | - | (4,751,191) | (310,958) | (4,484,159) | (1,239,919) | (3,206,457) | (380,031) | - | (14,372,715) |
| Closing net book value | 24,862,780 | 50,093,107 | 935,264 | 12,210,308 | 3,410,174 | 3,827,883 | 540,344 | 78,962 | 95,958,822 |
| At 31 December 2019 - restated | | | | | | | | | |
| Cost | 24,862,780 | 84,997,082 | 1,532,929 | 64,849,323 | 16,356,356 | 15,865,058 | 6,042,678 | 78,962 | 214,585,168 |
| Less Accumulated depreciation | - | (34,903,975) | (597,665) | (52,639,015) | (12,946,182) | (12,037,175) | (5,502,334) | - | (118,626,346) |
| Closing net book value | 24,862,780 | 50,093,107 | 935,264 | 12,210,308 | 3,410,174 | 3,827,883 | 540,344 | 78,962 | 95,958,822 |

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| | Consolidated financial statements | | | | | | | | |
|-------------------------------------|-----------------------------------|-------------------|-----------------------------|--------------------------------|--|-------------------------------|------------------|-----------------------------|---------------|
| | Land and land improvement Baht | Buildings Baht | Utilities system Baht | Tools and equipment Baht | Furniture fixtures and office equipment Baht | Computer equipment Baht | Vehicles Baht | Work in progress Baht | Total Baht |
| For the year ended 31 December 2020 | | | | | | | | | |
| Opening net book value - restated | 24,862,780 | 50,093,107 | 935,264 | 12,210,308 | 3,410,174 | 3,827,883 | 540,344 | 78,962 | 95,958,822 |
| Additions | 9,165,000 | - | 295,469 | 6,030,213 | 509,840 | 2,518,109 | 433,721 | 4,829,769 | 23,782,121 |
| Write-off, net | - | (6,599,094) | - | (94,391) | (34) | (12,524) | - | - | (6,706,043) |
| Depreciation charge | - | (4,169,749) | (338,264) | (4,325,421) | (1,277,934) | (2,942,852) | (432,632) | - | (13,486,852) |
| Closing net book value | 34,027,780 | 39,324,264 | 892,469 | 13,820,709 | 2,642,046 | 3,390,616 | 541,433 | 4,908,731 | 99,548,048 |
| At 31 December 2020 | | | | | | | | | |
| Cost | 34,027,780 | 77,867,696 | 1,828,398 | 68,319,256 | 16,639,361 | 18,255,348 | 6,476,399 | 4,908,731 | 228,322,969 |
| Less Accumulated depreciation | - | (38,543,432) | (935,929) | (54,498,547) | (13,997,315) | (14,864,732) | (5,934,966) | - | (128,774,921) |
| Closing net book value | 34,027,780 | 39,324,264 | 892,469 | 13,820,709 | 2,642,046 | 3,390,616 | 541,433 | 4,908,731 | 99,548,048 |

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| | Separate financial statements | | | | | | | | |
|-------------------------------------|-------------------------------|--------------|------------------|---------------------|---|--------------------|-------------|------------------|--------------|
| | Land and land improvement | Buildings | Utilities system | Tools and equipment | Furniture fixtures and office equipment | Computer equipment | Vehicles | Work in progress | Total |
| | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht |
| At 1 January 2019 | | | | | | | | | |
| Cost | 20,412,780 | 44,810,124 | 1,470,450 | 683,144 | 5,741,525 | 6,982,491 | 3,061,729 | 393,963 | 83,556,206 |
| Less Accumulated depreciation | - | (11,938,232) | (324,942) | (498,204) | (3,574,009) | (4,162,932) | (3,061,726) | - | (23,560,045) |
| Net book value | 20,412,780 | 32,871,892 | 1,145,508 | 184,940 | 2,167,516 | 2,819,559 | 3 | 393,963 | 59,996,161 |
| For the year ended 31 December 2019 | | | | | | | | | |
| Opening net book value | 20,412,780 | 32,871,892 | 1,145,508 | 184,940 | 2,167,516 | 2,819,559 | 3 | 393,963 | 59,996,161 |
| Additions | - | - | 346,826 | 21,600 | 187,721 | 101,569 | - | 594,000 | 1,251,716 |
| Disposals, net | - | (48,460) | - | - | - | (9) | - | (25,000) | (73,469) |
| Write-off, net | - | - | - | - | (9) | (38) | - | - | (47) |
| Transfer in (out) | 850,000 | - | - | 34,000 | (224,139) | - | - | (884,000) | (224,139) |
| Depreciation charge | - | (1,843,522) | (268,310) | (63,530) | (545,297) | (1,386,193) | - | - | (4,106,852) |
| Closing net book value | 21,262,780 | 30,979,910 | 1,224,024 | 177,010 | 1,585,792 | 1,534,888 | 3 | 78,963 | 56,843,370 |
| At 31 December 2019 | | | | | | | | | |
| Cost | 21,262,780 | 44,761,624 | 1,817,276 | 738,744 | 5,461,425 | 6,448,124 | 3,061,729 | 78,963 | 83,630,665 |
| Less Accumulated depreciation | - | (13,781,714) | (593,252) | (561,734) | (3,875,633) | (4,913,236) | (3,061,726) | - | (26,787,295) |
| Closing net book value | 21,262,780 | 30,979,910 | 1,224,024 | 177,010 | 1,585,792 | 1,534,888 | 3 | 78,963 | 56,843,370 |
| For the year ended 31 December 2020 | | | | | | | | | |
| Opening net book value | 21,262,780 | 30,979,910 | 1,224,024 | 177,010 | 1,585,792 | 1,534,888 | 3 | 78,963 | 56,843,370 |
| Additions | - | - | - | - | 57,222 | 465,980 | - | 4,829,769 | 5,352,971 |
| Write-off, net | - | (977,156) | - | - | (8) | (3) | - | - | (977,167) |
| Depreciation charge | - | (1,745,003) | (308,644) | (61,701) | (565,776) | (1,174,515) | - | - | (3,855,639) |
| Closing net book value | 21,262,780 | 28,257,751 | 915,380 | 115,309 | 1,077,230 | 826,350 | 3 | 4,908,732 | 57,363,535 |
| At 31 December 2020 | | | | | | | | | |
| Cost | 21,262,780 | 43,784,468 | 1,817,276 | 738,744 | 5,322,759 | 6,857,804 | 3,061,729 | 4,908,732 | 87,754,292 |
| Less Accumulated depreciation | - | (15,526,717) | (901,896) | (623,435) | (4,245,529) | (6,031,454) | (3,061,726) | - | (30,390,757) |
| Closing net book value | 21,262,780 | 28,257,751 | 915,380 | 115,309 | 1,077,230 | 826,350 | 3 | 4,908,732 | 57,363,535 |

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At 31 December 2020, the land and buildings have been pledged with the net book value of Baht 74.24 million and Baht 50.44 million in the consolidated and separate financial statements, respectively (2019: Baht 73.32 million and Baht 53.47 million in the consolidated and separate financial statements, respectively) under the short-term borrowings (Note 25).

