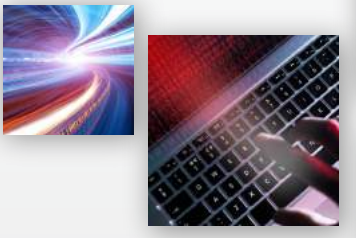
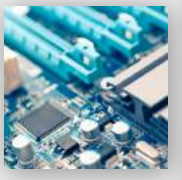
VINTCOM TECHNOLOGY

Annual Report | 2017

VINTCOM TECHNOLOGY PUBLIC COMPANY LIMITED

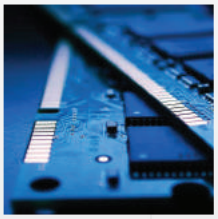




Vision and Mission

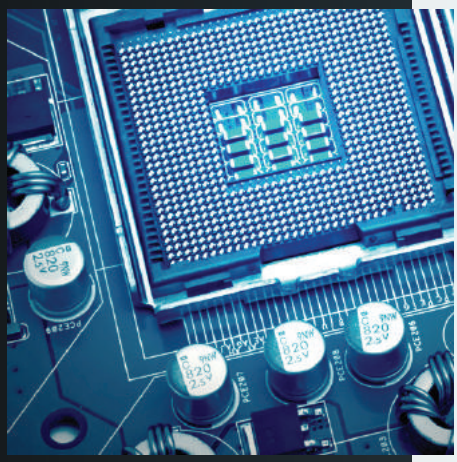
Vision

"Move towards of being the leader
in information technology, offering solutions,
and providing professional and comprehensive services
in the ASEAN Economic Community. "



Misssion

"We are a professional in presenting
our nationwide IT products and services,
taking into account maximum cost-effectiveness,
transparency and ethics in work, confidence
and good returns for investors. "



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Message
from the Chairman

(Mr. Narong Intanate)
Chairman

The year 2017 was a remarkable year for Vintcom Technology Public Company Limited ("VCOM"). Our IPO in December 2017 was very successful as reflected by the current premium of market prices above IPO price and the continuing liquidity of shares traded.

For 2017, the Group had revenue from sales and services of 1,542.6 million baht and net profit attributable to parent company 54.3 million baht. Revenue and profit increased from 2016 by 65% and 34% respectively, mainly resulted from our expansion into the Republic of the Union of Myanmar, and the first full year of profitable operations of vServePlus Co., Ltd.(" vServePlus"), a subsidiary in which VCOM holds 51% equity interest. Following IPO, our equity increased from 147 million baht at December,31 2016 to 370 million baht at December, 31 2017 improving our debt to equity ratio from 2.41 times to 0.97 times.

At the Board of Directors Meeting on 25 February 2018, a final dividend of Baht 0.065 per share was approved to be paid in May 2018, subject to approval of the Annual General Meeting of the Shareholders.

Looking forward, VCOM will actively offer IT solutions that are crucial for Thailand 4.0 and Internet of Things (IOT) economy. Data management and IT security are among our technology focus. Thai government's national agenda on Thailand 4.0 is expected to provide strong growth in demand for IT solutions in Thailand in future. Our operations in CLM countries should continue to expand substantially. Finally, products from certain principals that VCOM has recently been appointed value-added-distributor and authorized service provider in 2017 should start to materialize in 2018.

Finally, on behalf of the Board of Directors, Management, and staff of VCOM, I would like to express our sincere gratitude to our stakeholders including vendors, clients, shareholders, and business partners for their continual support to VCOM.

Message
from the Managing Director

(Mrs. Songsri Srirungroungjit)
Managing Director

2017 is a record year for Vintcom Technology Public Company Limited ("VCOM") and subsidiaries with a record high revenue of 1,542.6 million baht reflecting 65% growth from prior year. Net profit attributable to parent company for 2017 was 54.3 million baht, 34% growth from 2016. Revenue from non-domestic sources increased from 0.8% of total revenue in 2016 to 24% in 2017. We have established our representative offices in Republic of the Union of Myanmar and Cambodia. Our subsidiary, vServePlus Co., Ltd. ("vServePlus"), continues to shine with substantial revenue growth and remarkable profit.

For 2018, Thailand IT demand from large corporatesand government sector is expected to rise substantially as part of the country transitioning into digital economy. VCOM should start earning revenue from new products and services for which we have been appointed authorized distributors and service providers especially in the areas of data management, network and IT security, and IT services. Collaboration with vServePlus should enable us to create new business opportunities in Thailand and CLM countries.

On behalf of our Board of Directors, Management, and staffs, I would like to express my sincere thanks to our customers, vendors, shareholders, and other stakeholders for their continuing support to and confidence in VCOM.

Message
from vServePlus Managing Director

(Mr. Supakiet Tantrakul)
Managing Director

vServePlus Co., Ltd.(“ vServePlus”), vServePlus started operations in August 2016 as collaboration between Vintcom Technology Public Company Limited (“VCOM”) and VST ECS (Thailand) Co., Ltd, both being two leading IT distributors in Thailand. Synergies with our shareholders and our quality services have enabledus to expand at a fast pace and be profitable since the first financial period. Our revenue from sales and services increased from 66 million baht to 362 million baht. We have been awarded ISO 9001 (2015) certificate in 2017, which proves our commitment to quality of service we are providing.

The year 2018 should be another robust year for vServePlus. We should be concluding more exclusive authorized service provider contracts with international ICT vendors. Additional qualified personnel will be recruited to strengthen our team to cope with our expansion into CLM countries.

I would like to take this opportunity to express my thanks, on behalf of our Board of Directors, Management, and staffs, to our suppliers, customers, shareholders and other stakeholders for their support to vServePlus.

Summary of Finnancial Statements

Financial Highlights 2015 - 2017

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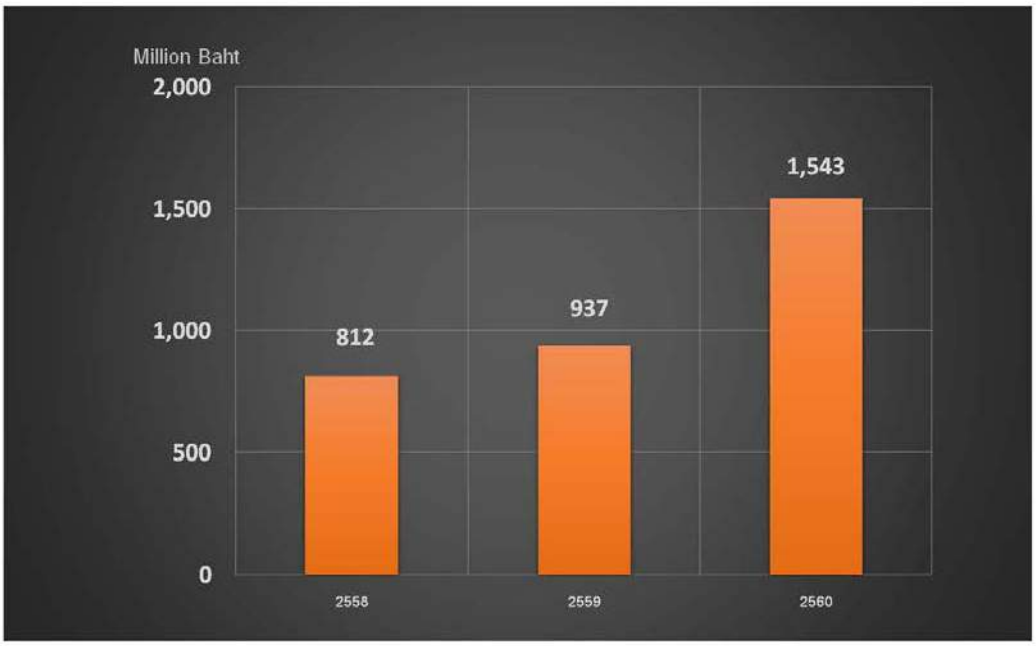
	Consolidated Financial Statement		
Unit : Million Baht	**2015**	**2016**	**2017**
Total Assets	373	525	769
Total Liabilities	198	353	360
Paid-up Share Capital	110	110	150
Share Premium	-	-	182
Equity Attributable to Owners of the Parent	175	147	370
Revenue from Sales and Services	812	937	1,543
Total Revenues	816	949	1,554
Cost of Sale and Services	704	793	1,298
Gross Profit	108	144	245
Operating Expenses	60	98	171
Operating Profit	48	46	74
Net Profit Attributable to Owners of the Parent	41	41	54
Unit : %			
Gross Profit Margin	13.39	15.40	15.87
Operating Profit Margin	5.94	4.98	4.81
Net Profit Per Total Revenues	5.07	4.28	3.50
Return on Equity	24.82	25.24	21.03
Return on Assets	9.63	10.33	10.43
Unit : Baht			
Book Value per Share	0.80	0.67	1.23
Earnings Per Share	0.19	0.18	0.24

Revenue from Sales and Services



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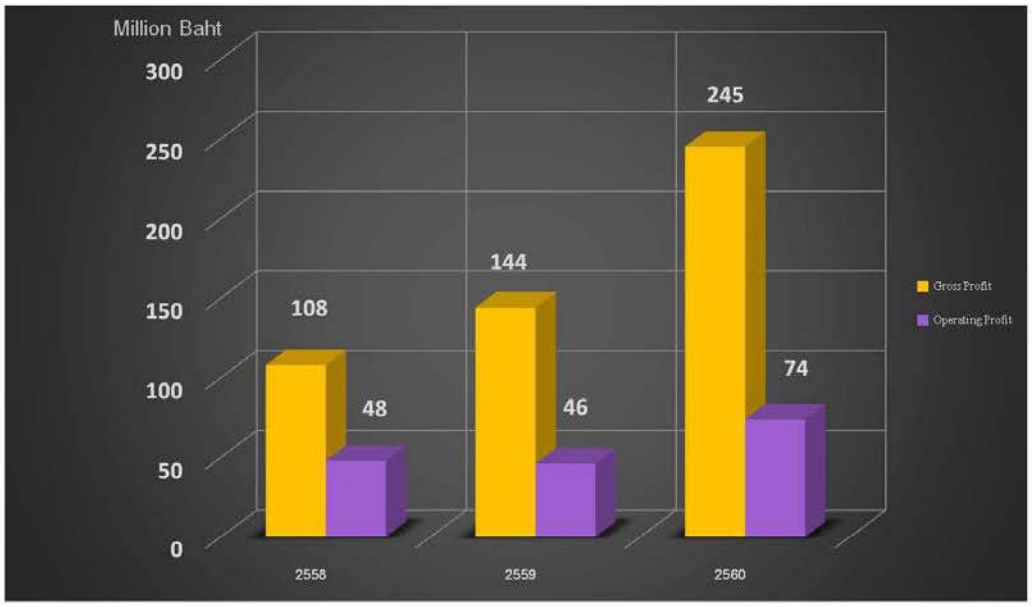
Gross Profit VS Operating Profit



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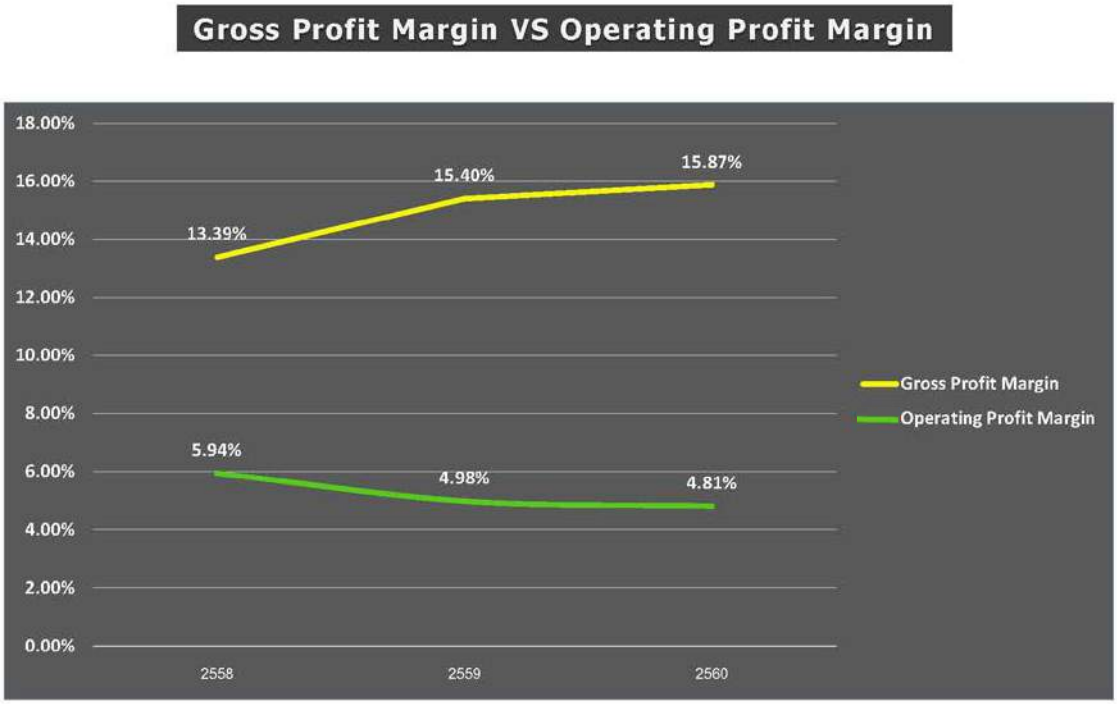
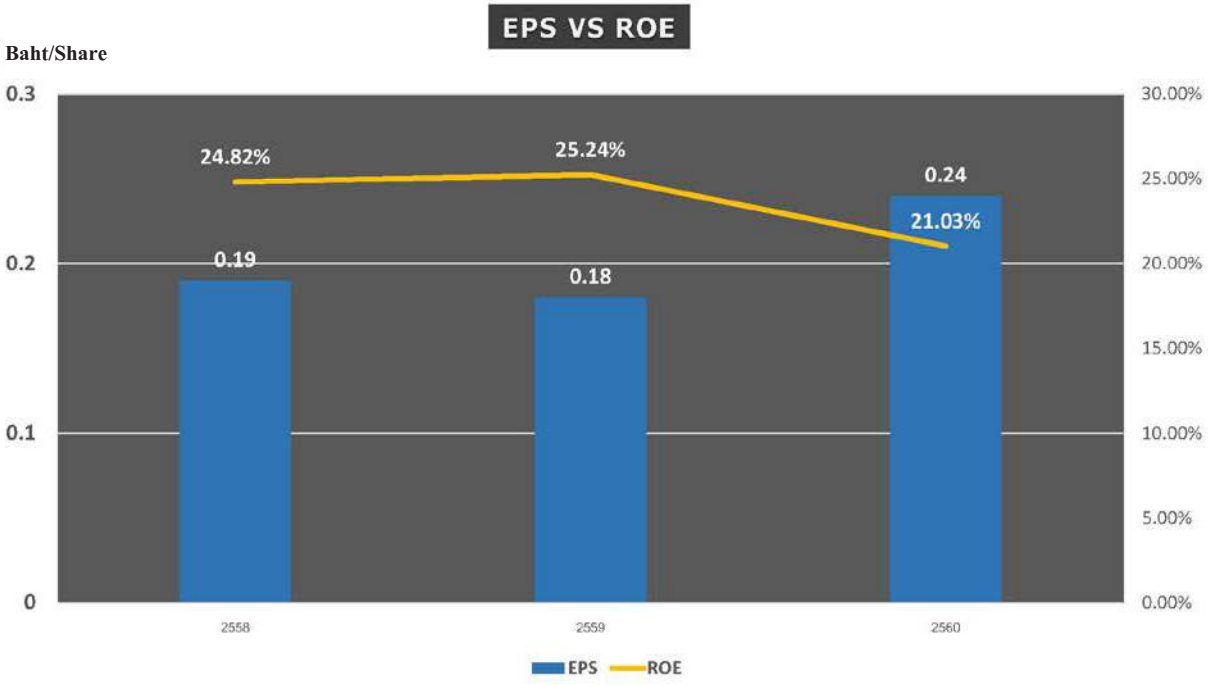

Gross Profit Margin VS Operating Profit Margin
18.00%
16.00%
14.00%
12.00%
10.00%
8.00%
6.00%
4.00%
2.00%
0.00%
13.39%
15.40%
15.87%
5.94%
4.98%
4.81%
2558
2559
2560
Gross Profit Margin
Operating Profit Margin


EPS VS ROE
Baht/Share
0.3
0.2
0.1
0
30.00%
25.00%
20.00%
15.00%
10.00%
5.00%
0.00%
24.82%
25.24%
21.03%
0.19
0.18
0.24
2558
2559
2560
EPS
ROE

Board of Directors and Management

From Left to Right

1.Mr.Kriengkrai Boonlert-u-thai (Independent Director and Audit Committee), **2.Mr. Sanpat Sopon** (Independent Director and The Chairman of Audit Committee), **3.Mr.Sopon Punyaratabandhu** (Director), **4.Mr. Narong Intanate** (Chairman), **5.Mrs.Songsri Srirungroungjit** (Director and Managing Director), **6.Mr.Thanachart Numnonda** (Independent Director and Audit Committee), **7.Mr.Punn Kasemsup** (Independent Director)

Name	Mr. Narong Intanate
Position	Chairman
Age	60 Years
Nationality	Thai
Education	Master of Business Administration California State University , USA
Training	Director Accreditation Program (DAP) 97/2012

Work experience and position

Work History	1992 – Present	Chairman Vintcom Technology Public Company Limited
Positions in Other Companies	1991 – Present	Chairman Vnet Capital Co., Ltd
	1991 – Present	Chairman Thai Incubator Dot Com Co., Ltd.
	1998 – Nov.2017	Chairman CTC Global (Thailand) Co., Ltd.
	2001 – Present	Chairman NTN Solution Limited
	2008 – Present	Chairman Copperwired Co., Ltd.
	2001 – Present	Chairman NTN Solution Limited
	2008 – Present	Chairman Copperwired Co., Ltd.
	2009 – Present	Chairman vHealth threesixty Co., Ltd
	2014 – Present	Chairman BCBG Co., Ltd.
	Aug. 2016 – Present	Chairman vServePlus Co., Ltd.
	2016-Present	Director VNET CAPITAL (SINGAPORE) PTE. LTD
	1979 – Feb.2016	Executive Chairman VST ECS (THAILAND) CO., LTD.

Name	Mr.Sopon Punyaratabandhu
Position	Director
Age	55 Years
Nationality	Thai
Education	Master of Commerce and Accountancy Thammasat University
Training	• Director Certification Program (DCP) 17/2002 • Role of the Compensation Committee (RCC) 1/2006 , 2/2007 • Corporate Governance for Capital Market Intermediaries (CGI) 5/2015

Work experience and position

Work History	2000 – Present	Director Vintcom Technology Public Company Limited
Positions in Other Companies	2015– Present	Director Vintcom Technology (Myamar) Co., Ltd.
	1999 – Present	Managing Director Vnet Capital Co., Ltd
	2016 – Present	Director vServePlus Co., Ltd.
	2016 - Present	Director VNET CAPITAL (SINGAPORE) PTE. LTD
	1997 – Aug. 2017	Director Morison CKS Company Limited.
	1999 – Present	Independent Director and Audit Committee Asia Plus Group Holdings Public Company Limited
	2000 – Present	Director Thai Incubator Dot Com Co., Ltd.
	1999 – Nov. 2017	Director CTC Global (Thailand) Co., Ltd.
	2011 – Present	Director NTN Solution Limited
	2003 – Present	Director Thai Automotive VCF Co., Ltd.
	2008 – Present	Director Copperwired Co., Ltd.

2009 –Present	Director
	vHealth threesixty Co., Ltd
2010 – Present	Director
	Koan Co., Ltd.
2013 – Present	Director
	Ticon Management Co., Ltd
2013 – Present	Director
	Blue Fish Solution Co., Ltd.
2014 – Present	Independent Director and Audit Committee
	Asia Plus Securities Co., Ltd
2014 – Present	Director
	BCBG Co., Ltd.
2016 – Present	Independent Director and Audit Committee
	Asset Plus Fund Management Co., Ltd.
2014 – 2016	Director
	City Network Co., Ltd.
2008 –2014	Director
	Sanko Diecasting (Thailand) Public Company Limited.
2001 – 2014	Director
	I-Vision Solutions Co., Ltd.

Name	Mr. Sanpat Sopon
Position	Independent Director and Audit Committee Chairman
Age	64 Years
Nationality	Thai
Education	Master of Business Administration Western Michigan University , USA
Training	• Director Certification Program (DCP) 49/2004 • Role of the Chairman Program (RCP) 2015 • Advanced Audit Committee Program (AACP) 23/2016

Work experience and position

Work History	2015 – Present	Independent Director and Audit Committee Chairman Vintcom Technology Public Company Limited
Positions in Other Companies	2014 – Sep. 2017	Independent Director and Audit Committee Chairman AME Technology Public Company Limited
	2014 – Present	Director Moustache Co., Ltd.
	2013 – 2017	Independent Director and Chairman Planet Communications Asia Public Co., Ltd.
	2013 – Present	Independent Director and Audit Committee Chairman Masterkool International Public Company Limited
	2012 – Present	Director Sanpat and Associates Co., Ltd.
	2010 – Present	Director Moustache Ratchaburi Co., Ltd.
	2010 – Present	Director Ratchaburi Future Co., Ltd.
	2010 – 2014	Qualified Member Software Industry Promotion Agency
	2009 – Present	Director Moustache Co., Ltd.

Name	Mr. Thanachart Numnonda
Position	Independent Director and Audit Committee
Age	52 Years
Nationality	Thai
Education	Ph.D. Electrical & Electronic Engineering University of Auckland , New Zealand
Training	• Driving Company Success with IT Governance (ITG) 4/2017 • Director Certification Program (DCP) 242/2017 • Role of the Chairman Program (RCP) 41/2017 • Advanced Audit Committee Program (AACP) 25/2017 • Director Accreditation Program (DAP) 121/2015

Work experience and position

Work History	2015 – Present	Independent Director and Audit Committee Vintcom Technology Public Company Limited
Positions in Other Companies	2010 – 2012	Director Software Park Thailand
	2013 – Present	Authorized Director IMC Outsourcing (Thailand) Company Limited
	2013 – Present	Councilor Council Ubon Ratchathani University
	2016 – Present	Chairman and Audit Committee Chairman SiamEast Solutions Public Company Limited
	2015 – Present	Independent Director and Audit Committee Humanica Public Company Limited
	2017 – Present	Independent Director and Audit Committee Chairman Thanachart Bank Public Company Limited
	2015 – 2017	Association President The Association of Thai ICT Industry

Name	Mr. Kriengkrai Boonlert-u-thai
Position	Audit Committee
Age	47 Years
Nationality	Thai
Education	Doctor of Philosophy Business Administration (Accounting) Oklahoma State University
Training	• Director Accreditation Program (DAP) 106/2013 • Advanced Audit Committee Program (AACP) 23/2016

Work experience and position

Work History	2015 – Present	Audit Committee Vintcom Technology Public Company Limited
Positions in Other Companies	2011 – Present	Assistant to the President and Assistant Professor Chulalongkorn University

Name	Mr. Punn Kasemsup
Position	Independent Director
Age	49 Years
Nationality	Thai
Education	Master of Laws International and Comparative Law Southern Methodist University, USA
Training	• Director Certification Program (DCP) 140/2010 • Financial Statements for Directors (FSD) 10/2010 • Audit Committee Program (ACP) 37/2011 • Monitoring Fraud Risk Management (MFM) 6/2011 • Monitoring the Internal Audit Function (MIA) 11/2011 • Monitoring Quality of Financial reporting (MFR) 14/2012 • Monitoring the System of Internal Control and Risk Management (MIR) 12/2012

Work experience and position

Work History	2016 – Present	Independent Director Vintcom Technology Public Company Limited
Positions in Other Companies	2017 – Present	Independent Director Con-F Group Co., Ltd.
	2014 – Sep. 2017	Independent Director and Audit Committee AME Technology Public Company Limited
	2013 – Present	Independent Director and Audit Committee City Sports and Recreation Public Company Limited
	2011 – 2016	Independent Director and Audit Committee Copperwired Co., Ltd.
	2009 – Present	Director Perseverance Co., Ltd.
	2002 – Present	Law (Partner) / Managing Director Kompass Law Co., Ltd.
	2002 – Present	Director HNP Legal & Litigation Co., Ltd.
	2015 – 2016	Independent Director City Network Co.,Ltd.
	2011 – 2014	Independent Director and Audit Committee Polaris Capital Public Company Limited

Name	Mrs. Songsri Srirungroungjit
Position	Director and Managing Director
Age	55 Years
Nationality	Thai
Education	Bachelor of Business Administration in Marketing Southeast Asia University
Training	• Director Accreditation Program (DAP) 119/2015

Work experience and position

Work History	2001 – Present	Director and Managing Director Vintcom Technology Public Company Limited
Positions in Other Companies	2015 – Present	Director Vintcom Technology Public Company Limited
	2016 – Present	Director vServePlus Co., Ltd.

Management and Company Secretary

From Left to Right

1. Mr.Pisit Supataradit (Sales Director),
2. Mr.Tanusit Skunnawat (Operation Director),
3. Mr.Sooksun Tachawatcharaporn (Technical Director),
4. Mr.Poj Weerasuttakorn (Finance & Acc. Director),
5. Mr.Thanapol Narasetsataporn (Company Secretary)

Name	Mr.Pisit Supataradit
Position	Sales Director
Age	50 Years
Nationality	Thai
Education	Bachelor of Finance and Banking Payap University
Training	-

Work experience

Apr. 2017 – Present	Sales Director Vintcom Technology Public Company Limited
2010 – Mar. 2560	Senior Channel Sales Manager (Thai, Cambodia, Laos และ Myanmar) Oracle Corporation (Thailand) Co., Ltd.

Name	Mr.Tanusit Skunnawat
Position	Operation Director
Age	60 Years
Nationality	Thai
Education	Bachelor's degree (Honors), Engineering / Computer Chulalongkorn University Bachelor of Science in Management Science / Management Sukhothai Thammathirat Open University Master of Commerce and Accountancy Thammasat University D.B.A. College of Commerce / Information System Burapa university
Training	-

Work experience

2005 – Present	Operation Director Vintcom Technology Public Company Limited
2015 – Present	Director Vintcom Technology (Myanmar) Company Limited

Name	Mr.Sooksun Tachawatcharaporn
Position	Technical Director
Age	51 Years
Nationality	Thai
Education	Bachelor of Science / Mathematics King Mongkut's Institute of Technology Bangmod Campus
Training	-

Work experience	2002 – Present	Technical Director Vintcom Technology Public Company Limited

Name	Mr.Poj Weerasuttakorn
Position	Finance & Accounting Director
Age	44 Years
Nationality	Thai
Education	Bachelor of Science (Honors), Faculty of Commerce and Accountancy / Accounting Thammasat University Master of Accounting, Faculty of Business Administration Chiang Mai University Certified Public Accountant (CPA) No. 5352 Thailand

Work experience	2016 – Present	Finance & Accounting Director Vintcom Technology Public Company Limited
	2016 – 2016	Finance & Accounting Director President Automobile Industries Co., Ltd.
	2016 – 2016	Engagement Quality Control Reviewer AST Master Co., Ltd.
	2014 – 2015	Lecturer Faculty of Accounting, Rangsit University
	2008 – 2014	Accounting Standard and Auditing Standard Specialist Federation of Accounting Professions under His Majesty The King's Royal Patronage

Name	Mr.Thanapol Narasetsataporn
Position	Company Secretary
Age	34 Years
Nationality	Thai
Education	Bachelor of Laws
	Ramkhamhaeng university
Training	Company Secretary Program (CSP) #66

Work experience

2015 – Present	Company Secretary
	Vintcom Technology Public Company Limited
2010 - Present	Legal Counsel
	VST ECS (THAILAND) CO., LTD.
2013 - Present	Legal Counsel
	Vnet Capital Co., Ltd

General Information

Vintcom Technology Public Company Limited

The Company is a distributor of IT Distributor of well-known and internationally recognized information technology products, which are suitable for enterprise-level organization.The Company offers a wide range of solutions to provide customers with complete solutions and services such as Server, Storage, Engineered Systems or Converged Solutions, Network Security, Networking Devices, Database System, Operating System, Virtualization System, Middleware,Software Development Tools and Data Management such as Data Integration System, Big Data Management System, Cloud Data Management System, Data Quality System, Data Security System etc. The Company also provides services in information technology-related products for which the company being authorized service providers e.g. those requiring IT expertise (Professional Services), Maintenance Services, and Installation Services.

At present, VCOM is the authorized distributor of 7 products on the followings :

List of product owners	Trademark	Products	Location	
			Thailand	CLM Countries
1. Oracle	ORACLE	ICT Infrastructure, Cloud, AI	✓	✓
2. Hitachi Vantara	HITACHI DATA SYSTEMS	Analytics, Industrial Expertise and Technology	✓	-
3. Palo Alto Networks	paloalto NETWORKS	Next Generation Security Platform	-	✓
4. Arista Networks	ARISTA	Software Driven Cloud Networking	-	✓
5. Infoblox	Infoblox	Actionable Network Intelligence (DDI)	-	✓
6. Informatica	Informatica	Intelligent Data Platform	✓	✓
7. Splunk	splunk>	Platform for Operational Intelligence	✓	✓

The company's main target customers are system integrators (SI) that offer end users in public and private sectors sophisticated information technology systems for a wide range of applications. The Company regularly contacts SI clients, most of which are well-known and leading companies in the field of system integration, consultancy and technology development, information and communication. The company rarely sell its products directly to end-users. These end-users are often large organizations with information technology departments that have with ability to design and build their own systems, or continually investing in ongoing projects.