Detail of depreciation recognised in the statement of comprehensive income are as follows;

| | Consolidated financial statements | | Separate financial statements | |
|----------------------------------|--|--------------------------|--|------------------|
| | 2020 | 2019 Restated | 2020 | 2019 |
| | Baht | Baht | Baht | Baht |
| Cost of sales / cost of services | 1,559,400 | 1,668,648 | 52,425 | 25,460 |
| Selling expenses | 704,010 | 929,478 | 208,099 | 228,271 |
| Administrative expenses | 11,223,442 | 11,774,589 | 3,595,115 | 3,853,121 |
| Total | 13,486,852 | 14,372,715 | 3,855,639 | 4,106,852 |

22 Fiber optic network equipment

| | Consolidated financial statements Baht | Separate financial statements Baht |
|--|---|---|
| At 31 December 2019 | | |
| Cost | 1,292,135,592 | 1,009,774,590 |
| <u>Less</u> Accumulated depreciation | (220,482,381) | (194,904,646) |
| Closing net book value | 1,071,653,211 | 814,869,944 |
| For the year ended 31 December 2019 | | |
| Opening net book value | 1,071,653,211 | 814,869,944 |
| Additions | 100,077,851 | 40,480,228 |
| Disposals, net | - | (50,978,509) |
| Write-off, net | (19,917,320) | (19,917,320) |
| Transfer in | 5,520,955 | 2,314,937 |
| Depreciation charge | (70,827,421) | (53,939,253) |
| Closing net book value | 1,086,507,276 | 732,830,027 |
| At 31 December 2020 | | |
| Cost | 1,376,225,409 | 980,082,256 |
| <u>Less</u> Accumulated depreciation | (289,718,133) | (247,252,229) |
| Closing net book value | 1,086,507,276 | 732,830,027 |

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| | Consolidated financial statements Baht | Separate financial statements Baht |
|--|---|---|
| For the year ended 31 December 2020 | | |
| Opening net book value - previously reported | 1,086,507,276 | 732,830,027 |
| Adjustments from changes in accounting policy (Note 6) | (9,579,983) | (6,915,984) |
| Opening net book value - restated | 1,076,927,293 | 725,914,043 |
| Additions | 228,120,207 | 9,361,532 |
| Disposals, net | (460,375,751) | (466,729,430) |
| Write-off, net | (18,104,880) | (16,891,113) |
| Depreciation charge | (60,518,472) | (33,974,566) |
| Closing net book value | 766,048,397 | 217,680,466 |
| At 31 December 2020 | | |
| Cost | 1,026,385,084 | 423,094,217 |
| <u>Less</u> Accumulated depreciation | (260,336,687) | (205,413,751) |
| Closing net book value | 766,048,397 | 217,680,466 |

In 2020, the Group and the Company recorded depreciation amounting to Baht 60.52 million and Baht 33.97 million, respectively (2019: Baht 70.83 million and Baht 53.94 million, respectively) as cost of fiber optic network rental.

23 Intangible assets

| | Consolidated financial statements | | | | Separate financial statements |
|---|--|------------------------|---|-----------------------|--|
| | Computer program Baht | Patent Baht | Computer program under installation Baht | Total Baht | Computer program Baht |
| At 31 December 2019 - restated | | | | | |
| Cost | 25,255,192 | 4,371,369 | 2,666,772 | 32,293,333 | 9,282,616 |
| <u>Less</u> Accumulated amortisation | (8,568,276) | (2,620,283) | - | (11,188,559) | (3,866,087) |
| <u>Less</u> Accumulated impairment | - | - | (2,589,972) | (2,589,972) | - |
| Net book value | 16,686,916 | 1,751,086 | 76,800 | 18,514,802 | 5,416,529 |
| For the year ended 31 December 2019 - restated | | | | | |
| Opening net book value | 16,686,916 | 1,751,086 | 76,800 | 18,514,802 | 5,416,529 |
| Additions | 140,650 | - | - | 140,650 | 61,700 |
| Disposals, net | (71,911) | - | - | (71,911) | (66,304) |
| Transfer out | (6,268,571) | - | - | (6,268,571) | (2,090,798) |
| Amortisation charge | (1,737,292) | (267,184) | - | (2,004,476) | (646,454) |
| Closing net book value | 8,749,792 | 1,483,902 | 76,800 | 10,310,494 | 2,674,673 |
| At 31 December 2019 - restated | | | | | |
| Cost | 19,030,771 | 4,371,369 | 2,666,772 | 26,068,912 | 6,430,490 |
| <u>Less</u> Accumulated amortisation | (10,280,979) | (2,887,467) | - | (13,168,446) | (3,755,817) |
| <u>Less</u> Accumulated impairment | - | - | (2,589,972) | (2,589,972) | - |
| Net book value | 8,749,792 | 1,483,902 | 76,800 | 10,310,494 | 2,674,673 |

| | Consolidated financial statements | | | | Separate financial statements |
|--|--|--------------------|---|-------------------|--------------------------------------|
| | Computer program Baht | Patent Baht | Computer program under installation Baht | Total Baht | Computer program Baht |
| For the year ended 31 December 2020 | | | | | |
| Opening net book value | 8,749,792 | 1,483,902 | 76,800 | 10,310,494 | 2,674,673 |
| Additions | 99,751 | - | 19,200 | 118,951 | 21,399 |
| Write-off, net | (10,677) | - | - | (10,677) | - |
| Transfer in (out) | 96,000 | - | (96,000) | - | - |
| Amortisation charge | (1,671,434) | (286,939) | - | (1,958,373) | (584,200) |
| Closing net book value | 7,263,432 | 1,196,963 | - | 8,460,395 | 2,111,872 |
| At 31 December 2020 | | | | | |
| Cost | 19,214,457 | 4,371,369 | 2,589,972 | 26,175,798 | 6,451,889 |
| <u>Less</u> Accumulated amortisation | (11,951,025) | (3,174,406) | - | (15,125,431) | (4,340,017) |
| <u>Less</u> Impairment | - | - | (2,589,972) | (2,589,972) | - |
| Net book value | 7,263,432 | 1,196,963 | - | 8,460,395 | 2,111,872 |

Amortisation recognised in profit and loss that are related to intangible assets are as follows:

| | Consolidated financial statements | | Separate financial statements | |
|----------------------------------|--|----------------------|--------------------------------------|-------------|
| | 2020 | 2019 Restated | 2020 | 2019 |
| | Baht | Baht | Baht | Baht |
| Cost of sales / cost of services | 88,769 | 84,232 | 15,830 | 1,500 |
| Selling expenses | 207,566 | 225,401 | 86,977 | 104,812 |
| Administrative expenses | 1,662,038 | 1,694,843 | 481,393 | 540,142 |
| Total | 1,958,373 | 2,004,476 | 584,200 | 646,454 |

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24 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities at 31 December is as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--|--|----------------------|--|----------------------|
| | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| Deferred tax assets: | | | | |
| Deferred tax asset to be recovered within 12 months | - | - | - | - |
| Deferred tax asset to be recovered after more than 12 months | 82,616,159 | 149,836,824 | 22,602,908 | 84,255,555 |
| | 82,616,159 | 149,836,824 | 22,602,908 | 84,255,555 |
| Deferred tax liabilities: | | | | |
| Deferred tax liability to be settled within 12 months | (4,063,157) | (4,556,084) | (4,063,157) | (4,556,084) |
| Deferred tax liability to be settled after more than 12 months | (22,926,288) | (29,733,499) | (22,926,288) | (29,733,499) |
| | (26,989,445) | (34,289,583) | (26,989,445) | (34,289,583) |
| Deferred tax asset, net | 55,626,714 | 115,547,241 | (4,386,537) | 49,965,972 |

The movements in deferred income tax account are as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--|--|----------------------|--|----------------------|
| | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| At 1 January | 115,547,241 | 100,945,905 | 49,965,972 | 44,526,562 |
| (Credited) Charged to income statement | (59,920,527) | 16,338,213 | (54,352,509) | 6,323,394 |
| Credited to other comprehensive income | - | (1,736,877) | - | (883,984) |
| At 31 December | 55,626,714 | 115,547,241 | (4,386,537) | 49,965,972 |

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The movements in deferred tax assets and liabilities during the year is as follows:

| | Consolidated financial statements | | | |
|--|-----------------------------------|--------------------------------|---------------------------------|--------------------------------|
| | At | Charged | Charged | At |
| | 1 January 2019 Baht | to Income statement Baht | comprehensive income Baht | 31 December 2019 Baht |
| Deferred tax assets | | | | |
| Provision for impairment of diminution in value of inventories | 3,123,038 | 728,362 | - | 3,851,400 |
| Provision for impairment of doubtful account | 3,622,204 | 243,587 | - | 3,865,791 |
| Employee benefit obligations | 5,141,046 | 1,771,484 | (1,736,877) | 5,175,653 |
| Services income - fiber optic network | 53,010,000 | - | - | 53,010,000 |
| Prepaid expenses | 1,903,241 | 587,607 | - | 2,490,848 |
| Tax loss carry forward | 22,023,315 | 11,770,999 | - | 33,794,314 |
| Deferred interest income | 62,594 | (62,594) | - | - |
| Margins in inventories/assets | 49,337,228 | (2,688,595) | - | 46,648,633 |
| Others | 1,556,458 | (556,273) | - | 1,000,185 |
| | 139,779,124 | 11,794,577 | (1,736,877) | 149,836,824 |
| Deferred tax liabilities | | | | |
| Depreciation of fiber optic network | 38,833,219 | (4,543,636) | - | 34,289,583 |
| | 38,833,219 | (4,543,636) | - | 34,289,583 |
| | Consolidated financial statements | | | |
| | At | Charged | Charged | At |
| | 1 January 2020 Baht | to Income statement Baht | comprehensive income Baht | 31 December 2020 Baht |
| Deferred tax assets | | | | |
| Provision for impairment of diminution in value of inventories | 3,851,400 | (602,600) | - | 3,248,800 |
| Provision for impairment of loss allowance | 3,865,791 | 4,553,074 | - | 8,418,865 |
| Employee benefit obligations | 5,175,653 | 1,535,011 | - | 6,710,664 |
| Services income - fiber optic network | 53,010,000 | (53,010,000) | - | - |
| Prepaid expenses | 2,490,848 | (2,490,848) | - | - |
| Tax loss carry forward | 33,794,314 | (22,601,557) | - | 11,192,757 |
| Margins in inventories/assets | 46,648,633 | (4,238,443) | - | 42,410,190 |
| Loss from impairment | - | 10,270,236 | - | 10,270,236 |
| Others | 1,000,185 | (635,538) | - | 364,647 |
| | 149,836,824 | (67,220,665) | - | 82,616,159 |
| Deferred tax liabilities | | | | |
| Depreciation of fiber optic network | 34,289,583 | (7,300,138) | - | 26,989,445 |
| | 34,289,583 | (7,300,138) | - | 26,989,445 |

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| | Separate financial statements | | | |
|--|---------------------------------|---|---|-----------------------------------|
| | At 1 January 2019 Baht | Charged to Income statement Baht | Charged to Income statement Baht | At 31 December 2019 Baht |
| Deferred tax assets | | | | |
| Provision for impairment of diminution in value of inventories | 688,600 | 2,668,800 | - | 3,357,400 |
| Provision for impairment of doubtful accounts | 2,981,327 | 874,119 | - | 3,855,446 |
| Employee benefit obligations | 2,122,898 | 747,203 | (883,984) | 1,986,117 |
| Services income - fiber optic network | 53,010,000 | - | - | 53,010,000 |
| Prepaid expenses | 1,903,241 | 587,607 | - | 2,490,848 |
| Tax loss carry forward | 21,097,258 | (2,497,284) | - | 18,599,974 |
| Others | 1,556,457 | (600,687) | - | 955,770 |
| | 83,359,781 | 1,779,758 | (883,984) | 84,255,555 |
| Deferred tax liabilities | | | | |
| Depreciation of fiber optic network | 38,833,219 | (4,543,636) | - | 34,289,583 |
| | 38,833,219 | (4,543,636) | - | 34,289,583 |
| | Separate financial statements | | | |
| | At 1 January 2020 Baht | Charged to Income statement Baht | Charged to Income statement Baht | At 31 December 2020 Baht |
| Deferred tax assets | | | | |
| Provision for impairment of diminution in value of inventories | 3,357,400 | (489,400) | - | 2,868,000 |
| Provision for impairment of loss allowance | 3,855,446 | 2,840,666 | - | 6,696,112 |
| Employee benefit obligations | 1,986,117 | 533,898 | - | 2,520,015 |
| Services income - fiber optic network | 53,010,000 | (53,010,000) | - | - |
| Prepaid expenses | 2,490,848 | (2,490,848) | - | - |
| Tax loss carry forward | 18,599,974 | (18,599,974) | - | - |
| Loss from impairment | - | 10,270,236 | - | 10,270,236 |
| Others | 955,770 | (707,225) | - | 248,545 |
| | 84,255,555 | (61,652,647) | - | 22,602,908 |
| Deferred tax liabilities | | | | |
| Depreciation of fiber optic network | 34,289,583 | (7,300,138) | - | 26,989,445 |
| | 34,289,583 | (7,300,138) | - | 26,989,445 |

Presentation in the statements of financial position is as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---------------------------------|--------------------------------------|--------------|----------------------------------|--------------|
| | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| Deferred income tax assets | 60,013,251 | 115,547,241 | - | 49,965,972 |
| Deferred income tax liabilities | (4,386,537) | - | (4,386,537) | - |
| Deferred income tax, net | 55,626,714 | 115,547,241 | (4,386,537) | 49,965,972 |

Deferred income tax assets are recognised for tax loss and carried forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax of Baht 6,977,520 in respect of losses amounting to Baht 34,887,600 that can be carried forward against future taxable income. This is because the Group did not anticipate the Company and its subsidiaries to have sufficient tax profit to utilise such tax loss carried forward (2019: The Group did not recognise deferred income tax of Baht 51,521,271 in respect of losses amounting to Baht 257,606,354). These tax losses will expire in 2025.

25 Borrowings

| | Consolidated financial statements | | Separate financial statements | |
|---|--|--------------------------|--|--------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| Current | | | | |
| Promissory notes / Bill of Exchange | 404,996,496 | 730,330,448 | 324,996,497 | 458,838,414 |
| Trust receipt | 60,975,004 | 62,944,749 | - | 8,469,817 |
| Bank overdrafts and short-term borrowings from financial institutions | 8,086 | 87,729,564 | 8,856 | 45,735,878 |
| Current portion of long-term borrowings from financial institutions | 21,893,715 | 27,468,000 | 21,893,715 | 27,468,000 |
| Short-term loans - related party (Note 39) | - | 24,000,000 | - | 69,100,000 |
| Total current borrowings | 487,873,301 | 932,472,761 | 346,899,068 | 609,612,109 |
| Non-current | | | | |
| Long-term borrowings from financial institutions | 15,053,000 | 36,430,110 | 15,053,000 | 36,430,110 |
| Total non-current borrowings | 15,053,000 | 36,430,110 | 15,053,000 | 36,430,110 |
| Total borrowings | 502,926,301 | 968,902,871 | 361,952,068 | 646,042,219 |

Promissory notes / Bill of Exchange are secured over a part of land and buildings of the Group (Note 21).

The interest rates exposure on the borrowings of the Group and the Company are as follows:

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------|--|--------------------------|--|--------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| Borrowings | | | | |
| Fixed rates | 271,634,943 | 654,039,707 | 230,231,068 | 508,262,698 |
| Floating rates | 231,291,358 | 314,863,164 | 131,721,000 | 137,779,521 |
| Total borrowings | 502,926,301 | 968,902,871 | 361,952,068 | 646,042,219 |

The effective interest rates at the statement of financial position date were as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---|--|--|--|---------------------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | | Restated | | |
| Promissory note / Bill of Exchange | 2.80 - 4.00 and MLR - 2.00 | 4.25 - 4.50 and MLR - 1.25 - MLR - 3.275 | 3.80 - 4.00 and MLR - 2.00 | 4.25 - 4.50 and MLR - 2.00 |
| Trust Receipt | 2.70 and MLR - 2.00 | 4.25 - 4.40 | - | 4.25 - 4.40 |
| Bank overdrafts and short-term borrowings from financial institutions | 6.50 | 4.50 - 6.50 and MOR - MOR - 1.00 | 6.50 | 4.50 and MOR - MOR - 1.00 |
| Short-term loans - related parties | - | 5.00 | - | 5.00 - 6.50 |
| Long-term borrowings | 4.75 and MLR - 1.50 | 4.75 and MLR - 1.50 | 4.75 and MLR - 1.50 | 4.75 and MLR - 1.50 |