Subsidiary Companies

The Company has two subsidiaries:

1) Vintcom Technology (Myanmar) Company Limited ("Vintcom Myanmar") is incorporated in the Republic of the Union of Myanmar, on July 6, 2015. The purpose is to provide consulting, installation and maintenance services related to computer systems in the Republic of the Union of Myanmar. Vintcom Myanmar has a paid-up capital of US$ 250,000 or equivalent to approximately Baht 8.51 million. The Company holds 100% of the paid-up capital.

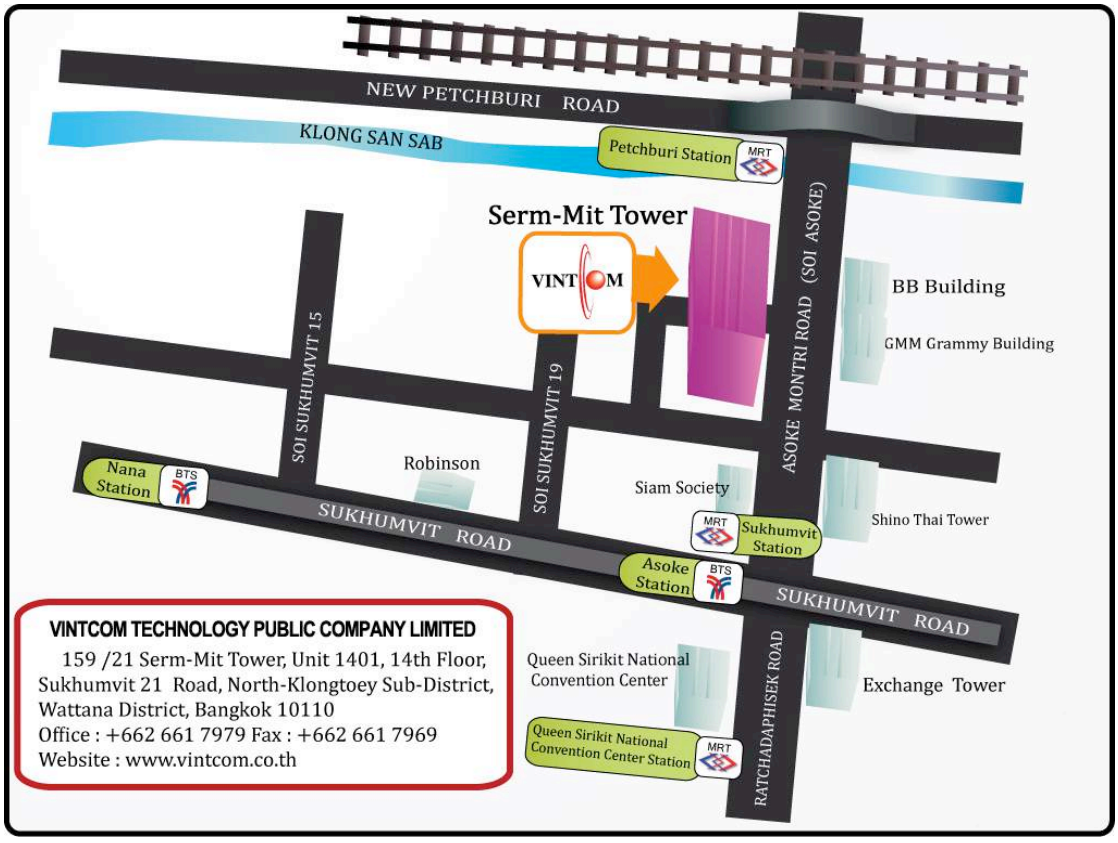
2) vServePlus Company Limited was registered on August 17, 2016 with registered and paid-up capital of Baht 40 million. vServePlus provides information technology services consisting of Installed-Base Renewal Services, Professional Services, Nationwide Services, and Project Management Service vServePlus is 51% owned by Vintcom Technology Public Company Limited and 49% owned by VST ECS (Thailand) Co., Ltd. ("VST ECS"). At present vServePlus, as appointed, represents 12 products owners to provide services as follows;

List of product owners	Trademark	Core Products
1. Dell EMC	DELL EMC	Computer Server and Storage Unit
2. Fujitsu	FUJITSU	Scanner
3. F5	f5	Computer Network Security
4. Hikvision	HIKVISION	CCTV
5. HPE	Hewlett Packard Enterprise	Computer Server, Storage Unit and Networking System
6. HP Inc. (HPI)	hp	Printer, PC and Notebook
7. Huawei	HUAWEI	Networking System, Computer Server and Storage Unit
8. Intermec	Intermec by Honeywell	Tablet and Scanner
9. Lenovo	Lenovo	Computer Server, PC, Notebook and Tablet
10.Symantec	Symantec.	Operating System
11.Veeam	veeam	Software Operating System
12.Xiaomi	mi	Mobile Phones and Accessiories

vServePlus has been providing services through its 10 centers; 2 centers in Bangkok - the Head Office at Romklao and Pantip Plaza Branch. Other 8 service centers are in Chiang Mai, Phitsanulok, Khon Kaen, Nakhon Ratchasima, Surat Thani, Hat Yai, Rayong and Nong Khai. Moreover, vServePlus has been officially appointed to manage the Asus Service Center at Fortune Town Shopping Center 2nd floor and Lenovo Service Center at 3rd and 4th floor, Fortune Town Shopping Center. There centers provide similar services as managed by vServePlus i.e. insurance plan for new products, answers to raised up questions and problems solving faced by products repairs during the insurance period at policy expiry etc.

Head office

159/21 Serm-Mit Tower , Unit 1401, 14th Floor, Sukhumvit 21 Road (Asok), North-Klongtoey Sub-District, Wattana District, Bangkok 10110, Tel: 02-661-7979



General information

A. Company

Company Name	: **Vintcom Technology Public Company Limited**
Head office	: 159/21 Serm-Mit Tower , Unit 1401, 14th Floor, Sukhumvit 21 Road (Asok), North-Klongtoey Sub-District, Wattana District, Bangkok 10110
Business type	: Distributor of Information Technology System Products
Company Registration Number	: 0107559000176
Telephone	: 02-661-7979
Fax	: 02-661-7969
Website	: www.vintcom.co.th
Registered / Paid-up Capital	: Baht 150 million, comprising of 300 million ordinary shares with a par value of Baht 0.50 each.

B. Subsudiary Company

1) Company Name	: **Vintcom Technology (Myanmar) Company Limited**
Head office	: Room Number 605, Building (F) 6 Floor, Pearl Condominium Housing, Sayasan Road Bahan Township, Yangon, Myanmar. 11201
Business type	: Providing of Information Technology Services
Company Registration Number	: No. 290 FC of 2015-2016 (YGN)
Registered / Paid-up Capital	: US$ 250,000 consists of 250,000 ordinary shares with a par value of US$ 1 each.

2) Company Name : **vServePlus Company Limited**

Head office : Building A, SV Logistics Center 2, 88/1 Silom, Pattanachonabot Road, 3, Klongsongtonnun Sub District, Ladkrabang District, Bangkok 10520

Branch office : 1. Pantip Plaza Branch

604/3 Pantip Plaza Building 5th Floor, Room No. 51021-51022 Phetchaburi Road, Ratchathewi District, Bangkok 10400

2. Chiang Mai Branch

2/1 Moo 3, Chiang Mai - Lampang Rd., Changpuak Sub-District, Muang Chiang Mai District, Chiang Mai 50300

3. Phitsanulok Branch

117/7, Phra Ong Dam Rd., Nai Muamg Sub-District, Muang Phisanulok District, Phitsanulok 65000

4. Rayong Branch

18/34 Moo 1, Rajamangala Rd., Noen Phra Sub-District, Muang Rayong District, Rayong 21000

5. Nakhon Ratchasima Branch

1630/10, Mittraphap Rd., Nai Muang Sub-District, Muang Nakhon Ratchasima District, Nakhon Ratchasima 30000

6. Khon Kaen Branch

126/54 Moo 16, Mittraphap Road, Nai Muang Sub-District, Muang Khon Kaen District, Khon Kaen 40000

7. Nong Khai Branch

220/36 Moo 3, Sadet Rd., Meechai Sub-District, Muang, Nongkhai Sub-District, Nongkhai 43000

8. Surat Thani Branch

412/8 Taladmai Rd., Talad Sub-District, Muang Surat Thani Sub-District, Surat Thani 84000

9. Hat Yai Branch

85 Soi 10 (Petchkasem), Hat Yai Sub-District, Hat Yai District, Songkhla 90110

10. Asus Service Center managed by vServePlus

5 Fortune Town Shopping Center 2nd Floor, Room 003, Ratchadapisek Rd., Dindang Sub-District, Dindang District, Bangkok 10400

11. Lenovo Service Center managed by vServePlus

5 Fortune Town Shopping Center 3rd Floor, Room 3C92, Ratchadapisek Rd., Dindang Sub-District, Dindang District, Bangkok 10400

12. Lenovo Service Center managed by vServePlus

5 Fortune Town Shopping Center 4th Floor, Room 4E75, Ratchadapisek Rd., Dindang Sub-District, Dindang District, Bangkok 10400

Business type	:	Provisioning information technology services.
Company Registration Number	:	0105559127905
Telephone	:	02-138-9866
Fax	:	02-138-9867
Website	:	www.vserveplus.co.th
Registered / Paid-up Capital	:	Baht 40 million, consisting of 400,000 ordinary shares with a par value of Baht 100 each.

C. Others

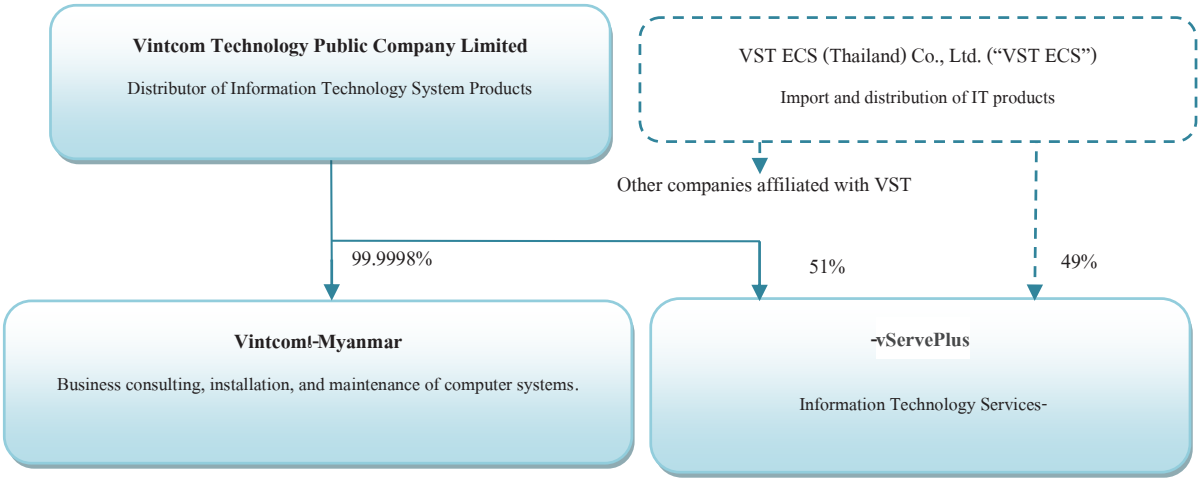
1) Securities Registrar

Company Name	:	Thailand Securities Depository Co. Ltd.
Head Office	:	No. 93, Ratchadapisek Rd., Din Daeng Sub-District, Din Daeng District, Bangkok 10400
Telephone	:	02-009-9000
Fax	:	02-009-9991

2) Auditor

Company	:	KPMG Phoomchai Audit Ltd.
Head Office	:	No. 1, Empire Tower, Floor 48 - 51, South Sathorn Road, Yannawa Sub-District, Sathorn District, Bangkok 10120, Thailand
Telephone	:	02-677-2000
Fax	:	02-677-2222

The shareholding structure of the Group



Major Shareholders

Vintcom Technology Public Company Limited is a listed company on the Market for Alternative Investment (MAI). Details of the registered capital as of 31 December 2017 were shown below.

- Registered and Paid Up Capital : Baht 150,000,000 comprising 300,000,000 ordinary shares with the par value at Baht 0.50
- The top 10 shareholders as of 18 December 2017 are as follows;

Number	Names of Shareholders	Number of Shares	% Shareholding
1.	Vnet Capital Co., Ltd.	219,999,600	73.33
2.	Mrs. Nitima LaoKamnerd	6,150,000	2.05
3.	Mrs. Songsri Srirungroungjit	3,500,000	1.17
4.	Asia Plus Group Holdings Public Company Limited	3,200,000	1.07
5.	Mr. Somsak Trongwongsa	741,300	0.25
6.	Mr. Ng Kong Meng	661,000	0.22
7.	Mr. Kiratiphan Akarasakulwong	559,000	0.19
8.	Mr. Vinai TiewsomboonKit	520,000	0.17
9.	Mr. Nuttapon Songsaicholchai	502,000	0.17
10.	Mr. Tanusit Skunnawat	500,000	0.17

Dividend Policy

The Company has a policy to pay dividend to shareholders at least 50 percent of net profit after tax and deduction of all reserves as required by law based on the separate financial statements subject to availability of cash flows and working capital taking into account plans for is investment, repayment of loans and terms and conditions of contracts in which the Company having been committed to, including legal restrictions, necessities, and other factors. The resolution of the Board of Directors to approve the dividend payment must be proposed for approval at the shareholders' meeting, except for the interim dividend payment, which the Board of Directors may authorize to pay from time to time, as approved and generally report to the next Shareholders' Meeting. The resolution of the Board of Directors' Meeting No. 1/2561 (2018) held on February 25, 2018 resolved to pay dividends at the rate of Baht 0.065 per share, or equivalent to Baht 19,500,000, which are derived from Baht 17,797,529 of 2017 operations and Baht 1,702,471 of 2016 operations.

On October 20, 2017, The Company paid the interim dividend for the six-month period ended 30 June 2017 at the rate of Baht 0.16 per share or equivalent to Baht 35,200,000 pursuant to the resolutions of the Extraordinary General Meeting no.1/2560 (2017), dated October 6, 2017, totaling Baht 54,700,000 which are derived from 2017 operations and the retained earnings, The Company set aside the legal reserve of Baht 1,017,729 at the time of interim dividend. There is no need for additional legal reserve as the reserve has reached 10% of Baht 150 million registered capital as required by the law.

In this regard, the rights to receive the dividend and the legal reserveis subject to the approval for Annual General Meeting of Shareholders.

Dividend payment policy of subsidiaries as same as the parent company.

Situation of Industry

IDC, the leading global provider of market intelligence and advisory services for ICT markets, has estimated that Thailand's IT spending will be around 440 billion baht in 2018 and should reach 470 billion baht in 2021. This is due to the acceleration in IT spending on digital transformation (DX) by both public and private sectors in preparation for Thailand 4.0 and the flourish of "startups" (most of which operating on digital platforms) as promoted by the Thai government.

Thailand 4.0 policy aims to encourage every organization to become more effective and innovativ via digital transformation such as improvement of integrated information systems, implementation of big data and cloud technologies, and investment in data centers by medium and large corporations. In addition, smart phones and smart devices are vastly adopted, which increases demand for products and services pertaining to data communication, enterprise network, and cybersecurity. This can be seen, for example, from the shift from manual banking transactions to mobile banking with the use of mobile banking and QR-code.

Demand for software is expected to rise in 2018 following adopting of Software as a Service and development of digital business in line with the global and domestic trends of digital economy. For CLM countries, their economic expansion with international trade and investment will fuel growth of IT adoption.

These factors will lead to the needs of both public and private sectors for investment in large scale IT solutions in the areas of, network equipment, cybersecurity, and data management solutions.

Vintcom Technology Public Company Limited provides many solutions that support digital transformation such as data center server, storage, network equipment, and cloud solutions from Oracle, data management tools from Oracle and Informatica, solutions for business and advance analytics, and cyber security solutions for protecting information systems from Splunk, next generation network security solutions from Palo Alto Networks and Infoblox. These solutions shall be applied for organization at all sizes, starting from medium to large enterprises, which their information system architecture are very sophisticated and complex, etc.

Risk factors

The business operation may have risk. There are risks in the various forms which can have a significant impact on business such as income, profits, assets, liquidity, funding sources, performance, financial position; or company's opportunities, Forward-Looking Statements or Future Projects, Business Performance Predictions, Business Expansion Plans; and Changes in Laws Related to Company Business, State Policies, and Others. The summary information for the risk that may affect the investment of investors is as follows.

Risk factors

(1) Risks associated with reliance on revenue by being a distributor of Oracle products

The Company has been appointed as a distributor of products and services of Oracle Corporation ("Oracle") since 2010 and continues to date. In 2016 and 2017, the Company had revenues from sales and services related to the sale of Oracle products at approximately 84% and 73% of the total sales and service revenues of company and subsidiaries, respectively. So in the future if the company does not have an agreement with Oracle, or Oracle terminates the agreement, or changes its business policy, including increasing or decreasing the number of distributors it may directly impact the business operations and the Company's revenues significantly.

However, even though Oracle's products have consistently generated sales for the Company and Oracle and it also tends to grow every year. The Company was aware of the consequences that may arise from the risk of reliance on major income that comes from being a distributor of Oracle. The company strives to create a variety of products and services to meet customer demand for even more. In 2010 and 2013, the Company was appointed as a Partner and a distributor of Hitachi Data Systems products, respectively. The Company has continually been a distributor of Hitachi Data Systems products in Thailand to the present date. Also in 2016, the Company has been appointed as a distributor of the products of Palo Alto Networks and Arista among CLM countries. In the year 2017, the Company was appointed as distributor of Infoblox products in the CLM countries and distributor of Informatica and Splunk products in Thailand and CLM countries.

In addition, in 2016, the Company has jointly invested with VST ECS in vServePlus Co., Ltd. ("vServePlus"), with a jointly shareholding of 51% and 49% of the registered capital of vServePlus, respectively. vServePlus operates information technology (IT) services and provides after sales services to VST ECS customers as well as other businesses that VST ECS is not authorized to operate in Thailand. By VST, ECS has transferred its assets, employees, and IT services businesses to continue at vServePlus. As a result, the Group has become more diversified in IT services and service representatives for many IT product owners. This allows the Company to diversify its exposure to the reliance on revenue generated by its Oracle distributor.

(2) Concentration risk of major customers

The Company's main revenue comes from the sales and services involved in the information technology (IT) systems used for the enterprises. In 2016 and 2017, the Company and its subsidiaries had the first 10 major customers, accounting for 59% and 58% of total revenues from sales and services, respectively. There are no income from any one customer exceeds 30% of total sales and service income. The first 10 major customers have been changed in each year. Most of them depend on the potential of any system integrator (SI) to get a project or win a bid on a user-level project which is usually a medium and large enterprises.

The Company is aware of the risks of concentration of such major customers. Therefore, the Company has tried to expand its customer base and distribution customers wider, and not just limited to selling products and services to domestic customers only, but trying to seek opportunities to expand our customer base in the CLM countries. Currently, the Company has also been appointed as a distributor of products: Oracle, Palo Alto Networks, Arista, Infoblox, Informatica, and Splunk in such countries. In addition, the Company has established good relationships with customers regularly. As well as, with the good pre-sale and post-sale service has helped build confidence among the products distributed by the Company. The Company also provides knowledge and presentation on the latest technology of the products that the Company is a regular distributor for its customers to continuously develop good relationship with customers as well as to create opportunities in the sales of products in the future

(3) Risk of dependence on specialized personnel.

IT products that the company is a distributor for the enterprise user is complex and needs a variety of applications. It is necessary to rely on the knowledge, ability and experience of all personnel from pre-sale to post-sale. It also requires trained and certified personnel from Oracle and Hitachi Data Systems, the owners of the company's main distributed products. Therefore, the Company may be exposed to a risk of reliance on specialized personnel and may adversely affect the Company's operations if it is unable to provide suitable and adequate personnel.

The Company is aware of the importance of personnel and has set guidelines to prevent potential risks from lack of personnel, including precise and appropriate manpower planning to meet the workload and growth of the Company. It gives priority to the promotion and development of personnel knowledge to increase skills, creativity, and ability to provide services to customers. It also emphasizes on training, commitment and working environment, builds teamwork culture, enhances good relationships among all levels of staff, encourages participation in brainstorming, and problem solving together. It also provides monetary compensation and benefits to employees in an appropriate and comparable manner to other companies in the same industry in order to motivate them to work with the company in the long run.

4) Risk of forex exchange rate

The Company imports some goods from overseas. In 2016 and 2017, the company purchased the products from abroad at 7.46% and 35.08% of the total cost of ordering goods, respectively. Most of the cost of ordering goods is in US dollars, meanwhile, the Company's revenue from sales mainly came from domestic sales. The revenue from overseas sales and services in foreign currencies has been increasing by marketing expansion in CLM group. Accordingly, in 2016 and 2017 the foreign currencies gaining stands at 0.87% and 23.59% respectively from the total selling and services revenue. However, the Company might be at risk due to specific risk of foreign currency exchange rates which might affect profit gaining of the company.

However, the Company is aware of such exchange rate risk. The appropriate policy to enter into a contract to purchase foreign currency exchange rates is defined, with pricing for each product is covered by the foreign currency exchange risk at certain level. The information is closely monitored to make decisions quickly. The Company's executives will supervise and manage foreign exchange risk in order to prevent or reduce the risk to an acceptable level and to suit the business operation of the Company.

(5) Risk of technological change

The Company and its subsidiaries are engaged in information technology business which the nature of such business is constantly evolving and changing. Manufacturers of various products have released new products that add features to meet and serve the needs of customers continuously. If the Company cannot track and adjust to the changing conditions to provide products and services to customers in a timely manner to meet the changing industry. This may result in customers choosing to use products from other manufacturers for the Company is not a distributor, or use services with other operators. This may affect the number of customers and the total revenue of the Company.

The Company is prepared to accommodate any change in technology that may occur at any time by tracking information, news, and changes in the industry closely related to the business in order to adjust to keep up with changes, as well as, offering products and services to meet the needs of the market to avoid losing business opportunities or competitive advantage. The Company has a policy to provide personnel in the related field, follow up on education, develop knowledge and attend training seminars continuously to keep up with the changes of technology. In addition, the Company is a distributor of the world's leading IT products which have been made aware of information about trends or technologies. As well as, there is the transfer of knowledge of modern technology through training to personnel of the Company on a regular basis, which makes the company being aware of the technological changes in order to prepare for the changes as well

6) Risk from legal disputes which is under consideration of the court.

The Company has an unsettled legal dispute, which may have a material adverse effect on the Company's assets. On February 4, 2011, the Company was sued by the Telematic Co., Ltd. ("Telematic") as the plaintiff and the company as a defendant to the Southern Bangkok Civil Court, on charges of infringement and claimed damages of approximately Baht 120.12 million, representing 29.4% of the shareholders or of 15.62% of the consolidated financial statements of the Company and its subsidiaries for the financial period ended on December 31, 2017. The Company was also filed to the criminal court on charges of offense under the Computer Crime Act B.E. 2550 (2007) and the Act on Offences Committed by Officials of State Organizations or Agencies B.E. 2502 (1959), without compensation.

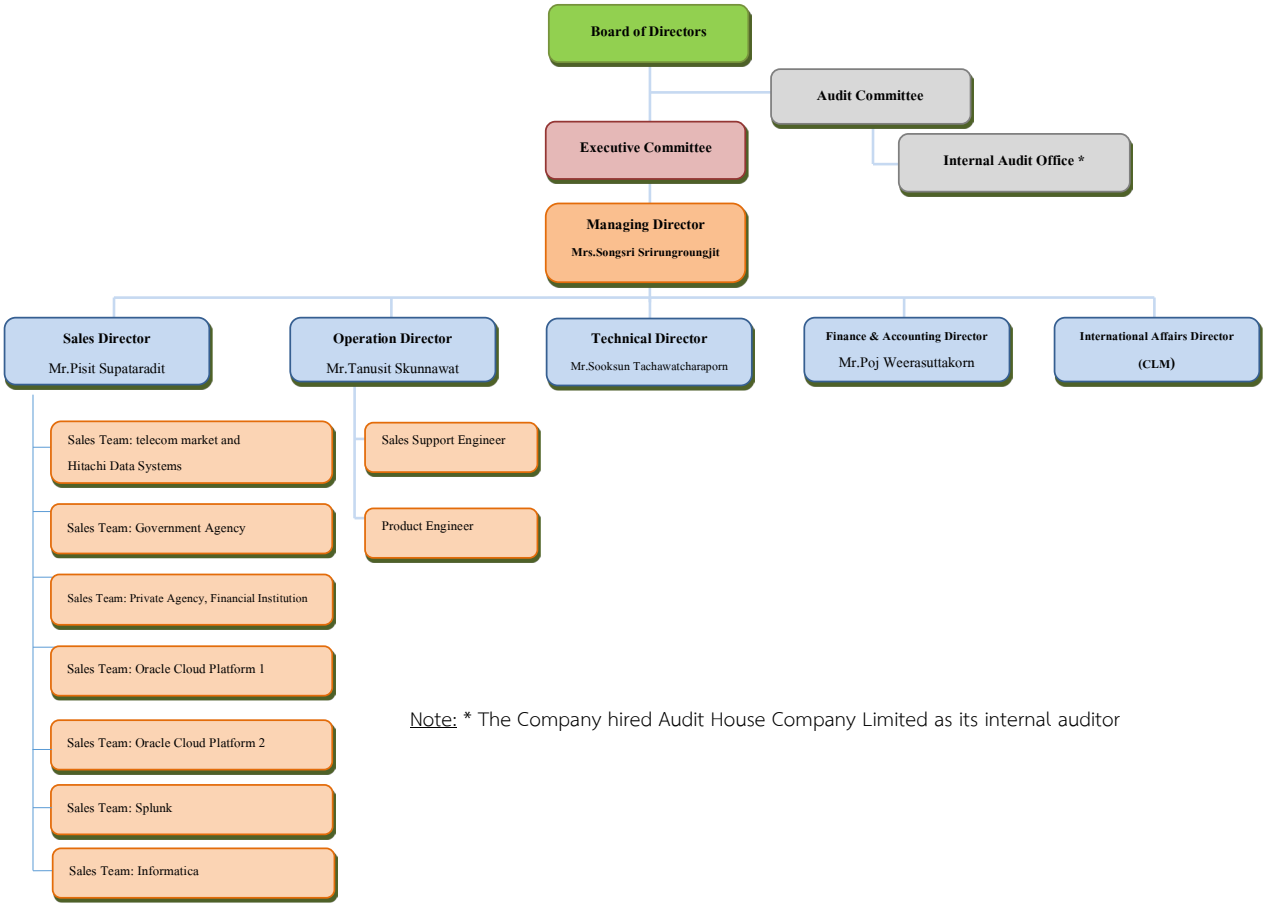
The Company did not make any provision for such damages since the management believes that the Company did not do any violation according to the accusation.

In order to ensure investor confidence and to protect the interests of minority shareholders of the Company against any possible litigation arising from such legal dispute, Vnet Capital co. Ltd ("VNET") as the major shareholder of the Company has made a memorandum of guarantee for damages from the dispute with the Company. By pledging that while the case was not yet reached, VNET agreed not to sell, transfer, or cause any obligation on the Company's shares held by VNET for the amount of the value of shares offered to the public for the first time (IPO) ("Securities") is sufficient to cover the damages. If the court has the final verdict in the case that the company is guilty and must pay compensation to the Telematic, VNET agreed to sell the above securities and bring the proceeds to compensate for such damages to the Company. The VNET will not exercise any claims arising from the compensation from the Company.

Organization Structure

Company Organization Chart

Management Structure Chart of the Company as of Decenber 31, 2017



Note: * The Company hired Audit House Company Limited as its internal auditor

The internal management structure of the Company consists of: the Board of Directors, the Audit Committee, the Executive Committee, and the Management team comprising of qualified persons under Section 68 of the Public Limited Companies Act B.E. 2535 (1992) and the relevant notifications of the Capital Market Supervisory Board.

Board of Directors

As on December 31, 2017, the Board of Directors consists of 7 members.

Name	Position	Committee Meeting Attendance
1. Mr. Narong Intanate	Chairman / Chief Executive Officer	10/10
2. Mr. Sopon Punyaratabandhu	Director / Executive Director	10/10
3. Mrs.Songsri Srirungroungjit	Director / Executive Director / Managing Director	10/10
4. Mr. Punn Kasemsup	Independent Director	10/10
5. Mr. Sanpat Sopon	Independent Director and Chairman of the Audit Committee	10/10
6. Mr. Thanachart Numnonda	Independent Director and Audit Committee	10/10
7. Mr. Kriengkrai Boonlert U-Thai	Independent Director and Audit Committee	10/10

Mr. Thanapol Narasetsataporn is the Secretary to the Board of Directors.