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Change in long-term loans (exclude lease liabilities) can be analysed as below:

| | Consolidated financial statements Baht | Separate financial statements Baht |
|--|---|---|
| For the year ended 31 December 2020 | | |
| Opening balance | 63,898,110 | 63,898,110 |
| Cash outflow : Repayment | (26,951,395) | (26,951,395) |
| Closing balance | 36,946,715 | 36,946,715 |

Maturity of lease liabilities are as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--|--|--|---|--|
| | At 31 December 2020 Baht | At 1 January 2020 Restated Baht | At 31 December 2020 Baht | At 1 January 2020 Restated Baht |
| Minimum lease liabilities payments | | | | |
| Not later than one year | 61,728,520 | 68,884,597 | 1,000,000 | 8,257,794 |
| Later than 1 year but not later than 5 years | 81,245,767 | 89,626,078 | 4,000,000 | 33,515,665 |
| Later than 5 years | 4,000,000 | 217,791,339 | 4,000,000 | 217,791,339 |
| | 146,974,287 | 376,302,014 | 9,000,000 | 259,564,798 |
| <u>Less</u> Future finance charges on leases | (8,734,419) | (130,384,963) | (1,726,298) | (124,870,342) |
| Present value of lease liabilities | 138,239,868 | 245,917,051 | 7,273,702 | 134,694,456 |
| Lease liability | | | | |
| Current portion of lease liabilities | 56,734,274 | 58,262,692 | 660,069 | 1,121,529 |
| Non-current portion of lease liabilities | 81,505,594 | 187,654,359 | 6,613,633 | 133,572,927 |
| Present value of lease liabilities: | | | | |
| Not later than one year | 56,734,274 | 58,262,692 | 660,069 | 1,121,529 |
| Later than 1 year but not later than 5 years | 77,878,072 | 59,708,172 | 2,986,111 | 5,626,740 |
| Later than 5 years | 3,627,522 | 127,946,187 | 3,627,522 | 127,946,187 |
| | 138,239,868 | 245,917,051 | 7,273,703 | 134,694,456 |

The fair value of borrowings and lease liability approximate their carrying amount.

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The movements of lease liabilities can be analysed as follows:

| | Consolidated financial information | | |
|--|---|-----------------------------------|-----------------------------------|
| | Lease payables Baht | Deferred interest Baht | Lease liabilities Baht |
| Closing net book value as at 31 December 2019 - previously reported | - | - | - |
| Adjustments from changes in accounting policy (Note 6) | 376,302,014 | (130,384,963) | 245,917,051 |
| Opening net book value as at 1 January 2020 - restated | 376,302,014 | (130,384,963) | 245,917,051 |
| Cash outflows: | | | |
| Repayment of lease liabilities | (70,224,016) | - | (70,224,016) |
| Repayment of interest expense | (6,475,209) | - | (6,475,209) |
| Non-cash changes: | | | |
| Amortised deferred interest | - | 9,858,868 | 9,858,868 |
| Addition | 96,936,296 | (7,597,438) | 89,338,858 |
| Write-off, net | (249,564,798) | 119,389,114 | (130,175,684) |
| Closing net book value | 146,974,287 | (8,734,419) | 138,239,868 |

| | Separate financial information | | |
|--|---------------------------------------|-----------------------------------|-----------------------------------|
| | Lease payables Baht | Deferred interest Baht | Lease liabilities Baht |
| Closing net book value as at 31 December 2019 - previously reported | - | - | - |
| Adjustments from changes in accounting policy (Note 6) | 259,564,798 | (124,870,342) | 134,694,456 |
| Opening net book value as at 1 January 2020 - restated | 259,564,798 | (124,870,342) | 134,694,456 |
| Cash outflows: | | | |
| Repayment of lease liabilities | (628,729) | - | (628,729) |
| Repayment of interest expense | (371,271) | - | (371,271) |
| Non-cash changes: | | | |
| Amortised deferred interest | - | 3,754,930 | 3,754,930 |
| Write-off, net | (249,564,798) | 119,389,114 | (130,175,684) |
| Closing net book value | 9,000,000 | (1,726,298) | 7,273,702 |

26 Trade and other payables

| | Consolidated financial statements | | Separate financial statements | |
|--|--|--------------------------|--------------------------------------|--------------------|
| | 2020 | 2019 Restated | 2020 | 2019 |
| | Baht | Baht | Baht | Baht |
| Trade accounts payable | | | | |
| Trade accounts payable - third parties | 131,802,634 | 127,011,025 | 48,459,422 | 23,876,826 |
| Trade accounts payable - related parties (Note 39) | 13,013,743 | 4,774,898 | 53,150,944 | 426,003,108 |
| Total | 144,816,377 | 131,785,923 | 101,610,366 | 449,879,934 |
| Other accounts payable | | | | |
| Other accounts payable - third parties | 7,830,173 | 4,648,011 | 3,640,187 | 2,771,660 |
| Other accounts payable - related parties (Note 39) | - | 179,867 | - | - |
| Accrued interest expense | 348,079 | 202,725 | 219,184 | - |
| Accrued expense | 58,573,240 | 32,463,314 | 25,139,014 | 17,759,085 |
| Accrued expense - related party (Note 39) | 1,468,117 | - | 8,326,126 | 11,411,235 |
| Contract liabilities | 14,407,357 | 62,635,447 | 523,643 | 60,716,563 |
| Advance received from customer | 40,979,043 | 33,949,970 | 15,785,500 | 22,550,349 |
| Accrued construction costs | 98,623,381 | 95,403,405 | 28,230,784 | 11,240,175 |
| Total | 222,229,390 | 229,482,739 | 81,864,438 | 126,449,067 |
| Total trade and other payables | 367,045,767 | 361,268,662 | 183,474,804 | 576,329,001 |

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27 Other current liabilities

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------|--|--------------------------|--|-------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| VAT payable | - | 856,044 | - | - |
| Undue output tax | 32,553,693 | 53,924,013 | 7,615,271 | 20,101,275 |
| Withholding tax payable | 7,539,075 | 2,037,890 | 5,325,846 | 778,335 |
| Other | 61,802 | 61,666 | - | - |
| Total | 40,154,570 | 56,879,613 | 12,941,117 | 20,879,610 |

28 Employee benefit obligations

Employee benefit obligations comprises

| | Consolidated financial statements | | Separate financial statements | |
|---|--|--------------------------|--|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| Retirement benefits | 37,121,649 | 30,067,880 | 12,035,955 | 9,467,150 |
| Other employee benefits | 1,956,957 | 1,574,140 | 564,122 | 463,434 |
| Liability in the statement of financial position | 39,078,606 | 31,642,020 | 12,600,077 | 9,930,584 |

28.1 Post-retirement benefits

| | Consolidated financial statements | | Separate financial statements | |
|---|--|--------------------------|--|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| Statement of financial position | | | | |
| Retirement benefits | 37,121,649 | 30,067,880 | 12,035,955 | 9,467,150 |
| Liability in the statement of financial position | 37,121,649 | 30,067,880 | 12,035,955 | 9,467,150 |
| Profit or loss charge included in operating profit for | | | | |
| Retirement benefits | 9,742,957 | 14,726,224 | 2,994,437 | 3,838,444 |
| | 9,742,957 | 14,726,224 | 2,994,437 | 3,838,444 |
| Remeasurement for | | | | |
| Retirement benefits | - | (8,999,188) | - | (4,419,920) |
| | - | (8,999,188) | - | (4,419,920) |

The plans are final salary retirement plans. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The movement in the defined benefit obligation over the year is as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---|--|--------------------------|--|-------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| At 1 January | 30,067,880 | 27,029,334 | 9,467,150 | 10,048,626 |
| Current service cost | 9,119,437 | 5,945,642 | 2,805,093 | 2,792,919 |
| Interest expense | 623,520 | 422,360 | 189,344 | 130,880 |
| Past service cost | - | 8,358,222 | - | 914,645 |
| At 31 December | 39,810,837 | 41,755,558 | 12,461,587 | 13,887,070 |
| Remeasurements: | | | | |
| Loss from change in demographic assumptions | - | 3,364,290 | - | 1,681,729 |
| Gain from change in financial assumptions | - | (3,582,470) | - | (1,086,999) |
| Experience gain | - | (8,781,008) | - | (5,014,650) |
| | - | (8,999,188) | - | (4,419,920) |
| | 39,810,837 | 32,756,370 | 12,461,587 | 9,467,150 |
| Payment from plans: | | | | |
| Benefit payment | (2,689,188) | (2,688,490) | (425,632) | - |
| At 31 December | 37,121,649 | 30,067,880 | 12,035,955 | 9,467,150 |

On 5 April 2019, an amendment bill to the Labour Protection Law was published in the Government Gazette. The amended law will become effective 30 days after its publication. The main amendment is that the compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay. The effects of the amendment were recognised as past service cost during the year.

The significant actuarial assumptions used were as follows:

| | Consolidated financial statements | | Separate financial statements | |
|----------------------|--|--------------------------|--|-------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| Discount rate | 1.85 - 2.19 | 1.85 - 2.19 | 2.00 | 2.00 |
| Salary increase rate | 4.00 | 4.00 | 4.00 | 4.00 |

Sensitivity analysis for each significant assumption used is as follows:

| | Consolidated financial statements (Restated) | | | | | |
|----------------------|---|-------------|-------------------------------|--------------------------|-------------------------------|--------------------------|
| | Impact on defined benefit obligation | | | | | |
| | Change in assumption | | Increase in assumption | | Decrease in assumption | |
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| | Baht | Baht | Baht | Restated Baht | Baht | Restated Baht |
| Discount rate | 1.0% | 1.0% | Decrease by 6.89% | Decrease by 6.17% | Increase by 7.76% | Increase by 6.99% |
| Salary increase rate | 1.0% | 1.0% | Decrease by 8.72% | Increase by 6.71% | Decrease by 7.86% | Decrease by 6.04% |

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| | Separate financial statements | | | | | |
|----------------------|--------------------------------------|------|------------------------|----------------------|------------------------|----------------------|
| | Impact on defined benefit obligation | | | | | |
| | Change in assumption | | Increase in assumption | | Increase in assumption | |
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| | Baht | Baht | Baht | Baht | Baht | Baht |
| Discount rate | 1.0% | 1.0% | Decrease by 5.28% | Decrease by 5.28% | Increase by 5.28% | Increase by 5.91% |
| | | | | | | |
| Salary increase rate | 1.0% | 1.0% | Decrease by 5.81% | Increase by 5.81% | Decrease by 5.81% | Decrease by 5.28% |
| | | | | | | |

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Through its defined benefit retirement benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Changes in bond yields A decrease in Government bond yields will increase plan liabilities.

The weighted average duration of the defined benefit obligation is 17.92 years (2019: 17.35 years)

Expected maturity analysis of undiscounted retirement and post-employment medical benefits:

| | | Consolidated financial statements | | | | |
|---------------------|---------------------|--|--------------------------|--------------------------|-------------------|------------|
| | | Less than a year Baht | Between 1 - 2 years Baht | Between 2 - 5 years Baht | Over 5 years Baht | Total Baht |
| At 31 December 2020 | Retirement benefits | 1,340,244 | 3,681,118 | 22,876,966 | 48,396,357 | 76,294,685 |
| | | Consolidated financial statements (Restated) | | | | |
| | | Less than a year Baht | Between 1 - 2 years Baht | Between 2 - 5 years Baht | Over 5 years Baht | Total Baht |
| At 31 December 2019 | Retirement benefits | 1,625,428 | 1,431,961 | 22,981,619 | 53,309,857 | 79,348,865 |
| | | Separate financial statements | | | | |
| | | Less than a year Baht | Between 1 - 2 years Baht | Between 2 - 5 years Baht | Over 5 years Baht | Total Baht |
| At 31 December 2020 | Retirement benefits | 395,833 | 1,293,452 | 7,989,062 | 16,899,016 | 26,577,363 |
| | | Separate financial statements | | | | |
| | | Less than a year Baht | Between 1 - 2 years Baht | Between 2 - 5 years Baht | Over 5 years Baht | Total Baht |
| At 31 December 2019 | Retirement benefits | - | 395,833 | 7,717,149 | 18,464,381 | 26,577,363 |

28.2 Other employee benefits

Other employee benefits are benefit plans which provide gold pendants to members. The level of benefits provided depends on service years before retirement.

The movement in the defined benefit obligation over the year is as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|-----------|
| | 2020 | 2019 Restated | 2020 | 2019 |
| | Baht | Baht | Baht | Baht |
| At 1 January | 1,574,140 | 1,549,345 | 463,434 | 565,861 |
| Current service cost | 359,554 | 428,234 | 94,317 | 97,552 |
| Interest expense | 23,263 | 24,528 | 6,371 | 6,540 |
| | 1,956,957 | 2,002,107 | 564,122 | 669,953 |
| Remeasurements: | | | | |
| Loss from change in demographic assumptions | - | 243,876 | - | 94,915 |
| Loss (gain) from change in financial assumptions | - | 3,561 | - | (3,685) |
| Experience gain | - | (562,452) | - | (297,749) |
| | - | (315,015) | - | (206,519) |
| | 1,956,957 | 1,687,092 | 564,122 | 463,434 |
| Payment from plans: | | | | |
| Benefit payment | - | (112,952) | - | - |
| At 31 December | 1,956,957 | 1,574,140 | 564,122 | 463,434 |

29 Share capital

| | Authorised number of Share | Number of Share | Ordinary shares Baht | Share Premium Baht | Total Baht |
|----------------------------|----------------------------------|--------------------|----------------------------|--------------------------|---------------|
| At 1 January 2019 | 1,250,000,000 | 1,016,004,200 | 508,002,100 | 1,050,503,500 | 1,558,505,600 |
| Issue of shares | - | 3,000,000 | 1,500,000 | 7,500,000 | 9,000,000 |
| At 31 December 2019 | 1,250,000,000 | 1,019,004,200 | 509,502,100 | 1,058,003,500 | 1,567,505,600 |
| Issue of shares | - | 113,223,219 | 56,611,610 | 283,058,048 | 339,669,658 |
| At 31 December 2020 | 1,250,000,000 | 1,132,227,419 | 566,113,710 | 1,341,061,548 | 1,907,175,258 |

The total authorised number of ordinary shares is 1,250,000,000 shares (31 December 2019: 1,250,000,000 shares) with a par value of Baht 0.5 per share (31 December 2019: Baht 0.5 per share). The issued and fully paid-up ordinary shares is 1,132,227,419 shares (31 December 2019: 1,019,004,200 shares).

During the year 2019, the shareholders exercised their rights to purchase ordinary shares of the Company in the amount of 3,000,000 rights with the exercise ratio of 1:1 shares, totaling 3,000,000 shares with the exercise price 3 Baht per share.

During the year 2020, the shareholders exercised their rights to purchase ordinary shares of the Company in the amount of 113,223,219 rights (Note 31) with the exercise ratio of 1:1 shares, totaling 113,223,219 shares with the exercise price 3 Baht per share.

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30 Legal reserve

| | Consolidated and Separate financial statements | |
|-------------------------------|---|----------------------|
| | 2020 Baht | 2019 Baht |
| At 1 January | 55,000,000 | 55,000,000 |
| Appropriation during the year | 7,500,000 | - |
| At 31 December | 62,500,000 | 55,000,000 |

Under the Public Company Limited Act B.E.2535, the Company is required to set aside a statutory reserve of at least 5% of its net profit for the year, after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of its registered share capital. This legal reserve is non-distributable.