The Company has a Board of Directors structure with 4 Independent Directors which is more than half of the total number of directors, with 3 Audit Committee Members.

Director and authorized signatory of the Company

Mr. Narong Intanate, Mr. Sopon Punyaratabandhu and Mrs.Songsri Srirungroungjit; the two of these three directors shall jointly sign with the Company's seal affixed, as the Director and authorized signatory of the Company.

The term of office of the Directors

At every Annual General Meeting of Shareholders, the directors will be retired by rotation at the ratio of at least one-third. If the number of directors cannot be divided into three parts, the number nearest to one-third shall be retired. The directors who will be retired in the first and second years after the registration of the company, will make a draw for choosing who will be retired. In subsequent years, the longest term director shall be retired. The retired director may be re-elected.

Scope of Authority, Duties and Responsibilities of the Board of Directors

The Board of Directors has the authority, duty and responsibility to manage the Company in accordance with the law, the objectives, and the Articles of Association of the Company, as well as, the resolutions of the shareholders' meeting in good faith and honesty. The significant powers, duties, and responsibilities are as follows:

1) To perform duties with responsibility, caution and honest, including complying with the laws, objectives and articles of association of the company, as well as resolutions of the shareholders' meeting, in particular, which must be approved by the shareholders' meeting prior to performing, for example, the law requires the resolution of the shareholders meeting in approval of connected transactions, and the purchase or sale of important assets in accordance with the regulations of the Stock Exchange of Thailand or other government agencies etc.

2) To consider and approve the structure and authority of the Company.

3) To consider and approve policies, vision, mission, business plan and annual budget, including investment, establishment of subsidiaries, acquisitions, investments in associates / other companies, and contracting as a distributor of products.

4) To control and supervise the management of the Company's business to efficiently and effectively achieve the objectives, goals of the organization and in accordance with the policies, plans, and budgets set forth.

5) To appoint the Executive Committee and other sub- committees as appropriate, including the scope of authority and duties of the Executive Committee and subcommittees.

6) To provide reliable accounting, financial reporting, and auditing services, as well as having a system for storing documents so that the information can be verified at a later stage.

7) To evaluate the work of the executives regularly and maintain the appropriate remuneration for the executives and staffs.

8) To ensure that the Company has an effective internal control system, an effective and efficient internal audit system, a comprehensive risk management system, a risk management process, effective reporting and follow- up, and a mechanism to handle the complaints and actions in case of pointing out the clues as well as the management of the company in accordance with good corporate governance policy.

9) To ensure a clear and transparent process and management of the transaction between the Company and the connected persons to prevent any conflict of interest by disclosure the information in an adequate manner, and also informing to the Board of Directors regularly.

10) The Board of Directors may authorize one or several directors, or any other person, by one or more persons to act on behalf of the Board of Directors as it deems appropriate. It is under the control and supervision of the Board of Directors, or may authorize such person to have the power as the Board deems appropriate and within the time that the Board deemed appropriate by the Board. The Board of Directors may cancel, revoke, change, or amend the delegation of power as it deems appropriate.

The power of attorney must not be delegated to the person to consider and approve the transaction, or any person who may be of conflict of interests or any other conflict of interest that may be with the Company or its subsidiaries. Except for the normal course of business, and in accordance with the terms of trade in general, or the policies and guidelines of the Board of Directors considered and approved already. This is in accordance with the Notification of the Capital Market Supervisory Board and / or the Stock Exchange of Thailand, and / or relevant authorities.

Audit Committee

As on 31 December 2017, the Audit Committee comprised of 3 members.

Name	Position
1. Mr. Sanpat Sopon	Chairman of the Audit Committee
2. Mr. Thanachart Numnonda	Audit Committee
3. Mr. Kriengkrai Boonlert U-Thai	Audit Committee

Mr. Kriengkrai Boonlert U-Thai has sufficient knowledge and experience to review the reliability of the financial statements. He holds a Doctor of Philosophy degree in Business Administration, Oklahoma State University; Master of Science in Accountancy, Oklahoma State University, USA; Master of Accountancy, Chulalongkorn University; and Bachelor Degree in Business Administration (Accounting), Rajamangala University of Technology Thanya buri. He also passed the Director Accreditation Program (DAP) class of 106 in 2013, and the Advanced Audit Committee Program (AACP) class of 23 in 2013. Mr. Poj Weerasuttakorn is the Secretary of the Audit Committee.

Term of office of the Audit Committee

The Audit Committee has the office team of three years from the date of appointment. An audit committee member who retires by rotation may be re-appointed. The retired member of the Audit Committee shall remain in office for further duties until the appointment of an Audit Committee member to replace the position. If the Audit Committee is vacant for any reason other than retirement by rotation, the Board of Directors shall elect the qualified person of non-prohibited characteristics to be the Audit Committee. The replacement of an audit committee member shall be for the remaining term of the audit committee member whom he or she replaces.

Scope of Authority, Duties, and Responsibilities of the Audit Committee

1. Authority of the Audit Committee

The Audit Committee has the authority to invite the management or staff of the Company to attend the meeting, comments, or submit the documents requested as needed, including the power to proceed as follows.

1.1 To consider and approve the nomination of the auditors and their remuneration to the Board of Directors for the appointment by the shareholders' general meeting, and to evaluate the auditor's performance on an annual basis.

1.2 To consider and approve other than non-audit work and the remuneration from such work shall be determined to prevent the auditor from being lack independence in performing his/her duties.

1.3 To decide if the management and the auditor disagree about the financial statements or limited in the practice of auditing.

1.4 To consider the operation and supervision of related transactions, connected transactions that may lead to conflict of interest in accordance with relevant laws and regulations.

1.5 To consider and approve the appointment, removal, transfer or dismissal, and consider the meritorious of the top management of the Internal Audit Office as proposed by the Executive Committee.

1.6 To consider and approve the appointment of external consultants or professional experts to provide advice, or comments as the Audit Committee considers appropriate.

1.7 To consider and approve the internal audit charter, annual plan, appoint personnel, and approve the necessary resources for the work.

2. Responsibilities of the Audit Committee

2.1 Financial Report

2.1.1 To have the Meeting with the auditor for non-management meeting attended by at least once a year.

2.1.2 To review the financial statements and consider the completeness of information acknowledged by the Audit Committee and assess the appropriateness of accounting principles used in the financial statements.

2.1.3 To review significant accounting and financial reporting issues, including complex or unusual transactions and items that require judgment.

2.1.4 To ask management and auditors about the audit results, key risks associated with financial reporting, and plans to mitigate such risks.

2.1.5 To review the effectiveness of the internal control over the preparation of financial statements.

2.2 Internal Control

2.2.1 To verify that the management has set the internal controls, including appropriate internal control of the information technology system, guidelines for communicating the importance of internal controls, and risk management throughout the company.

2.2.2 To verify that the management has already proceeded to take action in the improvement according to the recommendations on internal control proposed by the internal auditor and the auditor.

2.3 Internal Audit

2.3.1 To verify that the activities and performance of the Internal Audit Office ensure that the Internal Audit Office can operate independently.

2.3.2 To verify that the effectiveness of internal audit practices ensure compliance with internal auditing standards.

2.4 Directing Regulatory Compliance

2.4.1 To regularly review the laws, regulations that change and affect the Company's operations presented by the Internal Audit Office and report it to the Board of Directors.

2.4.2 To review the findings of the organization that is responsible for overseeing the Company and its follow-up and report it to the Board of Directors.

2.4.3 To review the effectiveness of the system in monitoring compliance with laws, regulations, and follow-up results in the absence of compliance.

2.5 Risk Management

2.5.1 To review the reports from the Risk Management Working Group and the Management, and discuss with the Management regarding the Risk Assessment and Management Policy.

2.5.2 To review the adequacy of the Company's and subsidiaries' compliance with policies and duties relating to the risk management.

2.5.3 To review the effectiveness of the risk management system of the Company and its subsidiaries.

2.6 Ethical Compliance for Executives and Employees

2.6.1 Ensure that business ethics for executives and employees and policies for the prevention of conflicts of interest are documented and acknowledged by management and staff.

2.6.2 To promote compliance with business ethics and policies in order to prevent conflicts of interest.

2.7 Consideration of Connected Transaction

To review the connected transactions or transactions that may lead to conflicts of interests in accordance with the laws and regulations of the Stock Exchange of Thailand in order to ensure that such transactions are reasonable and of utmost benefit to the Company.

2.8 Reporting

2.8.1 To report to the Board of Directors in order to make improvements in the transactions that have conflict of interest, fraudulent transactions, or transactions that have impaired internal controls, as well as, the transactions that are not in compliance with the relevant laws are material to the financial

status and performance of the Company in accordance with the requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand within the period of time that the Audit Committee deems appropriate. If the Board of Directors fails to proceed with the amendment within the period specified in the first paragraph, one of the Audit Committee members may report the transaction or action under paragraph one to the Securities and Exchange Commission and the Stock Exchange of Thailand.

2.8.2 The Audit Committee's report is disclosed in the Company's Annual Report, which must be signed by the Chairman of the Audit Committee and must contain at least the following information:

- An opinion on the accuracy, completeness, and creditability of the Company's financial report.

- An opinion on the adequacy of the Company's internal control system.

- An opinion on the compliance with the Law on the Securities and Exchange Commission, requirements of the Stock Exchange, or the laws relating to the business of the Company.

- An opinion on the suitability of an auditor.

- An opinion on the transactions that may lead to conflicts of interests.

- Number of meetings of the Audit Committee and attendance of each member of the Audit Committee.

- Comments or observations that the Audit Committee has received from performing its duties under the Charter.

- Other reports that the shareholders and general investors should know within the scope of duties and responsibilities assigned by the Board of Directors.

2.9 Other Responsibilities

2.9.1 To perform other tasks as assigned by the Board of Directors.

2.9.2 To regularly review and evaluate the Charter of the Audit Committee and propose for approval from the Board of Directors when it has been revised.

2.9.3 To provide self-assessment at least once a year and present the results to the Board of Directors.

The Company has an internal audit office and has hired Audit House Co., Ltd., a third party which has no relationship whatsoever with the Company, as an internal auditor in order to monitor the Company's internal control system to ensure that the Company has an adequate and appropriate internal control system.

Executive Committee

As at December 31, 2017, the Executive Committee consisted of three members, as following:

Name	Position
Mr. Narong Intanate	Chairman of Executive Committee
Mr. Sopon Punyaratabandhu	Executive Director
Mrs.Songsri Srirungroungjit	Executive Director

Term of office of Executive Director

The Executive Committee has a term of office of three years from the date of appointment. Executive Director who retires by rotation may be reappointed. In the case where the Executive Director vacates office for reasons other than retirement by rotation, the Board of Directors shall appoint the qualified persons as Executive Directors so that the Executive Directors can meet the required number of Directors. The person who becomes a member of the Executive Committee shall be in the position of only the remaining term of the Executive Committee, which he/she replaces. The Executive Director vacates office upon termination of being a director.

Scope of Authority, Duties, and Responsibilities of the Executive Committee

1. To determine the structure and authority of the Company's management to be proposed to the Board of Directors for approval.

2. To set vision, direction, policies, and business strategies of the Company by developing a business plan and annual budget to be proposed and approved by the Board of Directors.

3. To manage the Company's business to achieve the objectives, and goals of the Company; and to operate in accordance with the Company's policies, regulations of the company; and to comply with resolutions of the Board of Directors, and / or resolutions of the shareholders' meeting.

4. To monitor and supervise the operation of various units of the Company.

5. To appoint a working group to scrutinize the work proposed to the Executive Committee, or to carry out any work that is beneficial to the performance of duties of the Executive Committee.

6. To delegate power or assign other people to perform specific tasks on behalf of the Executive Committee.

7. To consider approving the hiring, determination of wages, appointing or transferring management personnel, excluding any transactions that may cause conflicts of interest, which must be proposed to the Board of Directors for approval.

8. To consider or perform any other act as assigned by the Board of Directors.

Management Team

As at December 31, 2017, the management team consisted of five members as following:

Name	Position
Mrs.Songsri Srirungroungjit	Managing Director
Mr. Tanusit Skunnawat	Operation Director, CLM
Mr. Pisit Supataradit	Sales Director
Mr. Sooksun Tachawatcharaporn	Technical Director
Mr. Poj Weerasuttakorn	Finance & Accounting Director

Company Secretary

The Board of Directors has appointed Mr.Thanapol Narasetsataporn to be the Company Secretary in order to comply with the Securities and Exchange Act B.E. 2535(1992) (as amended) to perform the following duties.

1) To supervise and provide basic advice to the Board of Directors and executives on the rules and laws that the Board of Directors must be aware of.

2) To oversee the activities of the Board of Directors, to hold the Board of Directors 'Meetings and the Shareholders' Meeting, to record the Minutes of the Board of Directors and Shareholders' Meetings, and to coordinate with them to proceed according to the resolution of the meeting.

3) To prepare and maintain important documents of the company as following:

   3.1) Committee Register

   3.2) Notice of the Board of Directors' Meeting, Minutes of the Board of Directors' Meeting, Annual Report of the Company

   3.3) Notice of the Shareholders' Meeting, Minutes of the Shareholders' Meeting

4) To keep Report on Interests of Directors and Executives (means directors and executives who are responsible for reporting their interests and related persons to the Company)

5) To perform other duties and responsibilities as prescribed by the Capital Market Supervisory Board.

Mr. Thanapol Narasatthaporn has been trained in the Company Secretary Program (CSP), Class 66, in 2015.

Remuneration for Directors and Executives

(1) Monetary remuneration

(A) Director

For the year 2017, the Annual General Meeting of Shareholders 2017 held on April 28, 2017, approved the remuneration of directors and Audit Committee as follows:

	Chairman of the board	Director
Directors' remuneration (Baht / person / month)	15,000	15,000
Meeting allowance (Baht / person / time)	10,000	10,000
Meeting allowance for Audit Committee (Baht / person / time)	10,000	10,000

In the case of the Non-Independent Directors, the remuneration of the directors mentioned above will begin to pay remuneration since the company was allowed to sell new shares to the public for the first time (IPO) by the Securities and Exchange Commission.

The Company paid the remuneration to the directors as follows:

List of Directors	Position	Remuneration (Baht)	
		2017	
		Board of Directors	Audit Committee
1. Mr. Narong Intanate [1/]	Chairman	25,000	-
2. Mr. Sopon Punyaratabandhu [1/]	Director	25,000	-
3. Mrs.Songsri Srirungroungjit [1/]	Director	25,000	-
4. Mr. Punn Kasemsup	Director	280,000	-
5. Mr. Sanpat Sopon	Chairman of the Audit Committee	380,000	70,000
6. Mr. Thanachart Numnonda	Audit Committee	380,000	70,000
7. Mr. Kriengkrai Boonlert U-Thai	Audit Committee	370,000	70,000
Total		**1,485,000**	**210,000**

Notes: [1/] Non-Independent Directors and Audit Committee members will receive remuneration since the company was allowed to sell new shares to the public for the first time (IPO) by the Securities and Exchange Commission.

In 2017, the Company paid remuneration to the executive as follows:

Remuneration	2017	
	Number of people	Remuneration (Million Baht)
Salary, bonus, and other compensation, including contributions to the Social Security Fund, Contribution to Provident Fund, and post-employment benefits	5	18.86

(2) Other compensation

- none-

Personnel

A. Number of personnel

As on December 31, 2016 and 2017 the Company and its subsidiaries had 224 and 240 employees, (excluding executives) respectively and of various divisions as followings;

Field of work	Number of employees	
	As at December 31, 2016	As at December 31, 2017
Vintcom Technology Public Company Limited		
Sales Department	12	16
Operations Department	10	12
Technical Department	20	18
Accounting and Financial Department	5	6
Office of Managing Director	5	8
Office of International Affair	2	4
vServeplus Company Limited *	166	170
Vintcom Technology (Myanmar) Company Limited	4	6
Total	224	240

Note: *vServePlus Company Limited received transferred employees under the business transferring contract with VST ESC for 155 persons on 1 September, 2016

B. Employee compensation

In 2016 and the first nine months of 2016, the Company paid compensation to employees totaling Baht 60.49 million and Baht 31.26 million, respectively. The compensation is in the form of salary, bonus, overtime, social security, provident funds and so on.

C. Provident Fund

The Company has established a provident fund under the management of Kasikorn Asset Management Company Limited. The purpose is to create morale for the employees and to motivateemployees to work with the company in the long run. The Company has started contributing its fund to the provident fund since 2016.

D. Other compensation

None

E. Policy on Human Resources Development

The Company recognizes the importance of employees, taking into account that all employees are the company's most valuable asset. The Company is committed to the development potential ofemployees by giving priority to the development of knowledge, the ability, and the skills of every employee at all positions by organizing training, seminars, and field visits both domestic and international. The Company also strives to continuously improve employees' capabilities to meet the standards of the manufacturers, especially technicians who will be trained and tested regularly.

Corporate Governance

1 Corporate Governance Policy

The Company focuses on management efficiency, transparency, and accountability. This will give confidence to all parties involved and result in sustainable business growth under ethical and consistent with relevant laws. The Company has set a good corporate governance policy to enhance its existing operations to be a clear standard and to spread the practice to employees of all levels. This promotes a true corporate governance culture. The Company has adopted good corporate governance guidelines for listed companies (Good Corporate Governance) in 2012, as prescribed by the Stock Exchange of Thailand which covers five categories, the guidelines are as follows:

Section 1: Rights of Shareholders

The Company recognizes and values the fundamental rights of its shareholders as an investor in securities and as a company owner such as the right to buy, sale , and transfer of its holding securities; the right to receive a share of profits from the company; the right to receive the information of the company; the right of shareholders; the right to express opinions; and the right to make important decisions such as dividend payment, capital reduction or capital increase; appointment or removal of directors; appointment of auditors; approval of major transactions affecting the direction of business operations of the Company; and amendment of the memorandum of association and articles of association of the company, etc.

In addition to the above-mentioned fundamental rights, the Company also conducts various activities to promote and facilitate the exercise of the rights of shareholders as follows:

(1) Shareholders' Meeting

1.1 The Company has a policy to support or encourage all shareholders, including institutional shareholders to attend the shareholders' meeting.

1.2 The Company will prepare a notice of the meeting, stating the place, date, time, agenda, and matters to be proposed to the meeting with the statement and reason or opinion of the Board of Directors in each agenda item, or the resolution as requested in the invitation letter of the shareholders' meeting, or in the supporting documents. The Company will send the notice of the meeting together with the information to the shareholders in advance in accordance with the law and announce the notice of the meeting in the newspaper no less than three days before the meeting date for three consecutive days. The Company will distribute the notice of the meeting via the Company's website so that the shareholders have the time to study the information in advance of the meeting date.

The Company will facilitate the shareholders to exercise their right to attend the meeting and vote fully, and will not take any action that restricts the attendance of the shareholders, such as attendance to vote is not complicated or expensive, the venue for the shareholders' meeting is convenient for traveling etc.

1.1 Prior to the meeting, the Company provided the opportunity for the shareholders to send their questions in advance of the meeting, setting out the criteria for sending the questions in advance, and distributing the questionnaire on the Company's website.

1.2 In the event that the shareholders cannot attend the meeting in person, the Company gives the shareholder the opportunity to appoint an Independent Director or any person to attend the meeting on his / her behalf, using a proxy form provided by the Company along with the Notice of meeting together with the nomination of at least one independent director, as an alternative to propose its shareholder's proxy.

(2) Operation on Shareholders' Meeting

2.1 The Company encourages the use of technology for Shareholders' Meetings, including the registration of shareholders, the counting of votes and the display of results so that the meeting can be conducted quickly, accurately, and precisely.

2.2 The Company encourages the Board of Directors, executives, related parties, and the auditors, complete to attend the Shareholders' Meeting.

2.3 In each meeting, the Company will provide equal opportunities for all shareholders. Before the commencement of the meeting, the chairman of the meeting will explain the exercise of the voting right, the method of counting the votes of the shareholders who need to vote on each agenda item, and the opportunity for all participants to express their opinions, suggestion, each question independently asked. This meeting will be conducted by taking appropriate time before voting on any agenda, and by the agenda. In the Shareholders' Meeting, the directors and related executives will attend the meeting to answer the questions in the meeting, and the important questions and comments will be recorded in the minutes so that the shareholders can check it later.

2.4 In the meeting to elect directors, the shareholders can vote for each director. The shareholders have the right to choose the representatives who are qualified to serve as directors for their own interests. This will truly make the diversity and representation of the shareholders.

2.5 The Company encourages an independent person to conduct the counting or examination of the votes in the Shareholders' Meeting and disclose it to the meeting and record it in the minutes of the meeting.

2.6 The Company arranges the use of voting cards for important matters such as connected transactions, acquisition or disposition of assets etc. , to ensure transparency and accountability in the event of a dispute later.

(3) Preparation of the minutes of the meeting and disclosure of resolutions of the shareholders' meeting.

3.1 After the meeting has been completed, the Company will prepare the minutes with accurate and complete information. This includes the recording of questions, answers; and voting results for each agenda by separating the number of votes of shareholders for agree, object, abstain; and also the records of the directors who is attended or were absent the meeting.

3.2 The Company will disclose the voting results for each agenda item on the next business day on the Company's website and will publish the minutes on the Company's website so that the shareholders can check it later.

Section 2: The Equitable Treatment of Shareholders

The Company has the policy to treat all shareholders equally, whether they are major or minority shareholders, executive, or non- executive shareholders. The Company allows minority shareholders to nominate persons to be appointed as Director in a reasonable time, enabling shareholders who cannot attend the meeting in person can vote by proxy to attend the meeting and vote, and to allow minority shareholders to propose the additional agenda prior to the meeting of shareholders.

The Company has preventive measures whereby directors and executives use inside information to seek benefits for themselves or others in the wrong way which is taking advantage of the other shareholders, such as trading securities, using inside information, or disclosing inside information to individuals associated with the directors and management which is disadvantageous or cause damage to the shareholders as a whole.

The Company requires directors and executives to disclose information about their interests and their related parties so that the Board can consider the transactions of the Company that may have a conflict of interest and can make a decision for the benefit of the Company as a whole. Directors and executives who have an interest in transactions with the Company should not participate in the decision making of such transactions.

The Company defines best practices for shareholders equally as follows:

(1) Providing information before the shareholders' meeting

1.1 The Company will inform the meeting schedule and the agenda to the Stock Exchange of Thailand and the Company's website at least 28 days prior to the meeting date.

1.2 Before each meeting, the Chairman of the Meeting will explain to the shareholders the rules of the meeting, the procedures for voting, the right to vote, including voting rights, and vote counting method for each agenda item.

(2) Protection of the rights of minority shareholders

2.1 The Company has set the criteria for minority shareholders to propose the agenda in advance prior to the Shareholders' Meeting in order to show the fairness and transparency in the consideration of adding or not adding the proposed agenda item by the minority shareholders.

The qualifications of the shareholders to propose the above agendas are in accordance with the Securities and Exchange Act, Section 89/28.It requires one or more shareholders to hold at least 5% of the total number of voting rights of the Company, to hold shares continuously from the date of holding until the date the proposed agenda for such meeting period of not less than 12 months, and to hold shares until the date of the General Meeting of Shareholders, such shareholders shall have the right to make a written request to the Board of Directors for the above-mentioned agendas. For proposing the agenda of the Annual General Meeting of Shareholders (AGM), the shareholders must specify the objectives and details of the proposed issues together with useful information for consideration.

The Company reserves the right to refuse to include the agenda item in the following cases:

1) Matters related to normal business operations of the Company, whereby the facts do not reflect any suspiciousness about such irregularities;

2) Matters beyond the control of the Company;

3) Normally, the matter is subject to consideration by the shareholders meeting and the Company has regularly set the agenda;

4) Matters do not benefit to the Company's operations;

5) The unlawful matters which are against laws, announcements, regulations, rules, and regulations of government agencies or regulatory bodies;

6) The contrary to the objectives, regulations, resolutions of the shareholders' meeting, and principles of good corporate governance;

7) The information provided by the shareholders is incomplete, or inaccurate, or if the Company needs more information and it cannot contact the proposed shareholders;

8) The matter has been proposed to the Shareholders' Meeting for consideration in the past 12 months and received a resolution of less than 10% of the total number of voting rights of the Company, and the facts have not changed significantly from the facts as presented to the Shareholders' Meeting held earlier;

9) The Company has already done so;

10) Other things, such as duplicate items that have already been proposed.

In the event that the shareholders do not comply with the rules, the Company will inform the shareholders of the matter at that meeting, stating the reason for the refusal to include such matter.

The Company Secretary will consider and present the proposal to be included in the agenda of the AGM to the Board for consideration and concluded that the agenda for the meeting shall be finally considered by the Board of Directors.

2.2 The Company determines how minority shareholders nominate candidates to be nominated for the position of directors by nominating them through the Company Secretary three months in advance of the Shareholders' Meeting, together with information on qualification and consent of the nominated shareholders.

The qualifications of the shareholders to nominate persons to be considered for the position of the aforementioned directors shall be as prescribed in the Securities and Exchange Act, Section 89/28. It requires one or more shareholders to hold at least 5% of the total number of voting rights of the Company , to hold shares continuously from the date of holding until the date of the proposed agenda for such meeting a period of not less than 12 months, and to hold shares until the date of the General Meeting of Shareholders, such shareholders shall have the right to nominate candidates to be elected to the position of Director.

The persons to be nominated for the position of director must be fully qualified in accordance with the Public Limited Company Act, the Securities and Exchange Act, the Securities and Exchange Commission, the Stock Exchange of Thailand, and the Company's Articles of Association; including the other qualifications as specified by the Company, such as knowledgeable, competent and experienced, able to be useful and suitable for the Company's business, have a good working record, be independent, perform the duties with honesty, ethics and can regularly attend the Board meeting etc.

The list of persons to be nominated as directors of the Company shall be considered by the Independent Directors to be considered and proposed to the Board of Directors for consideration in order to be proposed to the Shareholders' Meeting and the consideration of the Board of Directors is final.

2.3 The Company allows shareholders to exercise their rights to appoint individual directors.

2.4 The Company has no policy to add the agenda at the meeting without notifying the shareholders in advance, in particular, the important agenda that the shareholders have to have the opportunity to study the information in the agenda before making a decision. As well as, there is no limitation of the right of shareholders for being late in attending the meeting.

(3) Protection using of inside information

The Company strictly monitors the use of inside information to prevent the exploitation of inside information for themselves or others in a wrong way, and to ensure fairness to all stakeholders. The Company has set guidelines in written for keeping inside information of the company and guidelines for preventing the use of inside information for seeking personal benefits and informing everyone in the organization. Including the directors, executives, management positions in accounting or finance or equivalent, and the staff in the agency received information on the company which has affected the price of securities, those person must not use inside information before the disclosure to the public. And it also prohibits the persons involved in insider information to do trading of company securities by themselves, their spouses, their underage children , whether by trading directly or indirectly (e.g. Nominee through private funds) within one month prior to the disclosure of quarterly financial statements, and annual financial statements, and after the disclosure of such information at least three working days.

The Company has imposed a disciplinary action for those who seek benefits from the using or disclosure of inside information of the Company, which may cause damage to the Company. The punishment is considered as appropriate to the case, including verbal warning, a written warning, probation, termination; and dismissal of employees by firing, discharging, discarding, as the case may be, etc.

In addition, the Company has provided information to its directors and executives that they are required to report their holdings of the Company's securities, and there are penalties in accordance with the Securities and Exchange Act B.E 2535 (1992), and the regulations of the Stock Exchange of Thailand. Directors and executive officers of the Company are required to report holdings of securities issued by the companies which are their own, spouses, and under age children to the Office of the Securities and Exchange Commission within 30 days from the date of appointment to the position of director or executive in the company. As well as, when there are changes in holding of the Company's securities, they must inform the Company and report the changes of their holding to the Office of the Securities and Exchange Commission within three business days from the date of purchase, sale, transfer or receiving transfer in accordance with Section 59 of the Securities and Exchange Act, and the Stock Exchange of Thailand B.E. 2535 (1992) and for further distribution.

(4)The interests of the directors

4.1 The Company adheres to the principles of equitable treatment of shareholders. The Company has set up transparent and verifiable management guidelines on conflict of interest. Especially in considering transactions between companies with stakeholders or involved., in such case, the stakeholders must immediately report to the Company, and at the meeting of the Board of Directors for consideration of such matter the director must report the interest at least before the consideration of the agenda and also recorded it in the minutes of the meeting.

4.2 The Company has set guidelines not to allow directors or executives who have interests or involvement to participate in the decision- making process in considering such transactions.

Section 3: The Role of Stakeholders

The Company attaches great importance to the rights of all stakeholders, whether they are stakeholders, shareholders, executives, and employees; or external stakeholders such as customers, suppliers, creditors, competitors, government, and communities, etc. The Company recognizes that support and comments from all stakeholders will be beneficial to the Company's business and development. Therefore, the Company will comply with the relevant laws and regulations so that the rights of such stakeholders are well taken care of. In addition, the Company's business practices are based on the rights of all stakeholders according to the following policy:

Shareholders

1) The Company has the duty to encourage the shareholders to exercise their rights. The basic rights of the shareholders include the trading of shares, the right to share in the profits of the business, the right to receive sufficient information, the right to attend the shareholders' meetings for appointment or removal Director, appointment of Auditor, dividend allocation, determination or amendment of the Memorandum or Articles of Association, the capital reduction or capital increase, the approval of special items, etc. The Company has the duty to promote and encourage the shareholders to exercise their rights in various matters. At the meeting, shareholders are entitled to propose agenda for AGM in advance, the right to nominate a person to be elected as directors in advance, the right to submit questions to the meeting before the meeting, the right to express their opinions and ask questions at the meeting.