31 Warrants

At the Extraordinary General Meeting of Shareholders No. 1/2017 held on 30 November 2017, the shareholders have passed the solution to issue warrants to purchase of ordinary shares, issued in a named certificate and transferable ('ALT-W1') by allocating to existing shareholders in proportion to their shares before the capital increase at proportion of 4 ordinary shares to 1 warrant. Total number of warrants to be allotted not exceeding 250,000,000 warrants and the exercise price is of Baht 3 per share. The exercise right is 1 warrant per 1 ordinary share. The warrant has the period of three years from the date of issuance and offering.

| | | | 31 December 2019 | | | 31 December 2020 |
|--------|------------------|------------------|--------------------------------|---|---------------------------------------|--------------------------------|
| | | | Outstanding warrant | | | Outstanding warrant |
| | Issued | Ended | Unit | Decrease during the year | Expiry during the year | Unit |
| ALT-W1 | 19 December 2017 | 18 December 2020 | 230,984,505 | 113,223,219 | 117,761,286 | - |
| | | | 230,984,505 | 113,223,219 | 117,761,286 | - |

During 2020, warrant of 113,223,219 options was exercised which the Company received cash amounting to Baht 339,669,658 million (Note 29).

On 18 December 2020, warrants expired.

32 Dividends

2020

At the Board of director held on 10 November 2020, the directors passed the resolution to approved interim dividends from performance for period 9 months ended 30 September 2020 payment at Baht 0.10 per share, totalling Baht 101.88 million and the interim dividends were distributed to the shareholders on 8 December 2020.

33 Other income

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|------------------|----------------------------------|-------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| Dividend income - related party (Note 39) | - | - | 74,999,325 | 219,998,020 |
| Management fee income | | | | |
| - related parties (Note 39) | 5,134,282 | 5,290,680 | 14,644,848 | 19,659,528 |
| Rental income | 185,000 | 30,833 | - | - |
| Rental and services income | | | | |
| - related parties (Note 39) | 846,344 | 1,113,566 | 3,123,595 | 4,305,017 |
| Interest income | 875,527 | 2,026,573 | 268,105 | 420,179 |
| Interest income - related parties (Note 39) | 11,034,991 | 19,045,295 | 13,642,234 | 21,034,496 |
| Gain on sale of asset | 89,277,431 | 80,660 | 73,331,362 | 1,226,718 |
| Compensation income (Note 41) | 412,529,941 | 8,529,633 | 412,529,941 | 8,529,133 |
| Others | 15,524,075 | 16,256,063 | 3,212,394 | 14,562,343 |
| Total | 535,407,591 | 52,373,303 | 595,751,804 | 289,735,434 |

34 Finance costs

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|------------------|----------------------------------|------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| Interest and finance charges for lease liabilities (2019: Finance lease liabilities) | 9,871,463 | 37,985 | 3,754,930 | - |
| Loan from financial institutions | 20,882,045 | 39,668,635 | 12,467,329 | 23,377,562 |
| Short-term borrowings from related parties (Note 39) | 246,446 | 517,808 | 1,002,353 | 12,652,123 |
| Other | 655,620 | 1,202,833 | 424,526 | 1,088,810 |
| Total finance costs | 31,655,574 | 41,427,261 | 17,649,138 | 37,118,495 |

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35 Expense by nature

The following items, classified by nature, have been charged in arriving at the profit:

| | Consolidated financial statements | | Separate financial statements | |
|---|--|--------------------------|--|---------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| Changes in inventories | 214,666,309 | (37,612,757) | 177,801,741 | (103,223,342) |
| Raw material and consumables used | 622,837,401 | 355,970,067 | 688,917,191 | 153,505,690 |
| Construction supplies and subcontractor charges | 261,448,726 | 227,628,450 | 125,864,813 | 93,076,529 |
| Telecommunication network service | 88,888,204 | 54,936,193 | 923,646 | 11,580,241 |
| Salaries, wages and other employee benefits | 206,790,173 | 204,199,869 | 65,716,315 | 56,558,085 |
| Depreciation and amortisation | 170,035,556 | 86,992,815 | 58,491,346 | 58,927,992 |
| Rental and utilities expenses | 120,049,376 | 95,691,951 | 15,689,650 | 12,749,295 |
| Service fee expenses | 28,192,316 | 25,855,379 | 10,255,837 | 8,145,873 |
| Transportation and import duty expense | 14,588,431 | 7,820,003 | 166,038 | 344,116 |
| Provision for impairment of diminution in value of inventories (reversal) | (1,696,769) | 15,800,969 | (2,447,000) | 13,344,000 |
| Provision for impairment of doubtful accounts (reversal) | (14,979,446) | 7,289,745 | (7,317,504) | 4,505,232 |
| Travelling expenses | 5,826,717 | 13,942,924 | 1,960,729 | 3,030,373 |
| Fee | 14,733,935 | 9,060,170 | 10,154,182 | 4,722,076 |
| Maintenance expenses - Fiber optic network | 124,211,639 | 88,458,776 | 25,402,273 | 72,813,709 |

36 Income tax expense

| | Consolidated financial statements | | Separate financial statements | |
|--|--|---------------------|--|--------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Baht | Baht | Baht |
| Current tax: | | | | |
| Current tax on profits for the year | 34,336,289 | 16,172,850 | 13,992,422 | - |
| Adjustments in respect of prior year | (66,197) | - | - | - |
| | 34,270,092 | 16,172,850 | 13,992,422 | - |
| Deferred income tax: | | | | |
| Decrease (increase) in deferred tax assets (Note 24) | 67,220,665 | (11,794,577) | 61,652,647 | (1,779,758) |
| Decrease in deferred tax liabilities (Note 24) | (7,300,138) | (4,543,636) | (7,300,138) | (4,543,636) |
| Total deferred income tax | 59,920,527 | (16,338,213) | 54,352,509 | (6,323,394) |
| Total income tax expense | 94,190,619 | (165,363) | 68,344,931 | (6,323,394) |

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--|--|----------------------|--|----------------------|
| | 2020 Baht | 2019 Baht | 2020 Baht | 2019 Baht |
| Profit (loss) before tax | 363,876,391 | (125,467,006) | 333,301,713 | 78,011,425 |
| Tax calculated at a tax rate of 20% (2019: 20%) | 72,775,278 | (25,093,401) | 66,660,343 | 15,602,285 |
| Tax effect of: | | | | |
| Share of result from associates and joint ventures | (198,230) | 4,092,199 | - | - |
| Income not subject to tax | (633,880) | (229,753) | (14,999,865) | (43,999,604) |
| Expenses not deductible for tax purpose | 9,219,822 | 7,462,266 | 686,492 | 11,383,356 |
| Expenses that are deductible at a greater amount | (2,013,671) | (697,006) | (1,735,714) | (380,192) |
| Tax losses for which no deferred income tax asset was recognised | 406,745 | 14,300,332 | - | 11,070,761 |
| Reversal of deferred tax income | 17,733,675 | - | 17,733,675 | - |
| Utilisation of previously unrecognised tax losses | (3,032,923) | - | - | - |
| Adjustment in respect of prior year | (66,197) | - | - | - |
| Tax charge (credit) | 94,190,619 | (165,363) | 68,344,931 | (6,323,394) |

The weighted average applicable tax rate was 25.89% (2019: 0.13%).

37 Earnings (Loss) per share

Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit (loss) attributable to shareholders of the parent by the weighted average number of ordinary shares held by the shareholders during the year.

| | Consolidated financial statements | | Separate financial statements | |
|---|--|-----------------------------------|--|----------------------|
| | 2020 Baht | 2019 Restated Baht | 2020 Baht | 2019 Baht |
| Earnings (Loss) (Baht) | | | | |
| Profit (Loss) attributable to ordinary shareholders of the Company (Baht) | 267,425,600 | (132,875,962) | 264,956,782 | 84,334,819 |
| Weighted average number of ordinary shares outstanding (shares) | 1,021,456,266 | 1,016,004,200 | 1,021,456,266 | 1,016,004,200 |
| Weighted average number of ordinary shares disposal (shares) | 4,342,808 | 2,400,000 | 4,342,808 | 2,400,000 |
| Total weighted average number of ordinary shares (shares) | 1,025,799,074 | 1,018,404,200 | 1,025,799,074 | 1,018,404,200 |
| Basic earnings (loss) per share (Baht per share) | 0.26 | (0.13) | 0.26 | 0.08 |

The Company's earnings per share is not dilutive since the warrants expired (Note 31).

38 Business combination under common control

On 19 August 2020, the Company paid for investment in Energy Max Company Limited amounting to Baht 25,554,962 to acquire 672,499 shares which represents 97.82% of issued shares from ALT Holding Company Limited who has control over the Company and Energy Max International Company Limited. This transaction is determined as business combination under common control. The Company therefore reflected this transaction in the consolidated financial statements as if the transaction incurred before 1 January 2019. This follows the guideline for business combination under common control as issued by the Federal of Accounting Professions on 1 January 2016.

Reconciliation of discount from business combination under common control

| | Energy Max Company Limited Baht |
|---|--|
| Book value of net assets | 9,266,656 |
| <u>Less</u> Non-controlling interests | <u>(202,195)</u> |
| | 9,064,461 |
| <u>Less</u> Cash | <u>(25,554,962)</u> |
| Discount from business combination under common control | <u>(16,490,501)</u> |

Discount from business combination under common control in total of Baht 16,490,501 presented in owner's equity was calculated from fair value of Energy Max Company Limited's ordinary shares, less by book value of the company's net assets, and less by non-controlling interests as of business combination date.

39 Related-party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

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

The major shareholders of the Company is ALT Holding Company Limited, Ms.Preeyaporn Tangpaosak, Ms. Preeyapun Bhuwakul and Mr.Pyut Bhuwakulwong who own 49.47% and 7.67% and 6.25% and 5.30% of the Company's shares, respectively. The remaining 31.31% of the shares are widely held.

ALT Telecom Public Company Limited
Notes to the consolidated and separate financial statements
For the year ended ended 31 December 2020

The following transactions were carried out with related parties:

Relationship of the related company as follows:

| Company | Relationship | Related by |
|--|---------------|----------------------------|
| ALT Holding Co., Ltd. | Parent | Shareholders and directors |
| Group Tech Solutions Co., Ltd. | Subsidiary | Shareholders and directors |
| Innova Telecommunication Co., Ltd. | Subsidiary | Shareholders and directors |
| I Twenty One Inter Corporation Co., Ltd. | Subsidiary | Shareholders and directors |
| International Gateway Co., Ltd. | Subsidiary | Shareholders and directors |
| Win and Win Telecom Co., Ltd. | Subsidiary | Shareholders and directors |
| Energy Max Co., Ltd. | Subsidiary | Shareholders and directors |
| Telecom Solutions Providers Co., Ltd. | Associate | Shareholders and directors |
| Myanmar Information Highway Co., Ltd. | Associate | Indirect shareholders |
| Spotwerkz (Thailand) Co., Ltd. | Associate | Shareholders |
| Smart Infranet Co., Ltd. | Joint venture | Shareholders and directors |
| Thaithanan Co., Ltd. | Joint venture | Shareholders and directors |
| Information Highway Co., Ltd. | Joint venture | Shareholders and directors |

Related transaction pricing policy as follow:

| Related transaction | Pricing policy |
|---------------------------|--|
| Sale revenues | Cost plus margin |
| Service revenues | Negotiate price |
| Management fee income | Cost plus margin |
| Interest income/expenses | Loans rates plus margin |
| Dividend income/payment | Declared |
| Rental and service income | Negotiate price - refer to monthly rental nearby |

The following material transactions were carried out with related parties:

a) Revenue from sales and services

| For the year ended 31 December | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|------------------|----------------------------------|-------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| Sales of goods | | | | |
| Subsidiaries | - | - | 1,830,668 | (7,636,321) |
| Joint venture | 396,400 | 1,301,041 | 396,400 | 9,541 |
| | 396,400 | 1,301,041 | 2,227,068 | (7,626,780) |
| Sales of services | | | | |
| Subsidiaries | - | - | 81,407,885 | - |
| Associates | 5,598,674 | - | 5,418,674 | - |
| Joint venture | 68,378,039 | 42,000 | 953,490 | 42,000 |
| | 73,976,713 | 42,000 | 87,780,049 | 42,000 |
| Sales of services from fiber optic network | | | | |
| Subsidiaries | - | - | 9,052,780 | - |
| | - | - | 9,052,780 | - |
| Management fee income (Note 33) | | | | |
| Subsidiaries | - | - | 9,510,566 | 14,368,848 |
| Joint venture | 5,134,282 | 5,290,680 | 5,134,282 | 5,290,680 |
| | 5,134,282 | 5,290,680 | 14,644,848 | 19,659,528 |

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Notes to the consolidated and separate financial statements
For the year ended ended 31 December 2020

| For the year ended 31 December | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|-------------|
| | 2020 | 2019 Restated | 2020 | 2019 |
| | Baht | Baht | Baht | Baht |
| Rental and service income (Note 33) | | | | |
| Subsidiaries | - | - | 2,277,251 | 3,712,157 |
| Joint venture | 846,344 | 1,113,566 | 846,344 | 592,860 |
| | 846,344 | 1,113,566 | 3,123,595 | 4,305,017 |
| Interest income (Note 33) | | | | |
| Subsidiaries | - | - | 2,607,243 | 1,989,201 |
| Associates | 256,442 | 192,590 | 256,442 | 192,590 |
| Joint venture | 10,778,549 | 18,852,705 | 10,778,549 | 18,852,705 |
| | 11,034,991 | 19,045,295 | 13,642,234 | 21,034,496 |
| Gain from sales of assets | | | | |
| Subsidiaries | - | - | 403,035 | - |
| Joint venture | 89,277,431 | - | 72,928,327 | - |
| | 89,277,431 | - | 73,331,362 | - |
| Dividend income (Note 33) | | | | |
| Subsidiaries | - | - | 74,999,325 | 219,998,020 |
| | - | - | 74,999,325 | 219,998,020 |

b) Purchases of goods and services

| For the years ended 31 December | Consolidated financial statements | | Separate financial statements | |
|-----------------------------------|--------------------------------------|------------------|----------------------------------|------------|
| | 2020 | 2019 Restated | 2020 | 2019 |
| | Baht | Baht | Baht | Baht |
| Cost of sales and services | | | | |
| Subsidiaries | - | - | 351,622,961 | 87,317,721 |
| Joint venture | 10,832,925 | - | 778,103 | - |
| | 10,832,925 | - | 352,401,064 | 87,317,721 |
| Finance costs (Note 34) | | | | |
| Parent | 246,446 | 517,808 | 21,651 | 271,507 |
| Subsidiaries | - | - | 980,702 | 12,380,616 |
| | 246,446 | 517,808 | 1,002,353 | 12,652,123 |