2) The Company has the duty to abstain from any acts that violate, or restrict the rights, or deprivation of shareholders' right to study information disclosed by the Company in accordance with the requirements and AGM attendance such as not distributing any important additional information immediately, not adding any agenda, or making important changes without prior notice to the shareholders in advance.

3) The Company has the duty to facilitate the shareholders to exercise their rights, such as providing important information through the Company's website, arranging shareholders to visit the Company, etc.

4) The Company has the duty to facilitate the shareholders to exercise their rights, such as providing important information through the Company's website, arranging shareholders to visit the Company, etc.

5) The Company is responsible for presenting the company's status, performance, financial status, and other reports required by and consistent with reality.

Employees

1) The Company provides fair compensation to employees based on the performance of the employees. The Company will fairly measure the performance of its employees in accordance with the Company's guidelines.

2) The Company has a policy to promote and continuously develop human resources, such as providing training to employees and executives, sending employees and executives to train with outside agencies in matters related to work.

3) The Company is responsible for maintaining a healthy working environment that is conducive to working efficiently and safely on the lives and assets of the employees.

4) The Company has the duty to maintain the privacy of its employees. The Company will not disclose personal information such as salary, medical records to third parties unless the Company is required to disclose such information in accordance with the regulations and laws.

5) The Company takes into account the rights of employees and treats all employees with respect, honor, and personal rights, as well as the opportunity for employees to complain about unfairness through various channels such as the comments cabinet, the human resources department, etc

Customers, Suppliers

The Company has a duty to comply with the law, many of which prohibit companies doing business in ways that are unfair, or deceptive. The examples of prohibition include bribery, or giving a return to the business, or breaching the contract by the other party. It also requires employees to work honestly with their customers, suppliers, and avoid giving or receiving cash, or providing other business facilities that can be interpreted as bribes or rewards. In conducting business with the public sector, employees must comply with relevant laws and regulations, and should understand the special laws that apply.

Creditors

The Company is obliged to comply with any contract or condition. If they fail to comply, they will promptly notify the creditor of the solution, and they will maintain a good relationship with the creditors and give each other credibility.

Competitors

The Company treats its competitors in accordance with fair competition rules, does not seek confidential information from their competitors in a dishonest or inappropriate manner. The Company shall comply with the rules of good competition, not violate confidentiality, or know the trade secret by fraudulent method.

Government

The Company conducts business for the purpose of enhancing and developing the country's prosperity by complying with relevant laws, rules, regulations and in accordance with the general business tradition.

Society and Community

1) The Company and its employees must adhere to behaving as a good citizen, respecting human rights, treating neighboring communities with friendliness, having good relationships with the community; paying attention and not discriminating against or excluding those who need special care such as children, women, the disabled, the elderly etc.

2) The Company is committed to the community by providing opportunities for the community to participate, supporting community development in the areas of education, culture, public health, economic, job creation and income generation, etc.

3) The Company has the duty to care for and support activities that benefit the society and to cooperate with the government and other organizations with the willingness and sacrifice to benefit the public.

Section: 4 Disclosure and Transparency

The Company attaches great importance to the disclosure of important information related to the Company, both financial and non-financial information with accurately, completely, timely and transparently through easy, credible, and equitable access to information. The Company will disseminate the Company's information to shareholders, investors and the public through the channels and media of the Stock Exchange of Thailand and on the Company's website, the Annual Registration Statement (Form 56-1) , and Annual Reports.

Investor Relation has not yet established as a dedicated unit in the Company because of the limited number of activities, but the Company has assigned the Managing Director to communicate with investors, shareholders, analysts, and Government related.

(1) Information Disclosure

1.1 The Company shall ensure that disclosure of information affecting the decisions of investors and stakeholders is accurate, complete, timely, reliable, transparent, clearly, and sufficient for investors' decision making, including financial information, and general information in accordance with the regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. As well as, other important information that affects the price of securities of the Company, which affects the decision making process of investors and stakeholders.

1.2 The Company has provided a briefly report on the corporate governance policy, business ethics, risk management policy, environmental, social responsibility policy, the results of compliance with such policy, as well as, the failure to comply with such policy accompanied by a reason (if any). These issues must be reported through channels such as Annual Report, and the Company's website.

1.3 The Board reports the responsibilities of the Board to the financial statements, together with the auditor's report in the Company's Annual Report.

1.4 The Company provides a description and analysis of its management to disclose of quarterly financial statements so as to provide investors with more information and better understanding of the changes that may occur to the Company's financial position and results of operations in each quarter in addition to the figures in the financial statements.

1.5 The Company discloses the auditors' fees and other services provided by the auditors in the Company's Annual Report

1.6 The Company discloses the roles and responsibilities of the Board and subcommittees, the number of meetings, the number of times each director attended the meeting in the past year, and the views of the Board, including training and continuous development of professional knowledge of the Board in the Company's Annual Report.

1.7 The Company discloses the remuneration policy to directors and senior executives of the Company reflecting their obligations and the responsibilities of each person, the form or nature of the remuneration, including the amount of remuneration received by each director as a director of the subsidiary (if any) in the company's Annual Report.

(2) The minimum disclosures on the Company's website

In addition to dissemination of information in accordance with the criteria and through the channels of the Stock Exchange of Thailand, Annual Registration Statement (Form 56-1), and Annual Report, the Company also provides regular disclosure of information in Thai and English through other channels, such as the Company's website. This includes the following information:

1) Vision and Mission;

2) Nature of Business;

3) List of Directors and Executives;

4) Financial statements and financial reports and operating results of the current and the previous year.;

5) Form 56-1 and downloadable Annual Reports.;

6) Any other information or documents that the company offers to analysts, fund managers, or other media;

7) Shareholding Structure Direct and Indirect;

8) Group Companies, Subsidiaries, Associated Companies, Joint Ventures, and Special Purpose Enterprises / Vehicles (SPEs) (if any);

9) The direct and indirect major shareholders holding 5% of the total issued and voting shares;

10) Direct and indirect shareholdings of directors, major shareholders, top executives;

11) Invitation to the Annual General Meeting of Shareholders and Extraordinary General Meeting of Shareholders;

12) The Articles of Association, Memorandum of Association, and the agreement of the shareholders (if any);

13) Good Corporate Governance Policy;

14) The Risk Management Policy, including how to manage various risks;

15) Charter or duties, qualifications, term of office of the Board, including matters requiring approval from the Board;

16) Charter or duties, qualifications, term of office of the Audit Committee;

17) Code of Conduct for Employees and Directors, including Investor Relations Ethics;

18) Contact information, agency or person responsible for Investor Relations such as name, contact person, telephone number.

Chapter: 5 Responsibilities of the Board

1. Board Structure

1.1 The structure of Board of Directors consists of a number of qualified directors, in terms of skills, experience and specific capabilities that are beneficial to the Company. They play the key role in determining the organization's policies and outlook, as well as having an important role in the supervision, monitoring and evaluating the Company's performance in accordance with the plan. In addition, the Board of Directors must not have any prohibited characteristics under the Public Limited Companies Act B E. 2535 (1992) (as amended), the Securities and Exchange Act B.E. 2535 (1992) (as amended) , and the regulations of the Securities and Exchange Commission, Capital Market Supervisory Board, Stock Exchange, and Articles of Association.

1.2 The Board of Directors has a sufficient number of directors to supervise the business of the Company, which consists of knowledgeable persons, sufficient experience, and ability to perform duties effectively. According to the law, the number of directors is not less than five, but not more than nine, and there is at least one non-executive director of the whole board to balance the non-executive directors with the executive directors.

1.3 The structure of the Board of Directors of the Company currently consists of 4 Independent Directors from the total number of seven directors, which is more than one-third of the total number of directors. The Independent Directors can freely express their views on the work of the management, causing a counterbalance to vote on the agenda in the consideration of various matters, as well as reviewing the management of the executives for the best benefit of the Company. The 3 dependent Directors of the Company are also members of the Audit Committee. The number of Independent Directors and the number of Audit Committee members are in line with the rules and regulations of the Office of the Securities and Exchange Commission which requires at least one Independent Director of the total number of directors and at least three members of the Audit Committee. All Independent Directors and Audit Committee members are qualified in accordance with the relevant notifications of the Capital Market Supervisory Board.

1.4 The Board of Directors requires an Independent Director to hold a term of office of not more than nine years from the date of appointment as Independent Director at the first time.However, in the event of the reappointment of such Independent Director to continue his/her term, the Board shall reasonably consider such necessity.

1.5 The Board of Directors has clearly determined the division of powers and responsibilities in the formulation of the policy of supervision and the day-to-day management of the company. The Chairman and the Managing Director are elected by the Board of Directors, whereby the Chairman and Managing Director are not the same person in order to clarify the responsibilities of the policy, supervision and routine management. The Company has clearly separated the roles and responsibilities of the Board of Directors and the executives with the balance of power. The Board of Directors is responsible for setting policies and supervising the management of the executives at the policy level, while executives manage the Company's affairs in various areas in accordance with the policy. The Chairman does not manage the daily routine but provides and supports the management team through the Managing Director regularly, while the Managing Director is responsible for the management of the company under the authority delegated by the Board.

1.6 The Board of Directors has a term of office of three years and, in accordance with good corporate governance practices, the Board of Directors carefully determines the number of companies in which each director will hold office, taking into account the performance of directors holding several position and to ensure that directors are able to devote sufficient time to their duties in the Company, therefore, the number of companies for which each director is to serve should not exceed five listed companies.

1.7 The Board of Directors shall clearly determine the policy and practice in serving as directors of other companies of Managing Director and senior executives of the Company by not being a director in a limited company, a public limited company, or a partnership in an ordinary partnership, or general partner in a limited partnership that conducts business of the same nature and competes with Management of the Company, except for the notice to the shareholders meeting prior to the appointment.

1.8 The Company's Board of Directors has appointed the Company Secretary with the qualifications and experience of the Company Secretary, to perform duties and responsibilities under the Securities and Exchange Act, to provide legal advice and rules that the Board must know, to oversee the Board's activities, including to coordinate the implementation of the resolution by the Board , and also to disclose the qualifications and experience of the company secretary in the Annual Report and on the Company's website.

1.9 The Board of Directors encourages and supports the Company Secretary to receive continuous training and development of knowledge in law, accounting, or corporate secretarial duties.

2. Subcommittee

The Board of Directors has appointed subcommittees in accordance with the laws and regulations relating to the business operation of the Company, namely the Audit Committee and the Executive Committee.

3. The meeting of the Board of Directors and Subcommittee

3.1 Board of Directors

3.1.1 The Company regularly holds the Board of Directors' Meeting at least five times in each year, four times in a quarterly meeting.

3.1.2 The Chairman and the Managing Director and/or the Executive Committee shall jointly consider agenda item selection of the Committee meeting to ensure that important matters are included in the agenda and allow each director being free to propose matters that are beneficial to the company to the agenda.

3.1.3 All directors should attend not less than 75% of the total number of Board meetings held during the year.

The dedication of each director's company should not only focus on meeting attendees, but should also include exchanges of opinions, recommendations, experiences, and relationships which can increase benefits to the business of the company.

3.2 Subcommittees

The Board of Directors arranges Subcommittees' Meetings to ensure the effective functioning and to achieve the objectives, duties, and responsibilities of those Subcommittees as entrusted by the Board of Directors. Each Subcommittee will convene its meeting to discuss and complete any matters in accordance with their duties and responsibilities as appropriate and in accordance with good corporate governance.

4. Report of the Board

4.1 Financial Statements

The Board of Directors is responsible for the shareholders in the financial statements of the Company as well as the financial information appearing in the Annual Report. The Board of Directors will consider that the Company's financial statements have been properly prepared in accordance with the financial reporting standards, have auditors at the international level to review quarterly financial statements and completely audit annual financial statements. Moreover, the Audit Committee is also responsible for reviewing financial statements, being directly independent inside control with the auditor, and completely and accurately disclosing of important information related to the financial statements in the notes to the financial statements.

4.2 Minutes of Meeting

Minutes of the Board of Directors and subcommittees must be recorded accurately and completely, with clear remarks of the directors' questions, and also the meeting minutes and supporting documents should be kept in the safe and secure document storage system.

5. Board Self-Assessment

5.1 Board members and Subcommittees shall regularly evaluate their performance at least once a year, so that the Board may jointly consider the work and problems for further improvement.

5.2 The Company will disclose the criteria, procedures, and results of the evaluation of the Board of Directors in the Annual Report.

6. Remuneration

6.1 Directors' remuneration will be in line with the duties, responsibilities, experiences, duties, scope of roles and responsibilities, including the benefits expected to be received from each director. The Board of Directors has clearly defined the policy and criteria for directors 'remuneration and proposed for approval from the Shareholders' Meeting every year. It is considered by based on the principles of transparency, accountability, at the appropriate level , in line with the similar size industry, and sufficient to motivate and retain qualified directors. In addition, the Board of Directors also considers additional responsibilities for directors assigned to serve on Subcommittees such as the Audit Committee.

6.2 The remuneration of the Managing Director and top management should be in line with the principles, and policies set forth by the Board of Directors and/or the Executive Committee, and for the best interests of the Company. The level of remuneration that is salary, bonuses, and incentives are at the right level and in line with the performance of each executive. Executives who have been entrusted with additional duties and responsibilities will receive additional compensation that is appropriate to their additional duties and responsibilities, must be competitive with the same group of business in order to maintain qualified executives, and must also take into account the benefits that the Company and the shareholders will receive.

6.3 Managing Director is evaluated annually by all non-executive directors. This is used to determine the remuneration of the Managing Director by using the agreed criteria in advance with the Managing Director based on the concrete criteria. This includes financial performance, long-term strategic objectives, and management development. The Board of Directors is responsible for approving the above results and the Chairman of the Board is responsible for informing the results of consideration to the Managing Director

7. Development of Directors and Executives

7.1 The Company encourages and supports its directors and executives to continuously improve their knowledge through attending seminars and training sessions from relevant organizations such as the Thai Institute of Directors Association, the Stock Exchange of Thailand, the Securities and Exchange Commission, and the Stock Exchange of Thailand. The company will periodically send the papers, seminars, training, and relevant documents to the Directors for getting the information up to date and being applied it in their decision.

7.2 Each time a new director is appointed, the management will provide useful documents and information to the new director, including the provision of business advice and business practices of the company to its new director.

7.3 The Board of Directors requires that the Managing Director regularly reports on the development and succession plans that are prepared by the Managing Director and senior management regarding to the readiness of succession plans to transfer their duties to the successors in case they are unable to perform their duties.

7.4 The Board of Directors has established a project for executive development, whereby the Managing Director reports annually on what has been done during the year and considers concurrently with the succession plan.

2. Nomination of Directors and Top Executives

Board of Directors

The Company does not have a Nomination and Remuneration Committee. The selection process of the Company's directors or executives involves the selection of the appropriate persons to be the directors or executives of the Company by the major shareholders, and/or representatives of the major shareholders of each group, expert by relevant departments, Director, Independent Director, and Management of the Company jointly nominate the person with qualifications, experience and potential. The Company will consider by emphasizing on skilled and experienced people who are essential to the Company's business. The following qualifications will be considered.

1) Directors must have the knowledge, ability, experience to benefit the business, be honest, have ethics in business; and have sufficient time to fully devote their knowledge, ability, and duty to the Company.

2) Directors must be qualified and have no prohibited characteristics under the law governing public limited company, law on the Securities and Stock Exchange Commission. In addition, there must not be any characteristic that indicates the lack of appropriate to be trusted to manage the business with the public as a shareholder as prescribed by the Securities and Exchange Commission. It must be a person named in the list of directors and executives of the company issuing the securities under the Notification of the Capital Market Supervisory Board regarding the criteria for listing the names of persons in the system, the list of directors and executives of the company issued securities.

3) A director cannot engage in a business of the same or similar nature and compete with the company's business, or become a partner or a director of another company with the same status and competition with the company business, whether for its own benefit or the other , unless it is notified to the shareholders' meeting prior to the appointment.

4) Directors must inform the Company without delay if there is an interest in a contract made by the Company, either directly, or indirectly, or an increase or decrease of holding shares or debentures in the Company or its affiliates.

The selection and appointment of directors is in accordance with the procedures set out in the Company's Articles of Association. The appointed directors must be approved by the shareholders' meeting. The resolution of the shareholders' meeting shall hold the majority of votes of the shareholders attending the meeting and having the right to vote.

1. The Shareholders' Meeting shall elect the Board of Directors, comprising at least five directors, to be responsible for managing all the affairs of the Company and shall have the power and duty to act within the scope of the law, the objectives and articles of association of the Company and the resolutions of the general shareholders' meeting. They also have the power to do any act as specified in the Memorandum of Association or related to such. The directors may be or may be not shareholders of the Company.

2. Not less than half of all directors must reside in the Kingdom and all directors of the Company must be qualified and not subject to the prohibited characteristics as prescribed by law.

3. The meeting of shareholders shall elect the directors in accordance with the following rules and procedures:

   (1) A shareholder has the votes as the number of shares he/she holds;

   (2) Each shareholder will use the existing votes to elect one or several persons as directors. In the case of the election of several persons, the number of votes for each director shall not be divided;

   (3) The candidates who receive the highest number of votes in descending order shall be elected as directors equal to the number of directors to be appointed or to be elected at that time. If the person elected in descending order have equal votes exceeds the number of directors to be appointed or elected on that occasion, the chairperson has the casting vote.

4. At every Annual General Meeting of Shareholders, the Directors will be retired by rotation at the ratio of at least one-third. If the number of directors cannot be divided into three parts, the number nearest to one-third shall be retired.

   The directors who will be retired in the first and second years after the registration of the Company, have to make a draw for choosing who will be retired. In subsequent years, the longest term director shall be retired. The retired director may be re-elected.

5. Any director who resigns shall submit a resignation letter to the Company. Resignation is effective from the date the letter is received by the Company.

   A resigned member under paragraph one may also notify his resignation to the Registrar in accordance with the law governing public limited company.

6. In the case a director posotion becomes vacant due to reasons other than retirement by rotation, the Board may elect the qualified person and non-prohibited characteristics under the Company Law and the Securities and Exchange Commission as a director of the Board of Directors at the next board meeting. Unless the term of the director is less than two months, the person who becomes the replacement shall remain in office only for the remaining term of the replaced director.

   The resolution of the committee under paragraph one shall consist of votes of not less than three-fourths of the number of remaining directors.

3. Independent Director

The Company determines that the Board of Directors comprises of the Independent Directors of at least one-third of the total number of Directors.

The Board of Directors, or the shareholders' meeting (as the case may be), appoints an Independent Director to participate in the Board of Directors. The Company has a policy to appoint Independent Directors of not less than one-third of the total number of Directors and at least three Independent Directors.

Criteria for the selection of Independent Directors is based on the selection criteria for Company's Directors. The qualifications of those who will serve as Independent Directors will be based on the qualifications and non-prohibited characteristics under the Public Limited Company Act, Securities and Exchange Act, including the notifications, regulations, and/or relevant regulations. Independent Directors shall have the academic qualifications, specialization, experience, and other appropriateness which shall be proposed to the shareholders' meeting to consider to appoint as the Director of the Company. If an Independent Director is vacated before the expiration of the term, the Board of Directors may appoint an Independent Director who has the qualifications specified above to be the replacement. An Independent Director who becomes a replacement is eligible for the remaining term of the Independent Director whom he/she replaces.

The Board of Directors has determined the qualifications of Independent Directors as follows:

1. He/she holds no more than 1% of the total voting shares of the Company, its parent company, subsidiaries associated companies, major shareholders, or controlling persons of the Company, including shareholding by related persons.

2. He/she is not/ or was a director involved in management, staff member, employee, the consultant received the regular salary; or controlling person of the company, subsidiary, associated company, same-level subsidiary; major shareholder, or the controlling person of the company. Unless it is clear from the foregoing relationship not less than two years before taking up his /her post as an Audit Committee.

3. He/she has no blood relation or legal registration in the manner of a father, mother, spouse, sibling, and child; including the spouse of the child, the executives, the major shareholders, the controlling person; or the person to be proposed to be the executive or controlling person of the Company, or a subsidiary.

4. He/she has no business relationship with the Company, its parent company, subsidiaries, associated companies, major shareholders, or controlling persons in a manner that may interfere with their independent judgment. Also he/she is not a significant shareholder or controlling person of a person who has a business relationship with a company, a parent company, a subsidiary company, an associate company, a major shareholder, or the controlling person of the Company. Unless it is clear from the foregoing relationship not less than two years before taking up his /her post as an Audit Committee.

5. He/she is not/ or was the auditor of, its parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company. Also he/she is not a significant shareholder, controlling person; or a partner of the auditing firm that has auditors of its parent company, subsidiary company, associated company, major shareholder, or controlling person of the company. Unless it is clear from the foregoing relationship not less than two years before taking up his /her post as an Audit Committee.

6. He/she is not/ or was any professional services provider. This includes legal advisors or financial advisors who receive more than 2 million baht per year from companies, major companies, subsidiaries, associated companies, major shareholders, or the controlling person of the Company. Also, he/she is not a significant shareholder, or controlling person, or a partner of the professional services firm. Unless it is clear from the foregoing relationship not less than two years before taking up his /her post as an Audit Committee.

7. He/she is not a director appointed to represent the Company's directors, major shareholders, or shareholders who are related to major shareholders of the Company.

8. He/she did not engage in business that has the same conditions and is a significant competitor to the business of the company, or subsidiaries. As well as he/she is not a significant partner in a partnership, or being director involved in management, staff member, employee, and also the consultant who earns a regular salary or holds more than 1% of the total voting shares of another company that conducts business of the same nature and is a significant competitor to the business of the Company or its subsidiaries.

9. He/she did not have other characteristics that make it impossible to express an independent opinion about the Company's operations.

Independent Directors will review and certify their independence at least once a year. It will notify with the profile report of the Board of Directors at the end of the year for the preparation of the Annual Registration Statement (Form 56-1) and the Company's Annual Report.

4. Audit Committee

Board of Directors or Shareholders' Meeting (as the case may be) appointed at least three directors to serve on the Audit Committee of the Company. Each member of the Audit Committee must be an Independent Director and must not be a director assigned by the Board of Directors to make decisions on the operations of the Company, its parent company, subsidiaries, associated companies, same-level subsidiary, major shareholders, or the controlling person of the Company; and not being a director of the parent company, subsidiary, or same-level subsidiary. The Audit Committee has the same duties as prescribed in the Notification of the Stock Exchange of Thailand regarding qualifications and scope of work of the Audit Committee.

At least one member of the Audit Committee must have sufficient knowledge and experience to be able to review the credibility of the financial statements.

5. Executives

The Company has a policy to recruit executives by selecting qualified, knowledgeable, and experienced people. The selection process is in accordance with human resource management regulations and must be approved by the Board of Directors or the person assigned by the Board of Directors.

The Board of Directors shall consider candidates to the position of Managing Director which must be also approved by the Board of Directors. The Managing Director is assigned to fill in and nominate persons with knowledge, abilities, and experience in the Company's business to be employees at various levels.

The appointment of the chief or the person responsible for the internal audit and control must be of prior approval by the Audit Committee.

6. Supervision of operations of subsidiaries and associates

The Company has a policy to invest in other business that are relevant or beneficial to the Company's core business, which is a potential business and can generate profits for the Company in the long run. It will closely supervise and oversee the management of subsidiaries and affiliates to maintain the Company's long-term and sustainable interests, as well as to create value added and confidence for its stakeholders. Therefore, the Company has set up a policy to control and supervise its subsidiaries and associated companies. The details are as follows:

1. The Company has set up a management structure for subsidiaries and associated companies to supervise and manage the operations of the subsidiaries and associated companies as follows:

Nomination of Directors and Executives of Subsidiaries and Associated Companies

1.1 The Company will send the person who has been approved by the Board of Directors' Meeting to be the Company's director and management to control and set management policy as a unit of the Company. The number of persons to be directors in a subsidiary is in proportion to the shareholding of the Company in the subsidiary or in accordance with the mutual agreement. For investment in associates, the Company has no policy to strictly control. The submission of a representative to be a director of an associated company is considered appropriate and is subject to mutual agreement. Such person must have appropriate qualification and experience in managing the business of such subsidiary and associated company.

1.2 Scope of Duties and Responsibilities of Directors and Executives in Subsidiaries and Associated Companies

- To closely monitor the operation of subsidiaries and affiliated companies in order to meet the goals set by the Company.
- To perform duties as assigned by the Board of Directors of the subsidiary and associated companies, and/or the Shareholders' Meeting of the subsidiary or associated company.
- To consider and vote on the Board of Directors' Meetings of subsidiaries and associates in matters related to normal business operations of such subsidiaries and associates, as the directors and executives of the subsidiaries and associates should be deemed appropriate for the maximum benefit of the subsidiaries, associates, and the Company. Except for the consideration and vote on the following matters, the Board of Directors, and/or the shareholders' meeting, as the case may be, shall be of prior approval by the Board of Directors.

(A) the transaction of a subsidiary in accordance with the Notification of Connected Transaction,[1] and the Notification of Acquisition and Disposition of Assets; [2]

[1] Notification of Connected Transaction means the Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551(2008) Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) and its amendments.

[2] Notification of the Acquisition and Disposition of Assets means the Notification of the Capital Market Supervisory Board No. Tor Chor 20/2551(2008) Re: Rules for Significant Transactions Related to the Acquisition or Disposition of Assets And the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets, B.E 2547 (2004) and its amendments.

(B) transactions which may have a material adverse effect on the financial position and results of operations of subsidiaries;

- The sale or transfer of the entire or significant portion of the business of the subsidiary to other persons;
- acquisition or Transfer of Business of another Company to a Subsidiary
- dissolution of the subsidiary;
- the transfer or waivers of claims, material claims against damages of subsidiaries.
- borrowing, lending, guarantees, contingent liabilities, or financial assistance to other companies that significantly affect the financial position of the subsidiary;
- amendment of the Articles of Association of subsidiary company;
- the capital increase, the allotment of new shares, and the reduction of the registered capital of the subsidiaries, as well as any other actions that result in the direct and indirect shareholding of the subsidiary, whether in any periods, being reduced from 10 percent of the paid up capital of the subsidiary, or being reduced until the shareholding are less than 50% of the paid-up capital of the subsidiary.

2. Directors and executives of the subsidiaries, including related persons of the directors and executives, are responsible for informing the subsidiary's Board of Directors about the relationship and transactions with the subsidiaries in a manner that may cause conflict of interest, and avoid transactions that may cause conflict of interest with the subsidiary. The Board of Directors has the duty to inform the said matter to the Company.

Directors and executives of the subsidiaries must not engage in any transaction involving their own interests or conflicts of interest.

3. The subsidiary must report its business plan, investment plan, investment participation with other operators to the Company through the monthly report on the operating results of the subsidiary. The subsidiary is required to submit the information or documents relating to companies with operations upon receipt of a request, as appropriate. In case the Company detects any significant issues, it may inform the subsidiary, and/or submitting documents for consideration by the Company.

4. The Company has a policy to control the financial status of its subsidiaries and associates, which the subsidiaries and associates have the following duties:

- to submit the quarterly financial statements, reviewed financial statements by the auditor for and information on the preparation of financial statements of subsidiaries and associated companies to the Company to compose the consolidated financial statements, or the quarterly or annual of business profits report of the company, as the case may be;

- to prepare a projection of the performance and compare the plan's performance with actual operations on a quarterly basis and follow up the performance according to the plan set out to report to the company;
- to report significant financial issues to the Company when it is detected or requested by the Company to conduct the audit and report.

7. Control of the use of inside information.

The Company pays attention to the use of inside information in order to comply with good corporate governance. The Company has established a policy to safeguard the use of inside information to protect the Company's inside information that has not been disclosed to the public for seeking personal benefits or others in the wrongful way(Abusive Self-dealing) and to ensure fairness to all stakeholders. The essence is as follows:

- The Company has set guidelines for keeping inside information of the Company and guidelines for preventing the use of inside information, seeking personal benefits in writing and informing everyone in the organization.
- The Company requires directors, executives, and employees not to trade their securities using confidential and/or inside information, and/or enter into any other legal act using confidential and/or inside information, which will cause damage to the company either directly or indirectly.
- Directors, executives, and employees in the Company receiving inside information must not use inside information before disclosing to the public and prohibit persons involved in the inside information from trading the Company's shares by themselves, their spouses, and their underage children, whether directly or indirectly trading (e.g., Nominee through private funds) within one month prior to the disclosure of quarterly financial statements, annual financial statements, and after the disclosure of such information at least three working days.
- The Company has imposed a disciplinary action for those who seek benefits by using or disclosing of inside information of the Company, which may cause damage to the Company. The punishment is considered as appropriate to the case, including verbal warning, a written warning, probation, termination; and dismissal of employees by firing, discharging, discarding, as the case may be, etc.
- Directors and executives of the Company are required to report their holding of securities issued by the Company, which belong to themselves, their spouse, and their underage children to the Securities and Exchange Commission within 30 days from the date of appointment to the position of director or executive in the Company. As well as, when there are changes in holding of the Company's securities, they must inform the Company and report the change of its holding to the Office of the Securities and Exchange Commission within three business days from the date of purchase, sale, transfer or receiving transfer in accordance with Section 59 of the Securities and Exchange Act, and the Stock Exchange of Thailand B.E. 2535 (1992) and for further distribution.