c) Outstanding balances arising from purchases of goods and services

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|------------------|----------------------------------|-------------|
| | 2020 | 2019 Restated | 2020 | 2019 |
| | Baht | Baht | Baht | Baht |
| Trade accounts receivable (Note 13) | | | | |
| Subsidiaries | - | - | 54,678,956 | 106,242,344 |
| Associates | 2,429,003 | 337,813 | 2,429,003 | 337,813 |
| Joint venture | 43,766,163 | 35,339,937 | 6,301,200 | 44,940 |
| Total | 46,195,166 | 35,677,750 | 63,409,159 | 106,625,097 |
| <u>Less</u> Loss allowance (2019: Allowance for doubtful accounts under TAS 101) | (269,422) | - | (269,422) | - |
| | 45,925,744 | 35,677,750 | 63,139,237 | 106,625,097 |
| Other receivables (Note 13) | | | | |
| Subsidiaries | - | - | 605,637 | 12,034,153 |
| Joint venture | 13,267,317 | 12,994,961 | 13,267,317 | 12,994,961 |
| | 13,267,317 | 12,994,961 | 13,872,954 | 25,029,114 |
| Advance payment (Note 13) | | | | |
| Subsidiaries | - | - | 7,124 | 811,041 |
| | - | - | 7,124 | 811,041 |
| Deposits (Note 13) | | | | |
| Subsidiary | - | - | 1,588,040 | 21,658,178 |
| | - | - | 1,588,040 | 21,658,178 |
| Accrued interest receivable (Note 13) | | | | |
| Associate | 134,446 | 10,989 | 134,446 | 10,989 |
| | 134,446 | 10,989 | 134,446 | 10,989 |
| Accrued income (Note 13) | | | | |
| Subsidiaries | - | - | 4,933,766 | 2,360,764 |
| Associate | - | 375,000 | - | 375,000 |
| Joint venture | 19,564,455 | 9,002,747 | 1,206,000 | 2,412,000 |
| | 19,564,455 | 9,377,747 | 6,139,766 | 5,147,764 |
| Dividend receivable (Note 13) | | | | |
| Subsidiary | - | - | 14,999,865 | - |
| | - | - | 14,999,865 | - |
| Prepayment (Note 13) | | | | |
| Joint venture | 1,198,204 | - | - | - |
| | 1,198,204 | - | - | - |

ALT Telecom Public Company Limited
Notes to the consolidated and separate financial statements
For the year ended ended 31 December 2020

| | Consolidated financial statements | | Separate financial statements | |
|---|--|--------------------------|--|-------------|
| | 2020 | 2019 Restated | 2020 | 2019 |
| | Baht | Baht | Baht | Baht |
| Trade accounts payable (Note 26) | | | | |
| Subsidiaries | - | - | 43,460,962 | 425,367,499 |
| Joint venture | 13,013,743 | 4,782,264 | 9,689,982 | 635,609 |
| | 13,013,743 | 4,782,264 | 53,150,944 | 426,003,108 |
| Other payable (Note 26) | | | | |
| Joint venture | - | 179,867 | - | - |
| | - | 179,867 | - | - |
| Accrued expense (Note 26) | | | | |
| Subsidiaries | - | - | 6,858,009 | 11,411,235 |
| Joint venture | 1,468,117 | - | 1,468,117 | - |
| | 1,468,117 | - | 8,326,126 | 11,411,235 |

d) Loans to related parties

| | Consolidated financial statements | | Separate financial statements | |
|---------------------------------|--|--------------------------|--|-------------|
| | 2020 | 2019 Restated | 2020 | 2019 |
| | Baht | Baht | Baht | Baht |
| Loans to related parties | | | | |
| Subsidiaries | - | - | - | 38,500,000 |
| Associates | - | 5,080,000 | - | 5,080,000 |
| Joint venture | 196,753,476 | 341,500,000 | 196,753,476 | 341,500,000 |
| | 196,753,476 | 346,580,000 | 196,753,476 | 385,080,000 |
| Loans to related parties | | | | |
| Short-term loans | 7,600,000 | 150,000,000 | 7,600,000 | 188,500,000 |
| Long-term loans | 189,153,476 | 196,580,000 | 189,153,476 | 196,580,000 |
| | 196,753,476 | 346,580,000 | 196,753,476 | 385,080,000 |

The movements of loans to related parties can be analysed as follows:

| | Consolidated financial information Baht | Separate financial information Baht |
|---|--|--|
| Closing net book value at 31 December 2019 - previously reported | 346,580,000 | 385,080,000 |
| Adjustments from change in accounting policy (Note 6) | (24,229,244) | (24,229,244) |
| Opening net book value at 1 January 2020 - restated | 322,350,756 | 360,850,756 |
| Loans additions | 142,100,000 | 315,100,000 |
| Loans repayments | (276,000,000) | (487,500,000) |
| Reversal of impairment loss | 8,302,720 | 8,302,720 |
| Closing net book value at 31 December 2020 | 196,753,476 | 196,753,476 |

The related interest income was Baht 11,034,991 and Baht 13,642,234 in the consolidated and separate financial statements, respectively (2019: Baht 19,045,295 and Baht 21,034,496 in the consolidated and separate financial statements, respectively). The borrowing from related parties are unsecured loans carrying interest rate 5.00%, 5.31% and MLR-0.50 (2019: 5.00% and 5.25%) per annum.

e) Short-term loans from related parties

| | Consolidated financial statements | | Separate financial statements | |
|--------------|--|--------------------------|--|-------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| Parent | - | 24,000,000 | - | 1,000,000 |
| Subsidiaries | - | - | - | 68,100,000 |
| | - | 24,000,000 | - | 69,100,000 |

The movement of short-term loans from related can be analysed as follows:

| | Consolidated financial statements | Separate financial statements |
|--|--|--|
| | Restated Baht | Baht |
| For the year ended 31 December 2020 | | |
| Opening balance | 24,000,000 | 69,100,000 |
| Loans additions | 1,000,000 | 70,500,000 |
| Loans repayments | (25,000,000) | (139,600,000) |
| Closing balance | - | - |

Short-term loans from related parties are unsecured and denominated in Thai Baht. The loans carry interest at the rates of 5.00% (2019: 5.00%) per annum and due for repayment on demand.

f) Key management compensation

| | Consolidated financial statements | | Separate financial statements | |
|------------------------------|--|--------------------------|--|-------------|
| | 2020 | 2019 | 2020 | 2019 |
| | Baht | Restated Baht | Baht | Baht |
| Short-term employee benefits | 32,152,023 | 36,490,862 | 10,223,816 | 9,853,993 |
| Post-employee benefits | 2,539,864 | 1,513,384 | 602,656 | 494,330 |
| | 34,691,887 | 38,004,246 | 10,826,472 | 10,348,323 |

40 Bank guarantees

At 31 December 2020, there are outstanding bank guarantees from providing construction services amounting to Baht 313.08 million (31 December 2019: Baht 233.37 million and USD 3.00 million).

41 Significant transactions

a) Litigations

On 22 August 2013, the Company has filed a claim against a receivable ("contract party") to Administrative Court regarding that contract party breached the service agreement of the use of fiber optic network and Fiber to The Factory (FTTF) equipment at an industrial estate.

According to the Administrative Court's judgment on 30 September 2016, contract party to pay compensation with a monthly rate of Baht 13.5 million, calculated since 12 February 2013 until the project is transferred back to the Company. However, the contract party has lodged an appeal to the court against the Company.

On 20 February 2020, the Supreme Administrative Court ordered the counter party to pay compensation to the Company. The Company received cash compensation amounting Baht 369.62 million, which was recognised as other income in the consolidated and separate statement of comprehensive income (Note 33).

On 17 November 2020, the Company signed an agreement for dispute resolution and received cash compensation amounting to Baht 42.91 million, which was recognised as other income in the consolidated and separate statement of comprehensive income. The company withdrawn the suit on 23 November 2020 (Note 33).

b) Advanced receipt from customer

During 2020, a subsidiary of the Company received advance receipt from customer for long-term fiber optic network rental, totalling Baht 246.62 million.

42 Events occurring after the reporting period

a) On 8 February 2021, ALT Telecom Public Company Limited paid for additional investment in Energy Max Company Limited, amounting to Baht 269 million to acquire 10,759,984 shares with a par value of Baht 25 per share. There is no effect to the shareholding interest in Energy Max Company Limited after share subscription.

b) At the Board of Directors Meeting held on 23 February 2021, a resolution was passed to approve the decrease in the Company's authorised share capital from 1,250,000,000 shares to 1,132,227,419 shares at a par value of Baht 0.50. totalling Baht 58,886,290.50. After the share decrease, the total authorised share capital equate to the issued and paid-up share capital.





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