8. Remuneration of auditors

In 2017, the Company paid remuneration to auditors. The details are as follows:

Unit: Baht

	2016	2017
Audit fee	3,040,000	2,260,000
Non-Auditing fee	-	-
Total fee	**3,040,000**	**2,260,000**

Legal Disputes

As of December 31, 2017, the Company had legal disputes that have not yet become final. Such legal disputes resulted from its normal course of business operation and could have a negative impact on its assets in the amount higher than 5% of its shareholders' equity under the financial statements for the accounting period ended December 31, 2017. They include the legal disputes between the Company and Telematics as follows:

1) Civil Court (Black Case No. 207/2554)

- February 4, 2011: Telematics Co., Ltd. ("Telematics"), as the plaintiff, filed a lawsuit against the Company, as the defendant, with the Civil Court of Southern Bangkok for a violation charge with a damage claim of approximately Baht 120.12 million, which is equal to 57.30% of the shareholders' equity or 24.31% of the total assets under the consolidated financial statements of the Company and its subsidiaries for the accounting period ended September 30, 2017.
- July 17, 2012: The Civil Court temporarily struck such civil case out of the case-list because the case is the same cause of action as (1) Black Case No. 330/2554 filed by the plaintiff with the Central Administrative Court against TOT Plc. ("TOT") during 2010-2011 on a violation charge committed jointly with the Company; and (2) a criminal case filed by the plaintiff against the Company and others, altogether 10, for jointly committing an offence under the Act on Computer Crime B.E. 2550 at the Economic Crime Suppression Division as resulting from the same cause of action (details of the criminal case are given under the following Item). When the two cases could reach conclusion, Telematics and/or the Company shall put forward the cases for further consideration.

2) Criminal Court (Black Case No. Or.4184/2555 and Red Case No. Or.954/2559)

- November 8, 2012: Telematics, as the plaintiff, filed a lawsuit against the Company (Defendants No. 1 - 5) and TOT (Defendants No. 6 - 10) with the Criminal Court for committing an offence under the Act on Computer Crime B.E. 2550 and the Act on Offences Committed by Officials of State Organizations or Agencies B.E. 2502, without any damage claim.
- March 30, 2016: The court dismissed the case and all of the 10 defendants were adjudged not guilty under the Act on Computer Crime B.E. 2550 and the Act on Offences Committed by Officials of State Organizations or Agencies B.E. 2502.
- January 27, 2017: The plaintiff lodged an appeal to the court.
- May 16, 2017: the Company (Defendants No. 1 - 5) brought a cross-appeal to the Appeal Court.
- July 21, 2017: TOT (Defendants No. 6 - 10) filed a cross-appeal to the Appeal Court.

3) Criminal Court (Black Case No. Or.2181/2556)

- June 17, 2013: The Company, as the plaintiff, filed a counter-suit against Telematics, as the defendant, and others, altogether 3, with the Criminal Court in the Black Case No. Or.2181/2556 on charge of false filing, thereby demanding a damage claim of Baht 150 million. However, the court has not yet set the date of preliminary examination, ordering to wait until the criminal case, Black Case No. Or.4184/2555, reaches conclusion.

The Company has not set aside a provision for such damage claim since its management believes that the Company did not commit the violation charged, as opined by the lawyer.

To give confidence to investors and protect interest of minority shareholders of the Company with respect to the damage that may arise from the said legal disputes, VNET has signed with the Company the Memorandum of Agreement on Liability for Damages Incurred from Legal Disputes. VNET undertakes that, while the said cases have not yet become final, VNET agrees not to dispose of, assign, transfer or create any obligations on shares of the Company held by VNET in the amount calculated based on the IPO price of shares ("Securities") that is sufficient for the said damage claim. If the court passes the final judgment of such cases that the Company is guilty and must pay the damage claim to Telematics, VNET agrees to sell the aforementioned Securities and use the proceeds thereof for compensating for such damage claim to the Company and shall not exercise the right to make any claim from the Company for such compensation.

Milestones of Operation in 2017

Seminars and Events

Through the year 2017 the Company has organized seminars and attended many event as following :

Oracle Cloud Partner Forum @Eastin Grand Hotel Sathorn

Informatica Partner Ecosystem @Westin Grande Sukhumvit

101 Workshop for customer @Growth Cafe & Co.

Get Ready for Thailand 4.0 with Oracle Fast ICT Solutions @Kuppadeli Asoke

Palo Alto Networks Workshop @Myanmar

Oracle Partner Bootcamp @Cambodia

Corporate Social Responsibility

The Company has a corporate social responsibility policy as a part of the business operating by taking into account the balance of the stakeholders includes employees, partners, shareholders, society and the public. This is to ensure sustainable business operation by being recognized and supported by all sectors. It is an organization that generates profits for its shareholders effectively and balances the impact of business operations on its stakeholders. In addition, the Company creates people by cultivating the consciousness of the people in the organization to realize sacrifices, without taking advantage in order to be consistent with sustainable business practices. The Company has a policy of corporate social responsibility which can be divided into 5 areas as follows:

1. Equitable treatment of employees and continual development of knowledge;
2. Company's responsibility on consumer;
3. Anti-Corruption;
4. Benefits to Society;
5. Respect for human rights.

Equitable Treatment of Employees

The Company pays great attention to employees, taking into account that all employees are the companys most valuable asset and a key factor in achieving its goals. The Company provides care and fair treatment in terms of opportunity, return, appointment, relocation, and appropriate welfare in the areas as follows:

1. Management of wages, benefits and welfare: The Company manages by taking into account the principle of motivating employees to perform in full capacity, to be fair, to comply with the law, and to have the same standardized system of the whole organization. Compensation rates and benefits must be appropriate to the level of responsibility and compliance with the business. It is at a competitive level or equivalent to the rates of other companies in the same business.

2. Development of employee potential: The Company is committed to the development of knowledge, abilities, and skills of all employees in all positions through training, seminars, and domestic and international study tours. The Company also strives to continuously improve the capabilities of its employees to meet the standards of the manufacturers, especially all engineers have to be trained and tested regularly.

3. Employment, job performance, career progression.: The Company has a clear standard of conduct that is based on non-discriminatory principles and in accordance with relevant laws by providing everyone equal opportunity, remuneration (professional fees) particular for certified engineers in accordance with the Company regulations as an incentive to work.

4. Safety and hygiene in the workplace: The Company pays great attention to the safety of its operations. It has annual health checks for all employees, and in case of being an inpatient, the medical expenses can be reimbursed in accordance with the Company's regulations in addition to the right under the social security.

- Team Building / Outing activities are provided to employees at all levels every year.
- The results of the company's operations have been summed up by giving employees participation in an overview of the company's performance every half year and employees can also freely express their opinions and suggestions relating the growing direction of the Company's business.

Company's responsibility on customers

The Company pays great attention to customer comes first service, by offering products and services that meet demand at a reasonable cost, fair price, and professional guidance so that customers can get the most from their investments in products and services of the Company. The Company is ready to openly get feedback, advice from customer in order to bring that information to improve and develop performance to be more effective. There are also external channels where the contact person can contact the management directly through the company's website.

Anti-corruption

The Company has a policy to operate in a legitimate and socially beneficial manner, encouraging its employees to perform their duties with integrity, ethics, and good citizenship. It also promotes the transparency of its trading partners. So that society as a whole continue to have peace by ensuring that its policy against corruption and bribery is treated in a concrete adequately equipped with the awareness, values, the right attitude at all levels. The Company provides a system of checks and balances and effective internal control system with no conflict of interest, no inappropriate gift accepting, and no bribe at all. The company's partners have been continuously trained on this subject every year.

The Company has developed a written Anti-Corruption Policy to serve as a clear guideline for conducting business and developing into a sustainable organization. All directors, executives, and employees of the Company are prohibited from taking or accepting corruption in any form, directly or indirectly, to ensure the Company's stakeholders and to strictly comply with such policy. The Company regularly reviews its compliance with anti-corruption policy, reviewing its guidelines and operating procedures to ensure compliance with business changes, regulations, and legal requirements. The guidelines under such the policies are as follows:

Definition

Corruption means the use of acquired power or the use of property that has been misused for personal gain or damage to the interests of others. Corruption can occur in many ways, such as bribing the officer by soliciting, offering, giving, or receiving bribes both financial and material, conflict of interest, fraud, money laundering, embezzlement, concealing the fact, obstruction of justice, trades under the influence.

Such corruption does not only mean the relationship between the private sector and the government, but also between individuals and entities in the private sector.

Responsibilities

1) The Board of Directors has the duty and responsibility to formulate policies and supervise effective anti-corruption systems to ensure that management is aware of and prioritized against the corrupt and cultivate it as being the corporate culture.

2) The Audit Committee has duties and responsibilities to review the financial and accounting reporting system, internal control system and risk management system to ensure compliance with international standards with tightness, suitability, and efficiency.

3) The Managing Director and the executives have a duty and responsibility to set up a system and to promote and support anti-corruption policies to communicate to all employees and stakeholders, including reviewing the appropriateness of the systems and measures to be consistent with changes in business, regulations, and legal requirements, etc.

4) The Internal Audit Unit has the duty and responsibility to examine and review the operation properly, compliance with the policies, procedures, authority, laws, and regulatory requirements to ensure that the Company has proper and adequate internal control over potential corruption risks and reports to the Audit Committee.

Action against corruption

1) All directors, executives and employees must comply with the anti-corruption policy, without having to deal with corruption either directly or indirectly and do not neglect or ignore when seeing corruption-related actions involving the company.

2) The Company does not commit or support bribery, including controlling donations, giving business gifts. The supporting of any activities are transparent and unwilling to convince public or private authorities to take wrongful action.

3) The Company empowers employees, contractors, and partners to recognize potential fraud and anti-corruption.

4) The Company sets up an internal control system, risk management, and appropriate and effective internal audit to prevent misconduct. The Company provides the good practice on receiving, giving gifts, property or other benefits with the aim of avoiding fraudulent channels or unfair to those involved. The Company also ensures that the procurement process is efficient and appropriate by avoiding receiving gifts and/or gift with a value in excess of the normal business relationship with the Company or from others.

5) The Company does not allow it employee to accept entertain warmly from business associates or others who may benefit from the performance of the Company's employees.

6) The Company provides knowledge on anti-corruption corruptions to directors, executives, and employees to promote honesty, integrity, and accountability. There are training courses on fraud prevention and management for new employees within 90 days of the date of their employment.

7) The Company requires the management to immediately report to the Board of Directors in the event of serious fraud, violation of law, or other irregularities that may significantly affect the Company's reputation and financial position.

8) The corrupt persons and related persons must be disciplined in accordance with the Company's rules and be punished by law. The Company provides channels of communication for reporting fraud. Employees can report fraud, or suspected fraud in the channels specified in the company's announcement. The details of the offense are specified with the offense status, and penalties are set out, as well as punishable by law if the offense is illegal.

9) The Company shall ensure fairness and protection of employees who refuse or report corruptions about the Company as security for reporters or witnesses of fraud.

Benefits to Society

The Company recognizes that even when profit is a major goal, it must be based on not taking advantage, not making any grievance, and being socially responsible. The Company has set social policy as the framework for its operation as follows:

1. Support, promote and raise awareness of the management and employees of the Company at all levels to be socially responsible by strictly adhering to the policies and regulations, social and environmental laws, such as campaigning not to use the foam box, to use the public vehicle to travel to work, etc.

2. Encourage and support activities to return the benefits to society by providing appropriate activities and social benefits such as receiving new students in the IT field every year in an internship program.

3. Provide channels for stakeholders and related parties to comment on the Company's operations, complaints from the Company's actions, and complaint in case of unfairly treated by company's actions through its website.

Respect for human rights

1. The Company is engaged in IT business so it focuses on the use of software copyright law fully. This is clearly defined in the IT Policy and the New Employee Handbook.
2. The Company has a policy of openness to recruit employees in all nations, religions, using the criteria of knowledge and ability as a criterion in the selection of employees because the company has expanded its overseas branches, such as Myanmar, Cambodia, etc.

Activities for social and environmental benefits (CSR After Process)

The Company has organized activities to help society and environment by organizing the following activities:

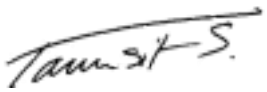
1. Project to donate sports equipment to the lacking schools under the name "SPORTS FOR KIDS for quality of life" On April 1, 2016, the Managing Director and employees of the Company organized social activities with the main objective to support 7 sports equipment to Baan Bang Bo School, located at Mu 5, Bang Kaew Sub-district, Amphoe Mueang Samut Songkhram District, Samut Songkhram Province. The project aims to provide students with the opportunity to play sports regularly to strengthen health, strong development and properly grow up. It also promotes the physical education of the school according to the learning plan of the Ministry of Education, to create a habit of giving the students the kindness of the athlete, and to spend their free time to benefit, not to be obsessed with games or drugs. Therefore, there is the project to donate sports equipment to elementary school which lack the budget for sports equipment at about 50,000 baht. This project can be run directly with the school, or by the relevant agencies, or through appropriate chari table or another philanthropic support agency.

2. The donation of money and items to various foundations project. On January 13, 2017, the Managing Director and the Company's employees held the activities on. "National Children's Day 2017", at Baan Bang Bo School. Located at Mu 5, Bang Kaew Sub-district, Amphoe Mueang Samut Songkhram District, Samut Songkhram Province. The Company recognizes the importance of children and youth, therefore it organized the activities for encouraging the children and youth to have the opportunity to show their ability. pride, self-confidence, and to gain knowledge, entertainment, and happiness It also recognizes the importance of youth education that is key to creating quality people in society in the future, it, there fore, has provided scholarships to 8 good grade students, and many more prizes to the 87 students at Baan Bang Bo School.

Risk Management Committee Report

The Board of Directors has focused on integrated risk management to ensure that the organization is of growth and progressing steadily, preventing and mitigating potential risk factors that may affect business operations, personnel, property, as well as corporate image. The Board of Directors has appointed the Risk Management Committee to be responsible for risk management. The Risk Management Committee identified risks affecting, analysis and risk assessment, and provide the necessary and appropriate measures to deal with major risks, including monitoring. The Risk Management Working Group consists of two of Managing Director and Advisors to the Managing Director Office and four other executives namely Director of Operations as Chairman of Risk Management Committee, Technical Director, Sales Director, and Director of Accounting and Finance.

The Risk Management Committee has performed its duties as assigned by the Board of Directors. In the year 2017, the Risk Management Committee held a meeting 5 times with the development and improvement of the risk management plan, including reviewing the factors and levels of risk both inside and outside the organization, as well as monitoring the performance of the risk management plan to support the Company's operations in a stable and sustainable manner, and reduce the chance and negative impact that may occur with the Company.



(Mr. Tanusit Skunnawat)
Chairman of the Risk Management Committee

Internal Control and Risk Management

The Company recognizes the importance of good internal control, as it will enable the Company to operate efficiently, transparently, and with a balance of power mechanism. The Audit Committee is responsible for reviewing the company's internal control and internal audit systems to ensure that the Company has an appropriate and effective internal control system, as well as to review the company's operations in accordance with the law on securities and exchange, the Stock Exchange's regulations, and the laws relating to the Company's business.

At the Board of Directors Meeting No. 1/2561(2018) held on February 25, 2018, by the three members of Audit Committee attended the meeting. The Board of Directors assessed the internal control system of the Company by asking questions from management and the Audit Committee. The Audit Committee has approved the assessment of the adequacy of internal control system form, based on the internal audit report and inquired from Audit House Co., Ltd., the Company's internal auditor. In conclusion, the Company assessed its internal control system in five aspects, as follows:

- Internal control
- Risk assessment
- Management Control Activities
- Information and Communication Measure
- Monitoring and Evaluation System

The Board of Directors is of the opinion that the Company has sufficient and appropriate internal controls and also has adequate personnel to operate the system effectively. The Company has an internal control system that monitors and controls the operation of the Company. As a result, the Company is able to control the transactions with persons who may have conflicts or connected persons sufficiently and appropriately, and to protect company property from the person who may have conflicts of interest that led to the wrongful or without power. By the way, independent directors and auditing committee members were not of different opinions from that of the Company Board of Directors.

Internal Audit Supervisor

The Company has appointed an internal audit unit to perform independently by hiring the Auditing House Co., Ltd. ("Internal Auditor") to serve as the Company's internal auditor. The Auditing House Co., Ltd. has appointed Mr. Thana Wongsangnak, its Managing Director to be main responsible person for the Company's internal auditing functions and has begun its service of inspecting the Company's internal control system since the first quarter of 2015.

The Audit Committee considered the qualifications of Mr. Thana Wongsaengnak and deemed that he was appropriate to perform such duties due to his independent, knowledgeable and experienced in performing the audit for a period of 25 years. In addition, Mr. Thana Wongsaengnak is a certified internal auditor and has attended training courses related to the audit work, namely Facilitating Results Using CSA, organized by the Association of Internal Auditors of Thailand, The Internal Quality Assessment Program, organized by the Association of Internal Auditors of Thailand, Audit Project Management Program organized by the Association of Internal Auditors of Thailand. Operational Auditing Course, organized by the Internal Audit Association of Thailand, Course on Risk Assessment for Internal Audit Planning organized by the Federation of Accounting Professions, PACK 5 & FAIR VALUE course organized by the Federation of Accounting Professions, etc.

Relateted Transactions

1. Normal business transaction

The Company has a business transaction which is purchase and sale of goods and services between the Company and its subsidiaries and the parties with a possible conflict of interest in the future and related persons. This is in accordance with the commercial terms and conditions agreed upon in the normal course of business.

Companies / individuals involved	Types of transactions	Value (Thousand Baht)		Necessity and reasonableness
		2017	2016	
Vnet Capital Co., Ltd ("VNET")	● Revenue from sales and services Provide maintenance services to VNET for a period of time.	30.37	23.67	It is reasonable because the service fee and gross profit margin are close to those of the general customers.
Relationship: 73% shareholding in the Company and common directors	● Office services charge Pay service to VNET for office services.	402.29	358.05	It is reasonable because it can save a lot of money from sharing resources when compared to the price that the Company has to process itself and employing staff directly.
	● Other revenues The gains from the sale of a subsidiary in Singapore to VNET.	-	135.39	It is reasonable because the price is agreed based on the book value of subsidiaries.

Companies / individuals involved	Types of transactions	Value (Thousand Baht)		Necessity and reasonableness
		2017	2016	
	● ther expenses Management of support services such as human resource services, recruiting services, copying costs, etc.	342.56	479.58	It is reasonable because it can save a lot of money from sharing resources when compared to the price that the Company has to process itself and employing staff directly.
VST ECS (Thailand) Co., Ltd. (“VST ECS”)	● Revenue from sales and services To Vintcom, sells goods and services to VST ECS at normal rates, and vServePlus receives the service fees in accordance with the terms of the business transfer agreement.	14,184.85	65,605.37	It is reasonable that the sale of goods and services is a normal business transaction, as well as the sale of goods and services to other customers, and is in accordance with the agreement of business transfer.
Relationship: Common directors. (To February 2017)	● Profit from business acquisition vServePlus purchased the IT services division of VST ECS and the fair value of the transferred assets is higher than the current consideration value of the payments that vServePlus paid, resulting in a gain from the acquisition.	-	6,824.88	It is reasonable that the acquisition and transfer of the business has expanded the Company's business operations to a larger scale, has a rapidly growing customer base and revenues, has a good return on investment and is acceptable. The profit from the business acquisition is a result of negotiating and contractual agreements between the two parties.

Companies / individuals involved	Types of transactions	Value (Thousand Baht)		Necessity and reasonableness
		2017	2016	
	● Other revenues Vintcom receives promotional fees at the same rate as other VST ECS customers receives and vServePlus earns revenue from rental and related services.	216.93	54.25	It is reasonable that the promotional fee to be paid in due time as a normal business transaction, as is the case with other VST ECS customers, and the rental of the space will allow vServePlus to benefit from the use of the space. This is because the rental and service fees are higher than the rental cost.
	● Purchase goods or services. Vintcom purchases products and services from VST ECS for resale to customers and vServePlus buys parts used to repair products from VST ECS.	1,616.88	5,562.46	It is reasonable that such purchases and services are a normal business transaction as VST ECS is a legitimate representative in Thailand and purchased at a price close to the market price.
	● Purchase of Assets Purchase of assets used in the business of VST ECS sold at a cheaper price compared to purchase from other people at general retail prices. In 2016,	895.13	18,268.71	It is reasonable that the Company benefits from the purchase of assets for business purposes, which is cheaper than the retail price, if purchased from other parties.

Companies / individuals involved	Types of transactions	Value (Thousand Baht)		Necessity and reasonableness
		2017	2016	
	it is the purchase of assets under the business transfer agreement ● Other expenses vServePlus paid for accounting services to VST ECS at the initial stage of its establishment and transfered its business from VST ECS and vServePlus was still recruiting accounting personnel. In 2016, most of the other costs were advance paid by VST ECS and vServePlus was charged at actual rates.	497.34	5,579.93	It is necessary and reasonable to allow vServePlus to close its financial statements on time from the beginning of business transfer. This item will be temporary until vServePlus can recruit an accountant. The fees charged are based on the actual costs incurred by VST ECS. Other expenses that VST ECS has advance paid were charged to vServePlus at the actual rate.
Netband Consulting Co.Ltd. Relationship: Common shareholders and directors (To November, 2017) BCBG Co., Ltd.	● Revenue from sales and services Provided services to Netband by receiving service fees at the service margin received in the same manner as services provided to other customers.	1,920.65	212.33	It is reasonable as it is a normal business transaction as well as providing services to other customers. The Company charges a price based on the general commercial terms.

Companies / individuals involved	Types of transactions	Value (Thousand Baht)		Necessity and reasonableness
		2017	2016	
Relationship: Common shareholders and directors	● Other expenses Purchased sweet from BCBG to give to customers during the New Year. The price is the same price that BGBC sells to general customers.	104.25	33.64	It is reasonable as the normal business transaction and the price is the same price that BCBG sells to other customers.
vNTN Solution Co.Ltd. (NTN)	● Revenue from sales and services Sales and maintenance services for NTN by receiving revenue at the same rate as the general customer.	194.45	202.88	It is reasonable as it is a normal business transaction as well as providing services to other customers The Company charges a price based on the general commercial terms.
Relationship: Common shareholders and directors.	● Purchase of Assets Pay for programming and royalties to use the program.	596.70	307.00	It is reasonable because it is the same program that vServePlus used to run continuously, have a fully functional and inexpensive system compared to buying other programs. Programming fees and installation and implementing fees are charged at the same rate as for general customers.

Companies / individuals involved	Types of transactions	Value (Thousand Baht)		Necessity and reasonableness
		2017	2016	
	● Other expenses Paid NTN to maintain the program purchased from NTN to use.	447.00	120.00	It is necessary and reasonable because NTN is the developer of the program. When the problem occurs, NTN can maintain the program conveniently, quickly, in a timely manner and not cause business interruption.
Blue Fish Solution Co.Ltd. Relationship: Common shareholders and directors	● Other revenues vServePlus has revenue from space rental and office space management services, floor 1 - 2, and cargo space for Blue Fish. ● Other expenses Vintcom paid document storage services to Blue Fish. Due to its limited storage space so external document storage services are required.	1,329.61 9.35	409.76 7.11	It is reasonable because the Company benefits from the use of space to generate revenue. The rental and service fees are close to the rental and service costs at vServePlus paid to outsiders. It is reasonable that the fee charged is lower than the fee charged by the third party.

Companies / individuals involved	Types of transactions	Value (Thousand Baht)		Necessity and reasonableness
		2017	2016	
Copperwired Company Limited	● Purchase of Assets Purchased an executive phone for use. The Company purchased the product at a discounted price because it was a trial machine.	24.77	-	It is reasonable because the purchase price is discounted because it is a trial machine and is the same price as sold to the general public.
Relationship: Common shareholders and directors.	● Other expenses In 2017, Vintcom paid for Copperwired conference room services, which was lower than if the Company needed to have its own conference room. In 2016, Vintcom purchased Copperwired products for use in promotional campaigns.	2.02	20.93	It is reasonable that the rent of the meeting room allows the Company to save on the use of shared resources when compared to the price that the Company has to process itself and employ staff directly. The purchase price is the same as that sold to the general public.

2. Measures or Procedures of Approval for Connected Transactions

The Company has set policy and procedure for approval of connected transactions between the Company and its subsidiaries with related parties. This is a person who may have conflicts of interest, any interest or potential conflict of interest in the future through considering the reasonableness, appropriateness of the price, and the terms and conditions of the transaction, in order to be transparent and beneficial to the Company. The Company has also paid attention to the prevention of conflict of interest.

Upon entering into any connected transaction, the Company shall comply with the law governing securities and exchange, regulations, announcements, orders or requirements of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange of Thailand related in such matters, including compliance with the disclosure requirements of the connected transactions of the Company or its subsidiaries in accordance with the accounting standards prescribed by the Federation of Accounting Professions. Those who may have a conflict of interest or have a stake in the transaction cannot participate or have no right to vote in the approval of the transaction.

In the case where the law requires the approval of entering into connected transactions from the Board of Directors or shareholders' meeting, the Company will arrange for the Audit Committee to attend the meeting to consider and give opinion on the matter required for transaction and reasonableness of the transaction.

3. Policy and trend of connected transactions in the future.

3.1. Policy of connected transactions

The connected transactions that are commercial transactions subject to general trading conditions, and transactions that do not comply with general trading conditions, or other transactions, shall have the following principles:

1) Trade transactions with general trading conditions.

The Company has set the framework for trade transactions that are subject to normal trading conditions that are normally performed by the Company for business purposes or as trade transactions, in which such company is in the same business as the Company, is usually done to support its normal business which the price and conditions are fair and do not cause the transfer of benefits. This is considered and approved by the Audit Committee and has been approved by the Board of Directors. Upon such transaction, the Managing Director or the Executive Committee. ("Management") of the Company can approve the transaction.

2) Trade transactions that are not general trade conditions. or other transactions.

Trade transactions that are not general trade conditions. or other transactions that the Company will have to propose to the Audit Committee to consider and give opinions on the necessity and appropriateness of entering into the transaction as well as the price and conditions of the transaction prior presented to the Board of Directors and/or shareholders, as the case may be for consideration and approval. It shall comply with the law governing securities and exchange, regulations, announcements, orders or requirements of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange of Thailand related in such matters. In the event that the Audit Committee is unqualified in considering potential connected transactions, the Company will provide the independent expert or the auditor of the Company to comment on such connected transactions to be used for the decision of the Audit Committee, Board of Directors, and/or the shareholders' meeting as the case may be. Those who may have a conflict of interest or any interest in the transaction will not be able to participate or have no right to vote in approving the connected transaction.

3.2. Trend of connected transactions in the future.

The Company expects the connected transactions resulting from the normal business operations and support the normal business of the Company, including sales of goods and services, purchase of goods and services, rental of space, etc. It is either an on-going existing connected transactions or an occurring of the new connected transactions in the future. The pricing policy will be clearly defined at fair and reasonable prices and market conditions and will not result in any transfer of benefits, as well as taking into account the interests of the Company and its subsidiaries. The Audit Committee of the Company will review and comment on connected transactions which are normal business transactions or normal business support on a quarterly basis.

The connected transactions that may occur in the future, the Board of Directors shall act in accordance with the law governing securities and exchange, regulations, announcements, orders or requirements of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange of Thailand related in such matters, including compliance with the disclosure requirements of the connected transactions of the Company or its subsidiaries in accordance with the accounting standards prescribed by the Federation of Accounting Professions.

Annual Report of the Audit Committee 2017

The Audit Committee is set up to assist the Board of Directors in overseeing the accuracy of financial transactions, reviewing internal control systems and internal audits, reviewing the Company's compliance with laws, regulations, and codes of conduct to promote the Company's and its subsidiaries' good corporate governance. In addition, the Audit Committee will review the adequacy and effectiveness of the risk management of the Company and its subsidiaries. It consists of independent directors who are qualified in accordance with the requirements of the Stock Exchange of Thailand, are qualified persons in business administration, and at least one independent director who is qualified in accounting and finance is responsible for reviewing the reliability of the financial statements. There are three members of the Audit Committee, namely, Mr. Sanpat Sopon, Chairman of the Audit Committee, Mr. Thanachart Numnonda, and Mr. Kriangkrai Boonlert U-Thai as Audit Committee. In the year 2017, the Audit Committee held 7 meetings, summarized as follows:

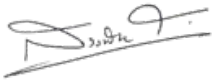
1. The Audit Committee has reviewed the Company's financial statements, quarterly financial statements and annual financial statements, which the Audit Committee agrees with the auditor.The financial statements of the Company are accurate and in conformity with the financial reporting standards, are reliable, and have been adequately disclosed.

2. The Audit Committee has considered transactions with related parties of the Company and its subsidiaries in accordance with the rules and regulations of the Stock Exchange of Thailand, which the Audit Committee deems to be in accordance with normal business conditions.

3. The Audit Committee has approved the internal audit plan of the Company's internal auditor, and acknowledges the audit results of the adequacy of the internal control system, including issues found, suggestions, and plans to improve and develop the management's performance to ensure that the Company complies with all applicable laws and regulations with adequate and effective internal controls and risk management system.

4. The Audit Committee has considered the performance, knowledge, expertise, independence of the auditor, and the appropriateness of the audit fee, and then nominated KPMG Phoomchai Audit Limited as the auditor of the company in 2018.

The Audit Committee has performed its duties with responsibility and independence for the equal benefit of the shareholders. The Audit Committee is confident that the Company's internal control system is adequate and effective. The Company's financial statements show its financial position, results of operations and cash flows prepared in accordance with the generally accepted accounting principles, and the Company's compliance with laws and regulations and adequate disclosure of related party transactions with related parties.



(Mr. Sanpat Sopon)
Chairman of the Audit Committee

Responsibility Report of the Board of Directors for Financial Report

The Board of Directors is responsible for the financial statements, as well as the financial information technology contained in the annual report and in the financial statements of Vintcom Technology Public Company Limited. The consolidated and company financial statements for the year ended December 31, 2017, have been audited by KPMG Phoomchai Audit Ltd. The Board of Directors has supported the information and documents so that auditors can review and express their opinions in accordance with the auditing standards. The consolidated and company financial statements have been prepared in accordance with generally accepted accounting principles in compliance with the Accounting Act and according to the regulations of the Stock Exchange of Thailand.The Company has adopted the appropriate accounting policies and practices, as well as has provided adequate disclosure of significant information in the notes to the financial statements for the benefit of shareholders and investors.

In addition, the Board of Directors has appointed an Audit Committee consisting of ndependent Directors who are not involved in the management. The Audit Committee is responsible for overseeing and evaluating the internal control system, including reviewing financial reports and business transactions with related parties. The Audit Committee has expressed its opinion on the matter, which appears in the Audit Committee Report as shown in this Annual Report.

The Board of Directors is of the opinion that the overall internal control system is satisfactory, and can reasonably believe that the consolidated and company financial statements for the year ended December 31, 2017, of Vintcom Technology Public Company Limited are reliable, complying with financial reporting standards and all applicable laws and regulations.

(Mr. Narong Intanate)
Chairman of the board

Management Discussion and Analysis

Management discussion and analysis: MD&A

Operating Performance

Revenues

Revenue Structure by Business Operations

Type of Revenue	Consolidated financial statements for the year ended			
	December 31, 2016		December 31, 2017	
	THB Million	%	THB Million	%
1. Revenue from sale				
Revenue from sale of hardware	299.94	31.61	306.62	19.73
Revenue from sale of software	411.90	43.41	684.08	44.01
Revenue from extension of maintenance agreement	-	-	155.09	9.98
Total revenue from sale	**711.84**	**75.02**	**1,145.79**	**73.72**
2. Revenue from rendering of services				
Specific service from experts	191.07	20.14	289.87	18.65
Revenue from extension of service agreement	12.46	1.31	29.06	1.87
Revenue from customer service center	22.12	2.33	77.85	5.01
Total Revenue from rendering of services	**225.65**	**23.78**	**396.78**	**25.53**
3. Other income				
Gain from business acquisition	6.82	0.72	-	-
Other income	4.56	0.48	11.66	0.75
Total other income	**11.38**	**1.20**	**11.66**	**0.75**
Total revenue	**948.87**	**100.00**	**1,554.23**	**100.00**

1. Revenue from sale

For the year ended December 31, 2017 the Company and its subsidiaries earned revenue from sale of goods amounting to THB 1,145.79 million, an increase from 2016 amounting to THB 433.95 million, or 60.96% resulting from major project sales to CLM clients amounting to THB 325.99 million which was quite large amount of increase when compared to the revenue in 2016 amounting to THB 6.29 million. This increase also resulted from the revenue recognition from domestic sale. In addition, the increase in revenue from sale was attributable to including of revenue from renewal of maintenance from V-Serve Plus amounting to THB 155.09 million while there was no such revenue in 2016. Further, V-Serve Plus started to earn revenue from renewal of maintenance agreement in the first quarter of 2017.

2. Revenue from rendering of services

For the year ended December 31, 2017 the Company and its subsidiaries earned revenue from rendering of services amounting to THB 396.78 million, an increase from last year amounting to THB 171.13 million, or 75.84%, resulting from including service income of V-Serve Plus amounting to THB 192.54 million into the consolidated financial statements. The increase also resulted from

revenue from services provided to overseas clients amounting to THB 40.26 million. This increase was quite large when compared to the revenue in 2016 amounting to THB 0.92 million

3. Other income

In 2017, the Company and its subsidiaries had other income amounting to THB 11.66 million, an increase from 2016 amounting to THB 7.10 million. The increase mainly resulted from the THB 1.43 million increase in warehouse-rental income and freight charges, and THB 5.45 million increase in gain on exchange rate. Further, in 2016 the Company had THB 6.82 million gain from purchase of business deriving from the fact that one of the Company's subsidiary, V-Serve Plus, had purchased a part of other business. In other words, fair value of identifiable assets and liabilities, including intangible assets, was higher than fair value of consideration paid which was present value of cash paid at purchase date.

Cost of sale of goods and rendering of services, and gross profit

	Consolidated financial statements for nine-month period ended			
	December 31, 2016		**December 31, 2017**	
	THB Million	**%**	**THB Million**	**%**
Revenue from sale of goods and rendering of services	937.49	100.00	1,542.57	100.00
Cost of sale of goods and rendering of services	793.16	84.60	1,297.80	84.13
Gross profit	**144.33**	**15.40**	**244.77**	**15.87**
Gross profit margin (%)		**15.40**		**15.87**

In 2017, the Company and its subsidiaries' cost of sale of goods and rendering of services was amounting to THB 1,297.80 million. Compared to THB 793.16 million in 2016, there was an increase amounting to THB 504.66 million, or 63.63%. This was consistent to the increase of relating revenue. In addition, cost of sale of goods and rendering of services was 84.13% of revenue from sales of goods and rendering of services, slightly decrease when compared to 84.60% in 2016. In sum, the gross profit was 15.87%, resemble to 15.40% gross profit in 2016.

Expenses

Distribution costs

In 2017, the Company and its subsidiaries' distribution costs was amounting to THB 34.63 million, an increase from 2016 amounting to THB 8.79 million, or 34.00%, resulting from including distribution costs of V-Serve Plus mainly consisting of staff expense and freight charges. In addition, the increase in distribution costs was mainly due to the rising of commission and marketing expense in order to support consistent revenue growth. Distribution costs was 2.23% of total revenue, quite similar to 2016 which was 2.74.

Administrative expenses

In 2017, the administrative expense was amounting to THB 136.01 million, an increase from 2016 amounting to THB 64.25 million, or 89.54%, resulting from including THB 75.23 million administrative expenses of V-Serve Plus which mainly consisted of staff expense amounting to THB 44.36 million, rental and office-facility service expenses amounting to THB 9.73 million and depreciation and amortization amounting to THB 4.84 million, respectively. In general, the Company and its subsidiaries' administrative expense consisted of staff expense amounting to THB 83.98 million, rental and office-facility service expenses amounting to THB 13.42 million and depreciation and amortization amounting to THB 7.93 million. The administrative expense was 8.75% of total revenue, higher than last year (7.56% in 2016). The increase in administrative expense was attributable to the including of V-Serve Plus's administrative expense as percentage of V-Serve Plus's administrative expense to its' revenue was quite high. Mostly, V-Serve Plus's administrative expense consisted of staff expense. Hence, this led to the rising of percentage of administrative expense to revenue in the consolidated financial statements.

Net Profit and Net Margin

In 2017, the Company's net profit attributable to Owners of the Parent was amounting to THB 54.33 million, led to an increase of THB 13.71 million from 2016, or 33.77%. The net margin for 2017 was 3.50%, decrease from 2016 which was 4.28%. The decrease in net margin, compared to 2016, was mainly resulting from including total revenue of V-Serve Plus into the consolidated financial statements but get only 51% share of profit per investment proportion.

Financial Position

Assets

Majority of the Company and its subsidiaries' total assets composed of account receivables, other current receivables, cash and cash equivalent. The Company and its subsidiaries' total assets as at December 31, 2016 and 2017 were THB 768.83 million and THB 525.16 million, respectively. The THB 243.68 million increase in total assets, or 46.40% was mainly due to cash receiving from the initial public offering in December, 2017.

Cash and cash equivalent as at December 31, 2016 and 2017 was THB 284.63 million and THB 90.28 million, respectively. The rising of Cash and cash equivalent was attributable to cash receiving from the initial public offering in December, 2017 for working capital purpose.

Account receivables and other current receivables as at December 31, 2016 and 2017 was THB 362.12 million and THB 326.92 million, respectively. The rising of Cash and cash equivalent was attributable to cash receiving from the initial public offering in December, 2017 for working capital purpose.

Inventories at as at December 31, 2016 and 2017 were THB 42.18 million and THB 34.19 million, respectively. The rising of inventories amounting to THB 7.99 million was attributable to the increase of goods to be delivered to the clients.

Intangible assets as at December 31, 2017 was THB 5.20 million. The decrease of Intangible assets was attributable to the amortization of service-contract right deriving from business combination upon its' useful life.

Liabilities

Majority, or 90% of the Group's total liabilities was current liabilities consisting of trade and other current payables. Significant amount of non-current liabilities composed of other payable deriving from business combination and non-current provisions for employee benefit. The company's total liabilities as at December 31, 2016 and December 31, 2017 were THB 360.28 million and THB 353.14 million, respectively. The THB 7.14 million increase in total liabilities, or 2.02% was mainly due to the THB 5.94 million increase in accounts payable and other payable deriving from purchase of goods before the end of 2017 in order to be prepared for the delivery to clients. In addition, the rising of total liabilities was attributable to THB 3.27 million increase in non-current provisions for employee benefit and THB 1.39 million decrease in accrued corporate income tax.

Shareholders' Equity

Total shareholders' equities of the Company as at December 31, 2016 and December 31, 2017 were THB 369.97 million and THB 146.60 million, respectively. The THB 223.37 million increase was mainly due to the initial public offering amounting to THB 222.45 million, net profit amounting to THB 54.32 million and dividend paid during the year amounting to THB 53.35 million.

Financial Information

Summary Financial Statement

Statements of financial position of the Company and its Subsidiaries as at 31 December 2015 - 2017

Items of financial statements	Consolidated financial statements					
	2015		2016		2017	
	Thousand Baht	Persent	Thousand Baht	Persent	Thousand Baht	Persent
Assets						
Current assets						
Cash and cash equivalents	156,980	42.06	90,276	17.19	284,633	37.02
Current investments	1	0.00	-	0.00	-	0.00
Trade and other accounts receivable	152,468	40.85	326,921	62.25	362,120	47.10
Inventories	20,359	5.46	34,190	6.51	42,182	5.49
Total current assets	**329,808**	**88.37**	**451,387**	**85.95**	**688,935**	**89.61**
Non-current assets						
Restricted deposits with financial institutions	4,857	1.30	4,858	0.92	4,600	0.60
Equipment	13,973	3.74	32,210	6.13	30,948	4.03
Intangible assets	402	0.11	6,667	1.27	5,202	0.68
Deferred tax assets	9,149	2.45	7,644	1.46	7,899	1.03
Corporate income tax and withholding tax refund	13,468	3.61	17,853	3.40	24,605	3.20
Other non-current assets	1,555	0.42	4,538	0.86	6,646	0.86
Total non-current assets	**43,404**	**11.63**	**73,770**	**14.05**	**79,900**	**10.39**
Total assets	**373,212**	**100.00**	**525,157**	**100.00**	**768,835**	**100.00**

Statements of financial position of the Company and its Subsidiaries as at 31 December 2015 - 2017

Items of financial statements	Consolidated financial statements					
	2015		2016		2017	
	Thousand Baht	Persent	Thousand Baht	Persent	Thousand Baht	Persent
Liabilities and equity						
Current liabilities						
Trade and other accounts payable	185,245	49.64	322,958	61.50	328,901	42.78
Current portion of finance lease liabilities	433	0.12	491	0.09	531	0.07
Income tax payable	3,128	0.84	4,512	0.86	3,128	0.41
Total current liabilaties	**188,806**	**50.59**	**327,961**	**62.45**	**332,560**	**43.26**
Non-current liabilities						
Finance lease liabilities	2,290	0.61	1,955	0.37	1,423	0.19
Business acquisition payable	-	0.00	13,175	2.51	13,799	1.79
Deferred tax liabilities	-	0.00	1,349	0.26	527	0.07
Non-current provisions for employee benefits	6,902	1.85	8,700	1.66	11,972	1.56
Total non-current liabilaties	**9,192**	**2.46**	**25,179**	**4.79**	**27,721**	**3.61**
Total liabilaties	**197,998**	**53.05**	**353,140**	**67.24**	**360,281**	**46.86**
Equity						
Authorised share capital	110,000		140,000		150,000	
Issued and paid-up share capital	110,000	29.47	110,000	20.95	150,000	19.51
Share premium on ordinary shares	-	0.00	-	0.00	182,453	23.73
Retained earnings						
Appropriated Legal reserve	9,600	2.57	12,163	2.32	15,000	1.95
Unappropriated	55,667	14.92	24,417	4.65	22,549	2.93
Other component of equity	(53)	(0.01)	24	0.00	(35)	0.00
Equity attributable to owners of the parent	**175,214**	**46.95**	**146,603**	**27.92**	**369,968**	**48.12**
Non-controlling interests	-	0.00	25,413	4.84	38,586	5.02
Total equity	**175,214**	**46.95**	**172,017**	**32.76**	**408,554**	**53.14**
Total liabilities and equity	**373,212**	**100.00**	**525,157**	**100.00**	**768,835**	**100.00**

Statements of comprehensive income of the Company and its Subsidiaries as at 31 December 2015 - 2017

	Consolidated financial statements					
	2015		2016		2017	
	Thousand Baht	Persent	Thousand Baht	Persent	Thousand Baht	Persent
Revenue from sale of goods and rendering of services	812,452	99.51	937,493	98.80	1,542,571	99.25
Gain from business acquisition	-	0.00	6,825	0.72	-	0.00
Other income	3,974	0.49	4,555	0.48	11,656	0.75
Total income	**816,426**	**100.00**	**948,873**	**100.00**	**1,554,227**	**100.00**
Cost of sale of goods and rendering of services	703,667	86.19	793,156	83.59	1,297,802	83.50
Distribution costs	18,651	2.28	25,845	2.72	34,632	2.23
Administrative expenses	41,871	5.13	71,757	7.56	136,011	8.75
Total costs	**764,189**	**93.60**	**890,758**	**93.88**	**1,468,445**	**94.48**
Profit before finance costs and income tax	**52,237**	**6.40**	**58,115**	**6.12**	**85,782**	**5.52**
Finance costs	225	0.03	407	0.04	1,572	0.10
Profit before tax expense	**52,012**	**6.37**	**57,708**	**6.08**	**84,210**	**5.42**
Income expense	10,625	1.30	11,283	1.19	16,710	1.08
Profit for the year	**41,387**	**5.07**	**46,425**	**4.89**	**67,500**	**4.34**
Other comprehensive income						
Items that will not be reclassified subsequently to profit or loss						
Actuarial Losses	(492)	(0.06)	-	0.00	(9)	0.00
Income tax on the composition of other comprehensive income	98	0.01	-	0.00	2	0.00
	(394)	(0.05)	-	0.00	(7)	0.00
Items that will be reclassified subsequently to profit or loss						
Exchange differences on translating financial statement	(53)	(0.01)	78	0.01	(59)	0.00
Other comprehensive income for the year, net of tax	(447)	(0.05)	78	0.01	(66)	0.00
Total comprehensive income for the year	40,940	5.01	46,503	4.90	67,434	4.34
Profit attributable to:						
–Owners of parent	41,387	5.07	40,612	4.28	54,328	3.50
–Non-controlling interests	-	0.00	5,813	0.61	13,172	0.85

Statement of cash flows of the Company and its Subsidiaries as at 31 December 2015 - 2017

	Consolidated financial statements		
	2015	2016	2017
	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from operating activities			
Profit for the year	41,387	46,425	67,500
Adjustments to reconcile profit to cash receipts			
Tax expense	10,625	11,283	16,710
Finance costs	225	407	1,572
Bad debts and doubtful accounts	-	-	471
Depreciation	2,115	6,540	9,145
Amortisation	160	757	2,160
Gain from business acquisition	-	(6,825)	-
Unrealised gain on exchange	(46)	(136)	(282)
(Reversal of) losses on inventories devaluation	-	(486)	163
(Gain) loss on disposals of equipment	3	(216)	65
Written-off equipment	-	49	-
Interest income	(1,575)	(927)	(462)
Employee benefit expenses	1,089	1,798	3,263
Gain on disposal of investment in subsidiary	-	(135)	-
Differences from translation of financial statements (decrease)	(53)	-	-
Trade and other accounts receivable	91,702	(173,459)	(36,749)
Inventories	27,626	(13,345)	(8,155)
Other non-current assets	(549)	(2,983)	(2,108)
Trade and other accounts payable	(124,511)	137,873	6,834
Taxes received	-	-	3,232
Taxes paid	(32,469)	(12,652)	(29,154)
Net cash from (used in) operating activities	**15,729**	**(6,032)**	**34,205**

Statement of cash flows of the Company and its Subsidiaries as at 31 December 2015 - 2017

	Consolidated financial statements		
	2015	2016	2017
	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from investing acivities			
Proceeds from sale of equipment	403	254	766
Acquisition of equipment	(6,784)	(10,767)	(8,435)
Acquisition of intangible assets	(51)	(913)	(558)
Loans to related parties	(778,000)	-	-
Repayment of loans to related parties	914,500	-	-
Decrease in current investments	-	1	-
(Increse) decrease in restricted deposits with financial institutions	(1,725)	-	258
Interest received	1,717	955	460
Proceeds from disposal of subsidiary, net of cash disposed	-	74	-
Net cash used in investing activities	**130,060**	**(10,396)**	**(7,509)**
Cash flows from financing activities			
Payment by a lessee for reduction of the outstanding liability relating to a finance lease	(425)	(438)	(491)
Dividends paid to owners of the Company	(24,000)	(69,300)	(53,350
Interest paid	(224)	(206)	(948)
Proceeds from issue of shares	-	-	222,453
Proceeds from ordinary shares of non-controlling interests in subsidiary	-	19,600	-
Net cash from (used in) financing activities	**(24,649)**	**(50,344)**	**167,664**
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates	121,139	(66,772)	194,360
Cash and cash equivalents at beginning of year	35,839	156,980	90,276
Effect of exchange rate changes on cash and cash equivalents	2	68	(3)
Cash and cash equivalents at ending of year	**156,980**	**90,276**	**284,633**

Finance Statement Analysis

		Consolidated financial statements		
		2015	2016	2017
Liquidity Ratios				
Current ratio	(time)	1.75	1.38	2.07
Quick ratio	(time)	1.64	1.27	1.94
Cash flow current ratio	(time)	0.06*	(0.02)	0.10
Receivable current ratio	(time)	6.70*	6.38	6.50
Avg. debt collection period	(day)	53.72	56.39	55.38
Inventory turnover period	(time)	49.78*	28.90	39.35
Avg. selling period	(day)	7.23	12.46	9.15
Payable current ratio	(time)	5.47*	6.99	9.10
Loan repayment period	(day)	65.76	51.49	39.58
Cash cycle	(day)	(4.81)	17.35	24.96
Profitability Ratios				
Gross profit margin	(%)	13.39	15.40	15.87
Operating profit margin	(%)	5.94	4.98	4.81
Other profit margin	(%)	0.49	1.20	0.75
Cash to profit margin	(%)	32.59	(12.90)	46.15
Net Profit Margin	(%)	5.07	4.28	3.50
Return On Equity	(%)	24.82*	25.24	21.03
Efficiency Ratios				
Return on assets	(%)	9.63*	10.33	10.43
Return on fixed assets	(%)	367.40*	229.36	242.71
Asset turnover	(time)	2.19	2.11	2.40
Financial Policy Ratios				
Debt to equity ratio	(time)	1.13	2.05	0.88
Interest coverage ratio	(time)	220.09	17.15	41.31
Commitment coverage ratio (cash basis)	(time)	0.47	(0.07)	0.54
Dividend payout	(%)	57.99	149.29	79.04
Other Ratios				
Book value per share	(baht)	0.80	0.67	1.23
Primary earnings per share	(baht)	0.19	0.18	0.24
Number of ordinary shares at the end of the period	(million shares)	220.00	220.00	300.00

* Calculate the average of the separate financial statements as at 31 December 2014 and the consolidated financial statements as at 31 December 2015

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Independent Auditor's Report

To the Shareholders of Vintcom Technology Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Vintcom Technology Public Company Limited and its subsidiaries (the "Group") and of Vintcom Technology Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2017, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2017 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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 is 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 judgment, 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.

Revenue recognition of multiple element sales contracts	
Refer to Notes 2(d) and 4(o)	
The key audit matter	**How the matter was addressed in the audit**
Recognition of the Group's revenue is complex due to a lot of customer contracts which several contracts involve multiple element contracts that combines the sales of goods, rendering of services and subsequent services (maintenance services), and involve components that are recognized based on fair value. I focused on this area as recognition of revenue involves significant judgment made by Management including; determining multiple element contracts, determining the allocation on a fair value basis and allocation calculation of multiple element contracts. Therefore, this matter is key area of focus in my audit.	My audit procedures included: • understanding and assessing the design and implementation of relevant controls regarding revenue recognition of multiple element sales contracts, consisted of management's review of multiple element contracts, fair value determination and allocation calculation; • sampling testing the relevant controls regarding revenue recognition of multiple element sales; including sampling testing the appropriateness of fair value determination and allocation with relevant document; • reading the contracts for key terms, testing separation relevant element and testing allocation calculation by sampling basis; • considering the adequacy of the disclosures in accordance with the Thai Financial Reporting Standards

Emphasis of Matter

I draw attention to note 3 of the financial statement, describing the effects of the Company's adoption from 1 January 2017 of certain new accounting policy, TAS 27 (revised 2016) *Separate Financial Statements*. The Company changed accounting policy on investment in subsidiaries from cost method to equity method. The separate financial statements as at and for the year ended 31 December 2016, which is included as corresponding information, is component of the audited separate financial statements as at and for the year ended 31 December 2016 after making the adjustment described in note 3. My opinion is not modified in respect of this matter.

Other Information

Management is 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.

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines 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, management is 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 management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible 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 judgment and maintain professional skepticism throughout the audit. I also:

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

Marisa

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

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

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

(Marisa Tharathornbunpakul)
Certified Public Accountant
Registration No. 5752

KPMG Phoomchai Audit Ltd.
Bangkok
25 February 2018

Vintcom Technology Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements		
		31 December	31 December	31 December	31 December	1 January
Assets	*Note*	2017	2016	2017	2016 (Restated)	2016 (Restated)
				(in Baht)		
Current assets						
Cash and cash equivalents	*6*	284,632,937	90,275,958	238,469,480	80,603,512	153,618,175
Current investments		-	-	-	-	1,000
Trade and other accounts receivable	*5, 8*	362,120,043	326,921,453	265,791,077	264,027,573	152,751,750
Inventories	*9*	42,181,754	34,189,789	40,059,633	33,599,070	20,359,252
Total current assets		**688,934,734**	**451,387,200**	**544,320,190**	**378,230,155**	**326,730,177**
Non-current assets						
Restricted deposits with financial institutions	*7*	4,600,000	4,857,519	4,600,000	4,857,519	4,857,127
Investments in subsidiaries	*3, 10*	-	-	42,237,645	26,450,679	2,899,734
Equipment	*12*	30,948,195	32,209,921	14,029,850	14,023,948	13,972,796
Intangible assets	*13*	5,201,561	6,667,323	356,385	411,846	402,148
Deferred tax assets	*14*	7,899,112	7,643,717	7,899,112	7,643,717	9,149,221
Corporate income tax and withholding tax refund		24,605,359	17,853,321	23,349,284	17,853,321	13,467,520
Other non-current assets		6,645,672	4,537,662	2,225,068	1,554,640	1,554,640
Total non-current assets		**79,899,899**	**73,769,463**	**94,697,344**	**72,795,670**	**46,303,186**
Total assets		**768,834,633**	**525,156,663**	**639,017,534**	**451,025,825**	**373,033,363**

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

Vintcom Technology Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements		
		31 December 2017	31 December 2016	31 December 2017	31 December 2016 (Restated)	1 January 2016 (Restated)
				(in Baht)		
Current liabilities						
Trade and other accounts payable	*5, 15*	328,900,497	322,958,090	254,139,856	290,325,367	185,066,958
Current portion of finance lease liabilities		531,311	491,261	531,311	491,261	432,623
Income tax payable		3,128,033	4,511,689	3,128,033	3,128,033	3,128,033
Total current liabilities		**332,559,841**	**327,961,040**	**257,799,200**	**293,944,661**	**188,627,614**
Non-current liabilities						
Finance lease liabilities		1,423,531	1,954,841	1,423,531	1,954,841	2,290,330
Business acquisition payable	*5*	13,799,530	13,175,364	-	-	-
Deferred tax liabilities	*14*	526,626	1,349,206	-	-	-
Non-current provisions for employee benefits	*16*	11,971,688	8,699,571	9,826,972	8,211,019	6,901,687
Total non-current liabilities		**27,721,375**	**25,178,982**	**11,250,503**	**10,165,860**	**9,192,017**
Total liabilities		**360,281,216**	**353,140,022**	**269,049,703**	**304,110,521**	**197,819,631**
Equity						
Share capital:	*17*					
Authorised share capital		150,000,000	140,000,000	150,000,000	140,000,000	110,000,000
Issued and paid-up share capital		150,000,000	110,000,000	150,000,000	110,000,000	110,000,000
Share premium:						
Share premium on ordinary shares	*17*	182,453,164	-	182,453,164	-	-
Retained earnings						
Appropriated						
Legal reserve	*18*	15,000,000	12,162,271	15,000,000	12,162,271	9,600,000
Unappropriated		22,549,326	24,416,644	22,549,326	24,728,704	55,666,988
Other component of equity		(34,659)	24,329	(34,659)	24,329	(53,256)
Equity attributable to owners of the parent		**369,967,831**	**146,603,244**	**369,967,831**	**146,915,304**	**175,213,732**
Non-controlling interests	*11*	38,585,586	25,413,397	-	-	-
Total equity		**408,553,417**	**172,016,641**	**369,967,831**	**146,915,304**	**175,213,732**
Total liabilities and equity		**768,834,633**	**525,156,663**	**639,017,534**	**451,025,825**	**373,033,363**

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

Vintcom Technology Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated financial statements Year ended 31 December 2017	2016	Separate financial statements Year ended 31 December 2017	2016 (Restated)
			(in Baht)		
Revenue from sale of goods and rendering of services	*5, 19*	1,542,570,731	937,492,985	1,181,407,687	871,246,669
Cost of sale of goods and rendering of services	*5*	(1,297,802,380)	(793,155,687)	(1,052,230,692)	(758,813,934)
Gross profit		**244,768,351**	**144,337,298**	**129,176,995**	**112,432,735**
Gain from business acquisition	*5*	-	6,824,881	-	-
Other income	*5*	11,655,985	4,554,807	6,943,359	4,077,263
Distribution costs	*5, 20*	(34,631,747)	(25,845,014)	(24,173,173)	(21,548,403)
Administrative expenses	*5, 21*	(136,011,698)	(71,757,516)	(56,599,675)	(48,454,647)
Finance costs		(1,571,744)	(406,636)	(936,204)	(205,406)
Share of profit of subsidiaries	*3, 10*	-	-	9,071,954	4,159,778
Profit before tax expense		**84,209,147**	**57,707,820**	**63,483,256**	**50,461,320**
Tax expense	*24*	(16,709,640)	(11,282,495)	(9,467,998)	(9,537,333)
Profit for the year		**67,499,507**	**46,425,325**	**54,015,258**	**40,923,987**
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translating financial statement	*3, 10*	(58,988)	77,585	(58,988)	77,585
Items that will not be reclassified subsequently to profit or loss					
Losses on remeasurements of defined benefit plans	*16*	(8,634)	-	(8,634)	-
Income tax relating to items that will not be reclassified subsequently	*24*	1,727	-	1,727	-
		(6,907)	**-**	**(6,907)**	**-**
Other comprehensive income for the year, net of tax		**(65,895)**	**77,585**	**(65,895)**	**77,585**
Total comprehensive income for the year		**67,433,612**	**46,502,910**	**53,949,363**	**41,001,572**

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

Vintcom Technology Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated financial statements Year ended 31 December 2017	2016	Separate financial statements Year ended 31 December 2017	2016 (Restated)
			(in Baht)		
Profit attributable to:					
Owners of parent		54,327,318	40,611,928	54,015,258	40,923,987
Non-controlling interests		13,172,189	5,813,397	-	-
Profit for the year		**67,499,507**	**46,425,325**	**54,015,258**	**40,923,987**
Total comprehensive income attributable to:					
Owners of parent		54,261,423	40,689,513	53,949,363	41,001,572
Non-controlling interests		13,172,189	5,813,397	-	-
Total comprehensive income for the year		**67,433,612**	**46,502,910**	**53,949,363**	**41,001,572**
Basic earnings per share	*25*	**0.24**	**0.18**	**0.24**	**0.19**

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

Vintcom Technology Public Company Limited and its Subsidiaries

Statement of changes in equity

		Consolidated financial statements						
			Retained earnings		Other component of equity			
	Note	Issued and paid-up share capital	Legal reserve	Unappropriated	Translating foreign operations	Equity attributable to owners of the parent	Non-controlling interests	Total equity
					(in Baht)			
Year ended 31 December 2016								
Balance at 1 January 2016		**110,000,000**	**9,600,000**	**55,666,987**	**(53,256)**	**175,213,731**	**-**	**175,213,731**
Transactions with owners, recorded directly in equity								
Contribution by and distribution to owners of the parent								
Ordinary share payment of non-controlling interests in subsidiary	*10*	-	-	-	-	-	19,600,000	19,600,000
Dividends to owners of the Company	*26*	-	-	(69,300,000)	-	(69,300,000)	-	(69,300,000)
Total contribution by and distribution to owners of the parent		**-**	**-**	**(69,300,000)**	**-**	**(69,300,000)**	**19,600,000**	**(49,700,000)**
Comprehensive income for the year								
Profit or loss		-	-	40,611,928	-	40,611,928	5,813,397	46,425,325
Other comprehensive income		-	-	-	77,585	77,585	-	77,585
Total comprehensive income for the year		**-**	**-**	**40,611,928**	**77,585**	**40,689,513**	**5,813,397**	**46,502,910**
Transfer to legal reserve	*18*	-	2,562,271	(2,562,271)	-	-	-	-
Balance at 31 December 2016		**110,000,000**	**12,162,271**	**24,416,644**	**24,329**	**146,603,244**	**25,413,397**	**172,016,641**

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

Vintcom Technology Public Company Limited and its Subsidiaries

Statement of changes in equity

		Consolidated financial statements							
				Retained earnings		Other component of equity			
	Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Translating foreign operations	Equity attributable to owners of the parent	Non-controlling interests	Total equity
					(in Baht)				
Year ended 31 December 2017									
Balance at 1 January 2017		**110,000,000**	**-**	**12,162,271**	**24,416,644**	**24,329**	**146,603,244**	**25,413,397**	**172,016,641**
Transactions with owners, recorded directly in equity									
Contribution by and distribution to owners of the parent									
Issue of ordinary shares	*17*	40,000,000	182,453,164	-	-	-	222,453,164	-	222,453,164
Dividends to owners of the Company	*26*	-	-	-	(53,350,000)	-	(53,350,000)	-	(53,350,000)
Total contribution by and distribution to owners of the parent		**40,000,000**	**182,453,164**	**-**	**(53,350,000)**	**-**	**169,103,164**	**-**	**169,103,164**
Comprehensive income for the year									
Profit or loss		-	-	-	54,327,318	-	54,327,318	13,172,189	67,499,507
Other comprehensive income		-	-	-	(6,907)	(58,988)	(65,895)	-	(65,895)
Total comprehensive income for the year		**-**	**-**	**-**	**54,320,411**	**(58,988)**	**54,261,423**	**13,172,189**	**67,433,612**
Transfer to legal reserve	*18*	-	-	2,837,729	(2,837,729)	-	-	-	-
Balance at 31 December 2017		**150,000,000**	**182,453,164**	**15,000,000**	**22,549,326**	**(34,659)**	**369,967,831**	**38,585,586**	**408,553,417**

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

Vintcom Technology Public Company Limited and its Subsidiaries

Statement of changes in equity

	Note	Separate financial statements (Restated)				
			Retained earnings		Other component of equity	
		Issued and paid-up share capital	Legal reserve	Unappropriated	Translating foreign operations	Total equity
				(in Baht)		
Year ended 31 December 2016						
Balance at 1 January 2016 - as reported		**110,000,000**	**9,600,000**	**56,095,996**	**-**	**175,695,996**
Impact of changes in accouting policy	*3*	-	-	(429,008)	(53,256)	(482,264)
Balance at 1 January 2016 - restated		**110,000,000**	**9,600,000**	**55,666,988**	**(53,256)**	**175,213,732**
Transactions with owners, recorded directly in equity						
Distribution to owners of the Company						
Dividends to owners of the Company	*26*	-	-	(69,300,000)	-	(69,300,000)
Total distribution to owners of the Company		**-**	**-**	**(69,300,000)**	**-**	**(69,300,000)**
Comprehensive income for the year						
Profit or loss	*3*	-	-	40,923,987	-	40,923,987
Other comprehensive income	*3*	-	-	-	77,585	77,585
Total comprehensive income for the year		**-**	**-**	**40,923,987**	**77,585**	**41,001,572**
Transfer to legal reserve	*18*	-	2,562,271	(2,562,271)	-	-
Balance at 31 December 2016		**110,000,000**	**12,162,271**	**24,728,704**	**24,329**	**146,915,304**

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

VINTCOM TECHNOLOGY PUBLIC COMPANY LIMITED

Vintcom Technology Public Company Limited and its Subsidiaries

Statement of changes in equity

		Separate financial statements (Restated)					
				Retained earnings		Other component of equity	
	Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Translating foreign operations	Total equity
				(in Baht)			
Year ended 31 December 2017							
Balance at 1 January 2017 - as reported		**110,000,000**	**-**	**12,162,271**	**20,440,192**	**-**	**142,602,463**
Impact of changes in accouting policy	*3*	-	-	-	4,288,512	24,329	4,312,841
Balance at 1 January 2017 - restated		**110,000,000**	**-**	**12,162,271**	**24,728,704**	**24,329**	**146,915,304**
Transactions with owners, recorded directly in equity							
Contribution by and distribution to owners							
Issue of ordinary shares	*17*	40,000,000	182,453,164	-	-	-	222,453,164
Dividends to owners of the Company	*26*	-	-	-	(53,350,000)	-	(53,350,000)
Total contribution by and distribution to owners		**40,000,000**	**182,453,164**	-	**(53,350,000)**	-	**169,103,164**
Comprehensive income for the year							
Profit or loss		-	-	-	54,015,258	-	54,015,258
Other comprehensive income		-	-	-	(6,907)	(58,988)	(65,895)
Total comprehensive income for the year		-	-	-	**54,008,351**	**(58,988)**	**53,949,363**
Transfer to legal reserve	*18*	-	-	2,837,729	(2,837,729)	-	-
Balance at 31 December 2017		**150,000,000**	**182,453,164**	**15,000,000**	**22,549,326**	**(34,659)**	**369,967,831**

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

Vintcom Technology Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2017	2016	2017	2016 (Restated)
		(in Baht)		
Cash flows from operating activities				
Profit for the year	67,499,507	46,425,325	54,015,258	40,923,987
Adjustments to reconcile profit to cash receipts (payments)				
Tax expense	16,709,640	11,282,495	9,467,998	9,537,333
Finance costs	1,571,744	406,636	936,204	205,406
Depreciation	9,144,925	6,539,802	4,448,734	5,281,917
Amortisation	2,160,492	756,878	137,491	135,057
Unrealised gain on exchange	(282,158)	(136,312)	(242,832)	(136,312)
Share of profit of subsidiaries	-	-	(9,071,954)	(4,159,778)
Gain on disposal of investment in subsidiary	-	(135,385)	-	(135,385)
Doubtful debts expenses	470,657	-	-	-
(Reversal of) losses on inventories devaluation	162,967	(486,296)	162,967	(486,296)
(Gain) loss on disposals of equipment	65,415	(215,613)	(29)	(215,613)
Written-off equipment	-	49,518	-	49,518
Gain from business acquisition	-	(6,824,881)	-	-
Interest income	(462,179)	(926,774)	(402,246)	(891,559)
	97,041,010	**56,735,393**	**59,451,591**	**50,108,275**
Changes in operating assets and liabilities				
Trade and other accounts receivable	(36,748,995)	(173,458,586)	(2,784,264)	(111,289,583)
Inventories	(8,154,932)	(13,344,241)	(6,623,530)	(12,753,522)
Other non-current assets	(2,108,010)	(2,983,022)	(670,428)	-
Trade and other accounts payable	6,834,375	137,872,812	(35,001,236)	105,301,935
Non-current provisions for employee benefits	3,263,483	1,797,884	1,607,319	1,309,332
Net cash generated from operating	60,126,931	6,620,240	15,979,452	32,676,437
Taxes received	3,232,142	-	3,232,142	-
Taxes paid	(29,153,724)	(12,651,789)	(18,449,771)	(12,417,630)
Net cash from (used in) operating activities	**34,205,349**	**(6,031,549)**	**761,823**	**20,258,807**

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

Vintcom Technology Public Company Limited and its Subsidiaries

Statement of cash flows

	Note	Consolidated financial statements Year ended 31 December 2017	2016	Separate financial statements Year ended 31 December 2017	2016 (Restated)
			(in Baht)		
Cash flows from investing activities					
Payment for capital increase in subsidiary	*10*	-	-	(6,774,000)	(888,500)
Proceeds from disposal of subsidiary, net of cash disposed of	*10*	-	74,091	-	2,120,823
Acquisition of subsidiary, net of cash acquired	*10*	-	-	-	(20,400,000)
Proceeds from sale of equipment		766,395	253,738	40	253,738
Acquisition of equipment		(8,435,240)	(10,767,048)	(4,370,086)	(5,259,242)
Acquisition of intangible assets		(558,305)	(912,755)	(82,030)	(144,755)
Decrease in current investments		-	1,000	-	1,000
(Increase) decrease in restricted deposits with financial institutions		257,519	(392)	257,519	(392)
Interest received		460,169	955,083	400,236	919,868
Net cash used in investing activities		**(7,509,462)**	**(10,396,283)**	**(10,568,321)**	**(23,397,460)**
Cash flows from financing activities					
Proceeds from issue of shares	*17*	222,453,164	-	222,453,164	-
Proceeds from ordinary shares of non-controlling interests in subsidiary	*10*	-	19,600,000	-	-
Payment by a lessee for reduction of the outstanding liability relating to a finance lease		(491,260)	(438,321)	(491,260)	(438,321)
Dividends paid to owners of the Company	*26*	(53,350,000)	(69,300,000)	(53,350,000)	(69,300,000)
Interest paid		(947,578)	(205,406)	(936,204)	(205,406)
Net cash from (used in) financing activities		**167,664,326**	**(50,343,727)**	**167,675,700**	**(69,943,727)**

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

Vintcom Technology Public Company Limited and its Subsidiaries

Statement of cash flows

	Note	Consolidated financial statements Year ended 31 December 2017	2016	Separate financial statements Year ended 31 December 2017	2016 (Restated)
			(in Baht)		
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates		194,360,213	(66,771,559)	157,869,202	(73,082,380)
Effect of exchange rate changes on cash and cash equivalents		(3,234)	67,717	(3,234)	67,717
Net increase (decrease) in cash and cash equivalents		**194,356,979**	**(66,703,842)**	**157,865,968**	**(73,014,663)**
Cash and cash equivalents at beginning of year		90,275,958	156,979,800	80,603,512	153,618,175
Cash and cash equivalents at ending of year	*6*	**284,632,937**	**90,275,958**	**238,469,480**	**80,603,512**
Non-cash transactions					
Purchase of equipment under financial lease		-	161,470	-	161,470
Business acquisition payable		-	13,175,364	-	-

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

Vintcom Technology Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

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Vintcom Technology Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 25 February 2018.

1 General information

Vintcom Technology Public Company Limited, the "Company", is incorporated in Thailand and has its registered office at 159/21 Serm-Mit Tower, 14th Floor, Sukhumvit 21 Road (Asoke), North-Klongtoey, Wattana, Bangkok.

The Company was registered as a limited company on 29 September 1992 and converted to be public limited company on 29 April 2016.

The Company was listed on the Stock Exchange of Thailand in December 2017.

The parent company during the financial year was Vnet Capital Co., Ltd. (100% shareholding) which was incorporated in Thailand.

The principal businesses of the Company and its subsidiaries are trading computer and equipment including related software and related services for computer. Details of the Company's subsidiaries as at 31 December 2017 and 2016 are described in notes 5 and 10.

2 Basis of preparation of the financial statements

(a) Statement of compliance

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

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2017. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. The effects of these changes, where such effects are considered material to the financial statements, are disclosed in note 3.

In addition to the above new and revised TFRS, the FAP has issued a number of other revised TFRS which are effective for annual financial periods beginning on or after 1 January 2018 and have not been adopted in the preparation of these financial statements.

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items.

Items	*Measurement bases*
Derivative financial instruments	Fair value
Defined benefit liability	Present value of the defined benefit obligation as explained in Note 4 (m)

(c) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

(d) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in the following notes:

Note 4 (o)	Revenue recognition of multiple element sales contracts;
Note 13	Impairment test: key assumptions underlying recoverable amounts;
Note 16	Measurement of defined benefit obligations: key actuarial assumptions; and
Note 29	Recognition and measurement of contingencies.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following note:

- Note 27 - Financial instruments

3 Changes in accounting policies

From 1 January 2017, the Group adopted new and revised TFRS as set out in note 2. There is no significant impact on the Group's financial statements except that, applied TAS 27 (revised 2016) *Separate Financial Statements,* for the accounting for investment in subsidiaries.

Under the revised standard, the investment in separate financial statements is accounted for using the equity method. The Company initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the separate financial statements include the Company's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which control, significant influence or joint control ceases.

The Company changed accounting policy for investment in subsidiaries from cost method to equity method. The changes have been applied retrospectively in accordance with the transitional provisions of the revised standard. The impact to financial statements are summary as follows:

	Separate financial statements		
	As previously reported	Adjustment	As restated
	(in thousand Baht)		
Statement of financial position			
At 1 January 2016			
Investment in subsidiaries	**3,382**	**(482)**	**2,900**
Retained earnings	56,096	(429)	55,667
Other components of equity			
- Currency translation differences	-	(53)	(53)
Total equity	**56,096**	**(482)**	**55,614**
At 31 December 2016			
Investment in subsidiaries	**22,138**	**4,313**	**26,451**
Retained earnings	20,440	4,289	24,729
Other components of equity			
- Currency translation differences	-	24	24
Total equity	**20,440**	**4,313**	**24,753**

	Separate financial statements		
	As previously reported	Adjustment	As restated
	(in thousand Baht)		
Statement of other comprehensive income			
Year ended 31 December 2016			
Share of profit of subsidiaries	-	4,160	4,160
Others	-	557	557
	-	**4,717**	**4,717**
Share of other comprehensive income of subsidiaries			
Foreign currency translation differences	-	78	78
Total items that are or may be reclassified subsequently to profit or loss	-	**78**	**78**
Other comprehensive income for the year, net of tax	-	**78**	**78**
Total comprehensive income for the year	-	**4,795**	**4,795**
Basic earnings per share *(in Baht)*	-	**0.02**	**0.02**
Statement of other comprehensive income			
Year ended 31 December 2017			
Share of profit of subsidiaries	-	**9,072**	**9,072**
Share of other comprehensive income of subsidiaries			
Foreign currency translation differences	-	(59)	(59)
Total items that are or may be reclassified subsequently to profit or loss	-	**(59)**	**(59)**
Other comprehensive income for the year, net of tax	-	**(59)**	**(59)**
Total comprehensive income for the year	-	**9,013**	**9,013**
Basic earnings per share *(in Baht)*	-	**0.04**	**0.04**

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group").

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group, as describe in subsidiaries section, other than those with entities under common control.

The Group controls an entity when it 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. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity. Any cash paid for the acquisition is recognised directly in equity.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated.

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve, except to extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

Vintcom Technology Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

(c) Derivative financial instruments

Derivative financial instruments are used to manage exposure to foreign exchange arising from operational, financing and investment activities. Derivative financial instruments are not used for trading purposes.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, they are remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

(d) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(e) Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(f) Inventories

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

Cost is calculated using specific identification basis in case of goods bought for specific customers and first in first out basis is applied for goods not specifically bought for specific customers. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(g) Investments

Investments in subsidiaries

Investments in subsidiaries in the separate financial statements of the Company are accounted for using the equity method.

Interests in subsidiaries are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the separate financial statements include the Company's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(h) Equipment

Recognition and measurement

Owned assets

Equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of equipment have different useful lives, they are accounted for as separate items (major components) of equipment.

Any gains and losses on disposal of an item of equipment are determined by comparing the proceeds from disposal with the carrying amount of equipment, and are recognised in profit or loss.

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Subsequent costs

The cost of replacing a part of an item of equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of equipment. The estimated useful lives are as follows:

Spare parts	5 years
Office equipment	1 - 6 years
Furniture and fixtures	1 - 6 years
Leasehold building improvement	3 and 5 years
Vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(i) Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

Computer software	3 - 5 years
Service agreement	3 years 4 months

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss.

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(k) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

(l) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(m) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(n) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(o) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts and volume rebates.

For multiple element sales contracts that combines the sales of goods, rendering of services and subsequent services (maintenance services) in the same contract. Total arrangement consideration is allocated at the inception of the arrangement to each element based on fair value. Revenue of each component and for single contracts are recognised as the followings;

Sale of goods

Revenue from sale of goods is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Rendering of services

Contract services is recognised when the outcome of a transaction can be estimate reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The stage of completion of a transaction is determined based on the proportion that costs incurred to date bear to the estimated total costs of the transaction. When the outcome of the transaction involving the rendering of services cannot be estimate reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Maintenance service is recognised rateably over the period of contract.

Other services is recognised as services are provided.

Dividend income

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

Interest income

Interest income is recognised in profit or loss as it accrues.

(p) Finance costs

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial year of time to be prepared for its intended use or sale.

(q) Lease payments

Payments made under operating lease are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(r) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

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

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

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

(s) Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(t) Segment reporting

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly assets, liabilities, gain from business acquisition, distribution costs and administrative expenses.

5 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiaries are described in note 10 Relationship with key management and other related parties were as follows:

Name of entities	Country of incorporation / nationality	Nature of relationships
Key management personnel		
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Parent company		
Vnet Capital Co., Ltd.	Thailand	Parent of the Group 73% shareholding and common directors
Subsidiaries		
Vintcom Technology (Myanmar) Co., Ltd.	Myanmar	Subsidiary, 100% shares held by the Company
vServePlus Co., Ltd.	Thailand	Subsidiary, 51% shares held by the Company and common director
Other related parties		
Netband Consulting Co., Ltd.	Thailand	Common shareholders and common directors (until November 2017)
VST ECS (Thailand) Co., Ltd.	Thailand	Common director (until February 2017)
BCBG Co., Ltd.	Thailand	Common shareholders and common directors
NTN Solution Limited	Thailand	Common shareholder and common directors
Blue Fish Solution Co., Ltd.	Thailand	Common shareholder and common director
Copperwired Co., Ltd.	Thailand	Common shareholders and common directors

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Sale of goods and rendering of service	Price closed to market price or contractually agreed price
Gain from business acquisition	Contractually agreed price
Other income	Price closed to market price or contractually agreed price
Purchase of goods and rendering of services	Price closed to market price
Purchase of assets	Price closed to market price
Rental expense	Price closed to market price
Other expenses	Price closed to market price or contractually agreed price
Key management personnel compensation	Shareholders and/or Board of Directors approve/ employment contract

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Significant transactions for the years ended 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016 (Restate)
	(in thousand Baht)			
Parent				
Sale of goods and rendering of services	30	24	30	24
Other income	-	135	-	135
Rental expense	402	358	402	358
Other expenses	343	480	331	470
Subsidiaries				
Sale of goods and rendering of services	-	-	180	110
Purchase of goods and rendering of services	-	-	588	108
Other related parties				
Sale of goods and rendering of services	16,300	66,020	316	27,739
Gain from business acquisition	-	6,825	-	-
Other income	1,547	464	4	8
Purchase of goods and rendering of services	1,617	5,562	-	2,266
Purchase of assets	1,517	18,576	47	442
Other expenses	1,059	5,762	131	42
Key management personnel compensation	23,559	19,367	20,559	19,367

Key management personnel compensation

Key management personnel compensation include as follow;

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Short-term benefits of management	22,564	18,477	19,564	18,477
Defined benefits obligation	995	890	995	890
Total	**23,559**	**19,367**	**20,559**	**19,367**

Balances as at 31 December with related parties were as follows:

Trade and other accounts receivable - related parties

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Trade accounts receivable				
Subsidiaries				
Vintcom Technology (Myanmar) Co., Ltd.	-	-	167	-
vServePlus Co., Ltd.	-	-	-	118
Other related parties				
NTN Solution Limited	5	11	-	11
VST ECS (Thailand) Co., Ltd.	-	25,534	-	-
Netband Consulting Co., Ltd.	-	227	-	227
Total	**5**	**25,772**	**167**	**356**
Less allowance for doubtful accounts	-	-	-	-
Net	**5**	**25,772**	**167**	**356**
Unbilled trade accounts receivable				
Other related party				
VST ECS (Thailand) Co., Ltd.	**-**	**9,177**	**-**	**-**
Other receivables				
Subsidiaries				
Vintcom Technology (Myanmar) Co., Ltd.	-	-	1,307	1,361
vServePlus Co., Ltd.	-	-	-	48
Other related parties				
Blue Fish Solution Co., Ltd.	-	438	-	-
VST ECS (Thailand) Co., Ltd.	-	47	-	-
Total	**-**	**485**	**1,307**	**1,409**
Total trade and other accounts receivable	**5**	**35,434**	**1,474**	**1,765**
Bad and doubtful debts expense for the year	-	-	-	-

Trade and other accounts payable - related parties

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Trade accounts payable				
Subsidiary				
vServePlus Co., Ltd.	-	-	39	-
Other related party				
VST ECS (Thailand) Co., Ltd.	-	2,610	-	482
Total	**-**	**2,610**	**39**	**482**
Other payables				
Parent				
Vnet Capital Co., Ltd.	46	68	46	57
Subsidiary				
vServePlus Co., Ltd.	-	-	100	64

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	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Other related parties				
NTN Solution Limited	143	32	6	-
BCBG Co., Ltd.	59	36	-	14
Blue Fish Solution Co., Ltd.	4	3	4	3
VST ECS (Thailand) Co., Ltd.	-	7,660	-	205
Total	**252**	**7,799**	**156**	**343**
Total trade and other accounts payable	**252**	**10,409**	**195**	**825**

Business acquisition payable - related party

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Business acquisition payable				
Other related party				
VST ECS (Thailand) Co., Ltd.	**-**	**13,175**	**-**	**-**

Significant agreements with related parties

Sales or service agreement

Office service contracts and employee payroll services

The Company entered into the Office and Payroll Service Agreement with Vnet Capital Co., Ltd. Vnet Capital Co., Ltd. would provide related office services such as office space support services, reception services, facility services, meeting room arrangement services including payroll services, withholding tax calculation, social security calculation and filing necessary tax forms. The service fee is fixed fee amounting to Baht 45,000 per month including the agreed amount eligible for reimbursement. The agreement had starting from 1 January 2018 to 31 December 2018.

Equipment and spare parts management agreement

The Company entered into equipment and spare parts management agreement with vServePlus Co., Ltd. vServePlus Co., Ltd. would provide storage service and logistic service for equipment and spare parts as agreed. Moreover, the relating services included fire insurance and accident insurance for the equipment and spare parts. The service fee is fixed fee amounting to Baht 31,000 per month. The agreement had starting from 1 October 2017 to 30 September 2018.

Software license agreement

vServePlus Co., Ltd. entered into a software license agreement with NTN Solution Limited granting right to use NIMBUS (ERP) for operation and providing relevant support services. The service fee is fixed fee amounting to Baht 30,000 per month including relating expenses as incurred at agreed rate. The agreement's period is 1 September 2017 to 31 August 2018.

Service agreement from business acquisition

As vServePlus Co., Ltd. purchased IT service business from VST ECS (Thailand) Co., Ltd. (former name is The Value Systems Co., Ltd.) on 23 August 2016. The Company acquired transferred employees, equipment and service agreement in accordance with the Business Transfer Agreement and Service Level Agreement. VST ECS (Thailand) Co., Ltd. granted permission to vServePlus Co., Ltd. to provide services to clients and agreed to share revenue of each agreement as agreed rate. The agreement's period is 1 September 2016 to 31 July 2023.

In August 2017, VST ECS (Thailand) Co., Ltd. entered into novation agreement to certain transfer right and obligations under Business Transfer Agreement dated 23 August 2016 to VST ECS Services (Thailand) Co., Ltd. (its subsidiary).

Service Level Agreement

vServePlus Co., Ltd. entered into Service Level Agreement with VST ECS Services (Thailand) Co., Ltd. granting right to provide services to VST ECS Services (Thailand) Co., Ltd. and agreed to share revenue of each agreement as agreed rate. The agreement's period is 1 September 2017 to 31 August 2019.

Commercial guarantee service agreement

The Company entered into commercial guarantee service agreement for vServePlus Co., Ltd. by co-issuance of commercial liability guarantee with VST ECS (Thailand) Co., Ltd. to some of vServePlus Co., Ltd.'s vendors. The Company has guaranteed obligation for 51% according to the Company's 51% interests in vServePlus Co., Ltd.

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Cash on hand	172	149	21	12
Cash at banks - current accounts	249	140	122	111
Cash at banks - savings accounts	284,111	73,695	238,225	64,189
Cash at banks - fixed deposit 3 months	4	4	4	4
Cheques on hand	97	16,288	97	16,288
Cash and cash equivalents in the statement of financial position and statement of cash flows	**284,633**	**90,276**	**238,469**	**80,604**

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7 Restricted deposits with financial institutions

As at 31 December 2017, savings accounts and fixed deposit in the consolidated and separate financial statements amounting to Baht 4.60 million *(2016: Baht 4.86 million)* are pledged at banks due to the Company's bank overdraft, commitment and contingent liabilities.

8 Trade and other accounts receivable

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
			(in thousand Baht)		
Trade accounts receivable					
Related parties	*5*	5	25,772	167	356
Other parties		257,736	197,111	185,732	184,964
Total		**257,741**	**222,883**	**185,899**	**185,320**
Less allowance for doubtful accounts		(471)	(161)	-	(161)
Net		**257,270**	**222,722**	**185,899**	**185,159**
Unbilled trade accounts receivable					
Related parties	*5*	-	9,177	-	-
Other parties		24,019	20,416	3,308	7,396
Total		**24,019**	**29,593**	**3,308**	**7,396**
Other receivables					
Related parties	*5*	-	485	1,307	1,409
Other parties		80,831	74,121	75,277	70,064
Total		**80,831**	**74,606**	**76,584**	**71,473**
Total trade and other accounts receivable		**362,120**	**326,921**	**265,791**	**264,028**
Bad and doubtful debts expense for the year		**471**	**-**	**-**	**-**

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(in thousand Baht)		
Related parties				
Within credit terms	5	21,663	-	129
Overdue:				
Less than 3 months	-	4,109	-	227
3 - 6 months	-	-	-	-
6 - 12 months	-	-	167	-
Over 12 months	-	-	-	-
Total	**5**	**25,772**	**167**	**356**
Less allowance for doubtful accounts	-	-	-	-
Net	**5**	**25,772**	**167**	**356**

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Other parties				
Within credit terms	216,517	162,418	164,517	154,402
Overdue:				
Less than 3 months	39,412	34,532	21,215	30,401
3 - 6 months	1,531	-	-	-
6 - 12 months	276	-	-	-
Over 12 months	-	161	-	161
Total	**257,736**	**197,111**	**185,732**	**184,964**
Less allowance for doubtful accounts	(471)	(161)	-	(161)
Net	**257,265**	**196,950**	**185,732**	**184,803**
Total	**257,270**	**222,722**	**185,899**	**185,159**

The normal credit term granted by the Group ranges from 30 days to 90 days.

Other receivables include as follow;

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Prepaid sales and services cost	70,538	65,037	68,883	64,389
Input value added tax suspense and Revenue Department receivable	3,098	464	2,265	375
Prepaid expense	2,672	1,587	2,241	792
Advance payment	1,988	2,824	1,835	1,708
Others	2,535	4,694	1,360	4,209
Total	**80,831**	**74,606**	**76,584**	**71,473**

9 Inventories

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		(in thousand Baht)			
Finished goods		31,700	34,265	29,578	33,674
Work in progress		10,745	-	10,745	-
Spare parts		905	930	905	930
Total		**43,350**	**35,195**	**41,228**	**34,604**
Less allowance for declining in value		(1,168)	(1,005)	(1,168)	(1,005)
Net		**42,182**	**34,190**	**40,060**	**33,599**
Inventories recognised as an expense in 'cost of sale of goods and rendering of services':					
- Cost of sale of goods	*23*	1,048,254	642,526	912,806	642,418
- (Reversal of) write-down to net realisable value		163	(486)	163	(486)
Net		**1,048,417**	**642,040**	**912,969**	**641,932**

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10 Investments in subsidiaries

	Note	Separate financial statements	
		2017	2016 (Restated)
		(in thousand Baht)	
At 1 January	*3*	26,451	2,900
Share of net profits	*3*	9,072	4,160
Other component of equity - exchange differences on translating financial statement		(59)	78
Acquisitions		6,774	21,288
Disposals		-	(1,975)
At 31 December		**42,238**	**26,451**

From 1 January 2017, the Company has applied TAS 27 (revised 2016) *Separate Financial Statements*. The Company changed accounting policy on investment in subsidiaries from cost method to equity method. The impact of change was disclosed in note 3.

During the year ended 31 December 2017 there were the following acquisitions of investments in subsidiaries:

Acquisitions

On 27 March 2017, the Company made an additional investments in Vintcom Technology (Myanmar) Co., Ltd., incorporated in Myanmar, for a consideration of Baht 3.46 million. There was no change in the percentage of ownership.

On 14 November 2017, the Company made an additional investments in Vintcom Technology (Myanmar) Co., Ltd., incorporated in Myanmar, for a consideration of Baht 3.31 million. There was no change in the percentage of ownership.

During the year ended 31 December 2016 there were the following acquisitions and disposal of investments in subsidiaries:

Acquisitions

On 23 August 2016, the Company made a new investment in 51% of the issued and paid up capital of vServePlus Co., Ltd., incorporated in Thailand, for a consideration of Baht 20.40 million.

On 25 November 2016, the Company made an additional investments in Vintcom Technology (Myanmar) Co., Ltd., incorporated in Myanmar, for a consideration of Baht 0.89 million. There was no change in the percentage of ownership.

Disposal

On 31 August 2016, the Company sold all of its 100% of interests in the issued and paid up capital of Vintcom Technology (Singapore) Pte. Ltd., a subsidiary of the Company to related party, for a consideration of Baht 2.12 million. The Group and the Company recognised a gain on the sales of Baht 0.14 million in the statement of comprehensive income for the year ended 31 December 2016. However, there was no material impact from excluding such subsidiary's financial statement for preparing the consolidated financial statement for the year ended 31 December 2016.

Investments in subsidiaries as at 31 December 2017 and 2016 were as follows:

Subsidiaries	Type of business	Ownership interest		Paid-up capital		Separate financial statements: Cost		Equity		Impairment		At equity - net	
		2017	2016	2017	2016	2017	2016	2017	2016 (Restated)	2017	2016	2017	2016 (Restated)
		(%)						*(in thousand Baht)*					
Vintcom Technology (Myanmar) Co., Ltd.	Providing installation service, consulting service and computer system maintenance service	100	100	8,512	1,738	8,512	1,738	2,233	-	-	-	2,233	-
vServePlus Co., Ltd.	Providing installation service, consulting service and computer system maintenance	51	51	40,000	40,000	20,400	20,400	40,005	26,451	-	-	40,005	26,451
Total						**28,912**	**22,138**	**42,238**	**26,451**	**-**	**-**	**42,238**	**26,451**

There were no dividend income from those investments for 2017 and 2016.

11 Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiary that has a material non-controlling interest, before any intra-group eliminations:

	31 December 2017			31 December 2016		
	vServePlus Co., Ltd.	Intra-group elimination	**Total**	vServePlus Co., Ltd.	Intra-group elimination	**Total**
			(in thousand Baht)			
Non-controlling interest percentage	49%			49%		
Current assets	142,757			73,777		
Non-current assets	27,256			27,268		
Current liabilities	(74,796)			(34,167)		
Non-current liabilities	(16,471)			(15,013)		
Net assets	**78,746**			**51,865**		
Carrying amount of non-controlling interest	38,586	-	**38,586**	25,413	-	**25,413**
Revenue	366,420			73,767		
Profit	26,882			11,864		
Other comprehensive income	-			-		
Total comprehensive income	**26,882**			**11,864**		
Profit allocated to non-controlling interest	13,172	-	**13,172**	5,813	-	**5,813**
Other comprehensive income allocated to non-controlling interest	-	-	-	-	-	-
Cash flows from operating activities	41,092			(24,898)		
Cash flows from investing activities	(7,251)			(6,072)		
Cash flows from financing activities (dividends to non-controlling interest: nil)	(11)			40,000		
Net increase in cash and cash equivalents	**33,830**			**9,030**		

VINTCOM TECHNOLOGY PUBLIC COMPANY LIMITED

12 Equipment

	Consolidated financial statements					
	Office equipment	Spare parts	Furniture and fixtures	Leasehold building improvement	Vehicles	Total
			(in thousand Baht)			
Cost						
At 1 January 2016	22,317	4,434	909	608	3,140	31,408
Additions	5,124	2,115	1,550	2,140	-	10,929
Acquisitions through business combinations	2,125	-	4,263	7,548	-	13,936
Disposals	(2,329)	(52)	(35)	-	-	(2,416)
At 31 December 2016 and 1 January 2017	**27,237**	**6,497**	**6,687**	**10,296**	**3,140**	**53,857**
Additions	4,045	1,988	242	-	2,440	8,715
Disposals	(15)	-	(27)	(76)	(770)	(888)
At 31 December 2017	**31,267**	**8,485**	**6,902**	**10,220**	**4,810**	**61,684**
Depreciation						
At 1 January 2016	16,123	-	777	46	489	17,435
Depreciation charge for the year	3,182	1,688	413	789	468	6,540
Disposals	(2,290)	(3)	(35)	-	-	(2,328)
At 31 December 2016 and 1 January 2017	**17,015**	**1,685**	**1,155**	**835**	**957**	**21,647**
Depreciation charge for the year	3,508	1,533	1,289	2,124	691	9,145
Disposals	(15)	-	(17)	-	(24)	(56)
At 31 December 2017	**20,508**	**3,218**	**2,427**	**2,959**	**1,624**	**30,736**
Net book value						
At 1 January 2016						
Owned assets	6,194	4,434	132	562	-	11,322
Assets under finance leases	-	-	-	-	2,651	2,651
	6,194	**4,434**	**132**	**562**	**2,651**	**13,973**
At 31 December 2016 and 1 January 2017						
Owned assets	10,069	4,812	5,532	9,461	-	29,874
Assets under finance leases	153	-	-	-	2,183	2,336
	10,222	**4,812**	**5,532**	**9,461**	**2,183**	**32,210**
At 31 December 2017						
Owned assets	10,638	5,267	4,475	7,261	-	27,641
Assets under finance leases	121	-	-	-	3,186	3,307
	10,759	**5,267**	**4,475**	**7,261**	**3,186**	**30,948**

The gross amount of the Group's fully depreciated equipment that was still in use as at 31 December 2017 amounted to Baht 14.63 million *(2016: Baht 13.70 million)*.

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	Separate financial statements					
	Office equipment	Spare parts	Furniture and fixtures	Leasehold building improvement	Vehicles	Total
			(in thousand Baht)			
Cost						
At 1 January 2016	22,317	4,434	909	608	3,140	31,408
Additions	3,207	2,115	99	-	-	5,421
Disposals	(2,329)	(52)	(35)	-	-	(2,416)
At 31 December 2016 and 1 January 2017	**23,195**	**6,497**	**973**	**608**	**3,140**	**34,413**
Additions	2,431	1,988	36	-	-	4,455
Disposals	(15)	-	(17)	-	-	(32)
At 31 December 2017	**25,611**	**8,485**	**992**	**608**	**3,140**	**38,836**
Depreciation						
At 1 January 2016	16,123	-	777	46	489	17,435
Depreciation charge for the year	2,878	1,688	50	198	468	5,282
Disposals	(2,290)	(3)	(35)	-	-	(2,328)
At 31 December 2016 and 1 January 2017	**16,711**	**1,685**	**792**	**244**	**957**	**20,389**
Depreciation charge for the year	2,193	1,533	57	198	468	4,449
Disposals	(15)	-	(17)	-	-	(32)
At 31 December 2017	**18,889**	**3,218**	**832**	**442**	**1,425**	**24,806**
Net book value						
At 1 January 2016						
Owned assets	6,194	4,434	132	562	-	11,322
Assets under finance leases	-	-	-	-	2,651	2,651
	6,194	**4,434**	**132**	**562**	**2,651**	**13,973**
At 31 December 2016 and 1 January 2017						
Owned assets	6,331	4,812	181	364	-	11,688
Assets under finance leases	153	-	-	-	2,183	2,336
	6,484	**4,812**	**181**	**364**	**2,183**	**14,024**
At 31 December 2017						
Owned assets	6,601	5,267	160	166	-	12,194
Assets under finance leases	121	-	-	-	1,715	1,836
	6,722	**5,267**	**160**	**166**	**1,715**	**14,030**

The gross amount of the Company's fully depreciated equipment that was still in use as at 31 December 2017 amounted to Baht 14.36 million *(2016: Baht 13.64 million)*.

13 Intangible assets

	Consolidated financial statements			Separate financial statements
	Computer software	Service agreement	Total	Computer software
	(in thousand Baht)			
Cost				
At 1 January 2016	5,907	-	5,907	5,907
Additions	913	-	913	145
Acquisitions through business combinations	-	6,109	6,109	-
At 31 December 2016 and 1 January 2017	**6,820**	**6,109**	**12,929**	**6,052**
Additions	695	-	695	82
At 31 December 2017	**7,515**	**6,109**	**13,624**	**6,134**
Amortisation				
At 1 January 2016	5,505	-	5,505	5,505
Amortisation for the year	146	611	757	135
At 31 December 2016 and 1 January 2017	**5,651**	**611**	**6,262**	**5,640**
Amortisation for the year	327	1,833	2,160	138
At 31 December 2017	**5,978**	**2,444**	**8,422**	**5,778**
Net book value				
At 1 January 2016	**402**	**-**	**402**	**402**
At 31 December 2016 and 1 January 2017	**1,169**	**5,498**	**6,667**	**412**
At 31 December 2017	**1,537**	**3,665**	**5,202**	**356**

Service agreement above is assets from business combination. On 23 August 2016, the subsidiary entered into the business transfer agreement for acquiring IT services business from a company in Thailand.

14 Deferred tax

Deferred tax assets and liabilities as at 31 December were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2017	2016	2017	2016
	(in thousand Baht)			
Total	8,328	7,742	(956)	(1,447)
Set off of tax	(429)	(98)	429	98
Net deferred tax assets (liabilities)	**7,899**	**7,644**	**(527)**	**(1,349)**

	Separate financial statements			
	Assets		Liabilities	
	2017	2016	2017	2016
	(in thousand Baht)			
Total	7,899	7,644	-	-
Set off of tax	-	-	-	-
Net deferred tax assets (liabilities)	**7,899**	**7,644**	**-**	**-**

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

	Consolidated financial statements			
		(Charged) / Credited to:		
	At 1 January 2017	Profit or loss	Other comprehensive income	At 31 December 2017
		(in thousand Baht)		
Deferred tax assets				
Trade accounts receivable	32	(32)	-	-
Inventories	201	33	-	234
Provisions	1,740	652	2	2,394
Unearned income	5,769	(69)	-	5,700
Total	**7,742**	**584**	**2**	**8,328**
Deferred tax liabilities				
Intangible assets	(1,100)	367	-	(733)
Deferred interest expenses	(347)	124	-	(223)
Total	**(1,447)**	**491**	**-**	**(956)**
Net	**6,295**	**1,075**	**2**	**7,372**

	Consolidated financial statements				
			(Charged) / Credited to:		
	At 1 January 2016	Acquired in business combination	Profit or loss	Other comprehensive income	At 31 December 2016
			(in thousand Baht)		
Deferred tax assets					
Trade accounts receivable	32	-	-	-	32
Inventories	298	-	(97)	-	201
Provisions	1,380	-	360	-	1,740
Unearned income	7,439	-	(1,670)	-	5,769
Total	**9,149**	**-**	**(1,407)**	**-**	**7,742**
Deferred tax liabilities					
Intangible assets	-	(1,221)	121	-	(1,100)
Deferred interest expenses	-	-	(347)	-	(347)
Total	**-**	**(1,221)**	**(226)**	**-**	**(1,447)**
Net	**9,149**	**(1,221)**	**(1,633)**	**-**	**6,295**

	At 1 January 2017	Separate financial statements (Charged) / Credited to: Profit or loss	Other comprehensive income	At 31 December 2017
		(in thousand Baht)		
Deferred tax assets				
Trade accounts receivable	32	(32)	-	-
Inventories	201	33	-	234
Provisions	1,642	321	2	1,965
Unearned income	5,769	(69)	-	5,700
Total	**7,644**	**253**	**2**	**7,899**

	At 1 January 2016	Separate financial statements (Charged) / Credited to: Profit or loss	Other comprehensive income	At 31 December 2016
		(in thousand Baht)		
Deferred tax assets				
Trade accounts receivable	32	-	-	32
Inventories	298	(97)	-	201
Provisions	1,380	262	-	1,642
Unearned income	7,439	(1,670)	-	5,769
Total	**9,149**	**(1,505)**	**-**	**7,644**

15 Trade and other accounts payable

	Note	Consolidated financial statements 2017	Consolidated financial statements 2016	Separate financial statements 2017	Separate financial statements 2016
			(in thousand Baht)		
Trade accounts payable					
Related parties	5	-	2,610	39	482
Other parties		119,374	163,358	90,598	161,979
Total trade accounts payable		**119,374**	**165,968**	**90,637**	**162,461**
Other payables					
Related parties	5	252	7,799	156	343
Other parties		209,274	149,191	163,347	127,521
Total other payables		**209,526**	**156,990**	**163,503**	**127,864**
Total trade and other accounts payable		**328,900**	**322,958**	**254,140**	**290,325**

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Other payables include as follow:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Unearned income	86,917	71,249	73,331	67,190
Accrued expenses	86,303	61,152	63,567	47,441
Deposits and advances received	14,042	4,227	12,868	3,726
Revenue Department payable	10,541	3,728	9,764	3,247
Others	11,723	16,634	3,973	6,260
Total	**209,526**	**156,990**	**163,503**	**127,864**

16 Non-current provisions for employee benefits

The Group/Company operate a defined benefit pension plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose the Group/Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

The statement of financial position obligation was determined as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Present value of unfunded obligations	**11,972**	**8,700**	**9,827**	**8,211**

Movement in the present value of the defined benefit obligations.

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		(in thousand Baht)			
At 1 January		8,700	6,902	8,211	6,902
Include in profit or loss:	*21*				
Current service cost		3,043	1,589	1,398	1,100
Interest on obligation		220	209	209	209
		3,263	**1,798**	**1,607**	**1,309**
Included in other comprehensive income					
Actuarial losses		**9**	**-**	**9**	**-**
At 31 December		**11,972**	**8,700**	**9,827**	**8,211**

Actuarial gains and losses recognised in other comprehensive income arising from:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Demographic assumptions	177	-	177	-
Financial assumptions	(881)	-	(881)	-
Experience adjustment	713	-	713	-
Total	**9**	**-**	**9**	**-**

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(%)		
Discount rate	2.16 - 2.55	2.16 - 3.03	2.55	3.03
Future salary growth	5.50 - 6.00	5.00 - 5.50	6.00	5.00
Employee turnover rate	0 - 34	0 - 34	0 - 31	0 - 30

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2017, the weighted-average duration of the defined benefit obligation for the Group was 25.32 - 26.22 years *(2016: 24.69 - 27.22 years)* and for the Company was 25.32 years *(2016: 24.69 years)*.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
	(in thousand Baht)			
At 31 December 2017				
Discount rate (1% movement)	(928)	1,068	(736)	843
Future salary growth (1% movement)	1,039	(923)	804	(719)
Employee turnover rate (1% movement)	(994)	311	(788)	227
Future mortality (1 year movement)	85	(84)	65	(65)
At 31 December 2016				
Discount rate (1% movement)	(718)	820	(672)	766
Future salary growth (1% movement)	792	(709)	742	(665)
Future mortality (1 year movement)	64	(63)	59	(59)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

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17 Share capital

	Par value per share (in Baht)	2017 Number	2017 Amount	2016 Number	2016 Amount
		(thousand shares / thousand Baht)			
Authorised					
At 1 January					
- ordinary shares	10	-	-	11,000	110,000
- ordinary shares	0.5	280,000	140,000	-	-
Reduction in par value					
- from Baht 10 to Baht 0.5	0.5	-	-	209,000	-
Decrease of shares	0.5	(60,000)	(30,000)	-	-
Increase of new shares	0.5	80,000	40,000	60,000	30,000
At 31 December					
- ordinary shares	0.5	**300,000**	**150,000**	**280,000**	**140,000**
Issued and paid-up					
At 1 January					
- ordinary shares	10	-	-	11,000	110,000
- ordinary shares	0.5	220,000	110,000	-	-
Reduction in par value					
- from Baht 10 to Baht 0.5	0.5	-	-	209,000	-
Increase of new shares	0.5	80,000	40,000	-	-
At 31 December					
- ordinary shares	0.5	**300,000**	**150,000**	**220,000**	**110,000**

Shareholders of ordinary shares will be entitled for dividends from dividend payment and have one voting right per one share in the Company's meeting.

Initial public offering

In December 2017, the Company made an initial public offering of 80.0 million common shares. The new shares were sold to the subscribers at Baht 2.88 per share (Baht 0.5 paid in capital and Baht 2.38 share premium). Totalling cash received from selling share capital is Baht 230.40 million divided into paid-up share capital Baht 40 million and premium on share Baht 190.40 million. The Company registered the increase in paid-up share capital with the Ministry of Commerce on 18 December 2017 and the shares of the Company began trading in the Market for Alternative Investment (MAI) on 21 December 2017. Directly attributable expenses of the initial public offering amounting to Baht 7.95 million were deducted from the premium on share capital received from new investors.

Decreasing and increasing of authorised share capital

On 28 April 2017, the annual general meeting of shareholders approved on the followings:

1. Approval for authorised share capital decrease amount of Baht 30 million by cancelling 60 million ordinary shares but unissued shares of the Company with a par value of Baht 0.50 per share and registered with the Ministry of Commerce on 3 May 2017. The authorised share capital is Baht 110 million.
2. Approval for authorised share capital increase amount of Baht 40 million comprised 80 million ordinary shares with a par value of Baht 0.50 per share and registered with the Ministry of Commerce on 4 May 2017. Total authorised share capital is Baht 150 million which the Company called for payment of such capital increase in December.

Changes in par value and additional authorised share capital

On 18 April 2016, the annual general meeting of shareholders approved on the followings:

1. Reduction in par value of ordinary shares from Baht 10 to Baht 0.5 and registered with the Ministry of Commerce on 29 April 2016;
2. Approval for authorised share capital increase amount of Baht 30 million comprised 60 million ordinary shares with a par value of Baht 0.50 per share and registered with the Ministry of Commerce on 29 April 2016. Total authorised share capital is Baht 140 million which the Company did not call for payment of such capital increase.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

18 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve
Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Other components of equity

Currency translation differences
The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Movements in reserves
Movements in reserves are shown in the statements of changes in equity.

19 Segment information

The Group/Company has two reportable segments, as described below, which are the Group/Company's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group/Company's reportable segments.

Segment 1	Sale of goods
Segment 2	Rendering of services

Information regarding the results of each reportable segment is included below. Performance is measured based on segment gross profit, as included in the internal management reports that are reviewed by the Group's CODM. Segment gross profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information about reportable segments

	Consolidated financial statements					
	Segment 1		Segment 2		Total reportable segments	
	2017	2016	2017	2016	2017	2016
	(in thousand Baht)					
External revenue	1,145,786	711,841	396,785	225,652	1,542,571	937,493
Gross profit	95,565	67,646	149,203	76,691	244,768	144,337

	Separate financial statements					
	Segment 1		Segment 2		Total reportable segments	
	2017	2016	2017	2016	2017	2016
	(in thousand Baht)					
External revenue	990,897	711,841	190,511	159,406	1,181,408	871,247
Gross profit	75,759	67,646	53,418	44,787	129,177	112,433

Reconciliations of reportable segment revenues, profit or loss

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016 (Restated)
	(in thousand Baht)			
Profit or loss				
Gross profit for reportable segments	244,768	144,337	129,177	122,433
Unallocated amounts:				
- Gain from business acquisition	-	6,825	-	-
- Other income	11,656	4,555	6,943	4,077
- Distribution costs	(34,632)	(25,845)	(24,173)	(21,548)
- Administrative expenses	(136,012)	(71,757)	(56,600)	(48,455)
- Finance costs	(1,571)	(407)	(936)	(206)
- Share of profit of investments in subsidiaries	-	-	9,072	4,160
Profit before income tax	**84,209**	**57,708**	**63,483**	**50,461**
Unallocated assets	**768,835**	**525,157**	**639,018**	**451,026**
Unallocated liabilities	**360,281**	**353,140**	**269,050**	**304,111**

Geographical segments

Segments 1 and 2 are operated facilities and sales offices in Thailand, Myanmar and Cambodia.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

Geographical information

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Thailand	1,176,112	930,284	828,679	864,038
Myanmar	326,839	6,070	326,718	6,070
Other countries	39,620	1,139	26,011	1,139
Total	**1,542,571**	**937,493**	**1,181,408**	**871,247**

Major customer

Revenues from two customers of the Group's and the Company's 1 and 2 segments represents approximately Baht 289 million and Baht 206 million, respectively, *(2016: Baht 109.37 million and Baht 83.99 million, respectively)* of the Group's and the Company's total revenues.

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20 Distribution costs

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Personnel expenses	25,118	18,217	17,674	15,261
Sale promotion expenses	7,887	6,366	5,933	6,287
Others	1,627	1,262	566	-
Total	**34,632**	**25,845**	**24,173**	**21,548**

21 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016 (Restated)
	(in thousand Baht)			
Personnel expenses	83,975	43,068	36,477	30,528
Office and equipment rental and office service	13,424	5,544	2,593	2,094
Depreciation and amortisation	7,927	4,999	3,053	3,729
Training and seminar expenses	7,396	3,394	6,348	3,167
Professional and consulting fees	6,312	7,076	3,689	4,770
Utilities expense	4,141	1,719	301	341
Others	12,837	5,958	4,139	3,826
Total	**136,012**	**71,758**	**56,600**	**48,455**

22 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Salaries, wages, overtime and bonus	126,279	66,873	50,064	45,316
Commission fee	10,683	4,875	6,837	4,010
Defined benefit plans	3,263	1,798	1,607	1,309
Provident fund	2,417	1,158	1,000	726
Others	10,664	5,160	3,734	3,831
Total	**153,306**	**79,864**	**63,242**	**55,192**

Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 15% of their basic salaries and by the Group at rates ranging from 3% to 5% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed Fund Managers.

23 Expenses by nature

	Note	Consolidated financial statements 2017	Consolidated financial statements 2016	Separate financial statements 2017	Separate financial statements 2016 (Restated)
			(in thousand Baht)		
Changes in inventories of finished goods	*9*	(8,155)	(13,345)	14,867	(12,754)
Purchase of goods	*9*	1,056,409	655,871	897,939	655,172
Changes in prepaid service cost		(4,684)	9,265	(4,684)	9,265
Purchase of services		205,640	120,506	132,687	95,950
Employee benefit expenses	*22*	153,306	79,864	63,242	55,192
Professional and consulting fees		6,878	7,076	4,255	4,770
Depreciation and amortisation	*12, 13*	11,305	7,298	4,586	5,417
Sale promotion expenses	*20*	7,887	6,366	5,933	6,287
Office and equipment rental and service		13,654	5,999	3,186	2,657
Training and seminar expenses	*21*	7,396	3,394	6,348	3,167
Utilities expense	*21*	4,141	1,719	301	341
Others		14,669	6,745	4,344	3,353
Total cost of sale of goods and rendering of services, distribution costs and administrative expenses		**1,468,446**	**890,758**	**1,133,004**	**828,817**

24 Income tax expense

Income tax recognised in profit or loss

	Note	Consolidated financial statements 2017	Consolidated financial statements 2016	Separate financial statements 2017	Separate financial statements 2016
			(in thousand Baht)		
Current tax expense		17,787	9,649	9,723	8,032
Deferred tax expense	*14*	(1,077)	1,633	(255)	1,505
Total		**16,710**	**11,282**	**9,468**	**9,537**
Income tax recognised in other comprehensive income					
Tax (expense) benefit					
Defined benefit plan actuarial losses	*14*	**2**	**-**	**2**	**-**

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Reconciliation of effective tax rate

	Consolidated financial statements			
	2017		2016	
	Rate (%)	*(in thousand Baht)*	*Rate (%)*	*(in thousand Baht)*
Profit before income tax expense		84,209		57,708
Income tax using the Thai corporation tax rate	20	16,841	20	11,542
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit, net and others		(131)		(260)
Total	**20**	**16,710**	**20**	**11,282**

	Separate financial statements			
	2017		2016 (Restated)	
	Rate (%)	*(in thousand Baht)*	*Rate (%)*	*(in thousand Baht)*
Profit before income tax expense		63,483		50,461
Income tax using the Thai corporation tax rate	20	12,697	20	10,092
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit, net and others		(3,229)		(555)
Total	**15**	**9,468**	**21**	**9,537**

Income tax reduction

Revenue Code Amendment Act No. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

25 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2017 and 2016 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016 (Restated)
	(in thousand Baht / thousand shares)			
Profit attributable to ordinary shareholders of the Company (basic)	**54,327**	**40,612**	**54,015**	**40,924**
Number of ordinary shares outstanding at 1 January	220,000	220,000	220,000	220,000
- Effect of reduction in par value				
Effect of shares issued on 18 December 2017	3,068	-	3,068	-
Number of ordinary shares outstanding (basic)	**223,068**	**220,000**	**223,068**	**220,000**
Basic earnings per share *(in Baht)*	**0.24**	**0.18**	**0.24**	**0.19**

26 Dividends

At the annual general meeting of the shareholders of the Company held on 28 April 2017, the directors approved the appropriation of dividend of Satang 8.25 per share, amounting to Baht 18.15 million. The dividend was paid to shareholders during 2017.

At the extraordinary general meeting of the shareholders of the Company held on 6 October 2017, the directors approved the appropriation of interim dividend of Satang 16.00 per share, amounting to Baht 35.20 million. The dividend was paid to shareholders during 2017.

At the meeting of the board of directors of the Company held on 22 March 2016, the directors approved the appropriation of interim dividend of Baht 3.30 per share, amounting to Baht 36.30 million. The dividend was paid to shareholders during 2016.

At the meeting of the board of directors of the Company held on 12 July 2016, the directors approved the appropriation of interim dividend of Satang 15.00 per share, amounting to Baht 33.00 million. The dividend was paid to shareholders during 2016.

27 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies for the subsequent period.

At 31 December, the Group was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
United States Dollars				
Cash and cash equivalents	6,644	4,363	3,355	3,730
Trade and other accounts receivable	2,517	-	2,684	1,262
Trade and other accounts payable	(52,493)	(7,663)	(39,466)	(7,663)
Gross balance sheet exposure	**(43,332)**	**(3,300)**	**(33,427)**	**(2,671)**
Currency forwards, net	-	464	-	464
Net exposure liabilities	**(43,332)**	**(2,836)**	**(33,427)**	**(2,207)**

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Carrying amount and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Consolidated/ Separate financial statements				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
			(in thousand Baht)		
31 December 2017					
Financial liabilities measured at fair value					
Foreign currency forward contracts (United States Dollars)	-	-	-	-	-
31 December 2016					
Financial liabilities measured at fair value					
Foreign currency forward contracts (United States Dollars)	464	-	464	-	464

Measurement of fair values

Valuation technique

The following table show the valuation technique used in measuring level 2

Type	Valuation technique
Foreign currency forward contracts	*Market comparison technique*: The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.

Financial instruments not measured at fair value

Type	Valuation technique
Finance lease liabilities	Compared with interest fair value.
Business acquisition payable	Using interest risk which for adjusting credit risk as a discount rate.

28 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(in thousand Baht)		
Future minimum lease payments under non-cancellable operating leases				
Within one year	11,322	12,595	1,739	2,087
After one year but within five years	11,421	20,084	-	1,739
Total	**22,743**	**32,679**	**1,739**	**3,826**

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	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Other commitments				
Purchase orders for goods and services	4,375	3,916	4,375	3,913
Bank guarantees	2,602	3,630	2,602	3,630
Other agreements	2,968	4,817	200	2,700
Total	**9,945**	**12,363**	**7,177**	**10,243**

Rental and service agreement

The Group entered into office rental agreement, service agreement and warehouse rental agreements. These agreements have maturity period 1 to 3 years which will expire within 2018 to 2021.

29 Contingent liabilities

In 2011, the Company was sued at the Civil Court by another company on tort claim requesting for damage recovery of Baht 120.12 million and in 2012, by the same company at the Criminal Court for a criminal action on the same ground.

In 2013, the Company against that company on offense of taking false information for criminal case, and claimed of greater amount of damage recovery than the amount sued for by the company. The Criminal Court and Civil Court issued a temporary order to suspend the case awaiting result of the criminal case taken against the Company which is now pending at hearing process at the Criminal Court.

In 2016, the Criminal Court had order to dismiss the criminal case of which the Company was sued.

On 27 January 2017, the prosecutor had appealed, and the Company had cross-appealed on 16 May 2017. Currently, the case is at appeal court.

As at 31 December 2017 and 2016, the Company has not set aside any provisions for the damage recovery claim because the management believes that the Company did not commit any wrongful action as lawyer's opinion.