

**MOVING
FORWARD
TO THE**

2

nd

DECADE

ANNUAL
REPORT **2015**



Excellent Experience





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 **VISION**

“With Innovation, Competency, Integrity and Happiness of our People, Symphony’s heart is always strong and lively.”



MISSION

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

▶ Message to Shareholders



Kranphol Asawasuwan

Chairman of the
Executive Committee

Woodtipong Moleechad

Chairman of the Board

Teerarat Pantarasutra

President

Moving forward to the second decade. Showing a testimonial of success that we take pride in our insightful vision to lay a foundation for business growth and take part to national telecommunication business development by providing telecommunication infrastructure services, a key fundamental for seamless communication. Symphony has moved another step ahead to be Thailand's first private operator to build submarine cable network system. This marks another key milestone in telecommunication infrastructure development that put the country on par with international peers.

Dear Shareholders,

The journey in telecommunication business of Symphony Communication Public Company Limited is moving forward to the second decade. Showing a testimonial of success that we take pride in our insightful vision since inception to lay a foundation for business growth and take part to national telecommunication business development by providing telecommunication infrastructure services, a key fundamental for seamless communication that supports continuous growth for the Company.

Amidst the Digital Economy trends and the establishment of ASEAN Economic Community (AEC) in 2016, the Company moves another step ahead from a terrestrial domestic network player with gateways to connect international telecommunication networks via neighboring countries. The Company is now Thailand's first private operator to build submarine cable network system. This marks another key milestone in telecommunication infrastructure development that put the country on par with international peers.

The Company put endless efforts on continuous improvement of service quality and standard while maintain reasonable pricing as we believe in the power of free and fair competition and thus avoiding monopolization. We promise to play our part to mobilize market mechanism which push telecommunication market to highly efficient service with competitive price. This will create equality access to information technologies.

Apart from developing telecommunication networks, we strongly believe that developing our people or our employees is equally important. As employees are the most important asset of the company. We develop and coach our employees through the occupational training together with ethic which will definitely push forward growth and sustainability to the company in this fast changing world.

All along past 10 years, Board of Directors and Executive Committee have shown the determination to grow the business together with the good governance, integrity, transparency and compliance to laws and regulations, in order to achieve the sustainable growth.

On behalf of the Board of Directors of Symphony Communication Public Company Limited, we would like to express our sincere thanks to all stakeholders for your trust and strong support. We believe that what we have done and our investment is aimed to support future growth as telecommunication has become a basic need in daily life with growing demand trend which considered as a positive factor to support business sustainability.

Corporate Social Responsibility

Symphony Communication Public Company Limited has an important objective to build the Company into an effective organization with excellent management, steering the Company towards stable and sustained growth. Symphony is committed to being an organization with corporate social responsibility, integrity, respect for and compliance with the laws, transparency, accountability, and concern for all stakeholders, for the long-term success of the Company.

CSR-in-process

Operating the business with righteousness

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

Responsibility to all stakeholder groups

The Company gives importance to all stakeholder groups as it recognizes that supports from all stakeholder groups contribute to the Company's competitiveness, which is a key to the Company's long-term success. The Company has formulated the Code of Conduct as part of its corporate governance policy for all employees and executives to strictly follow in order to take care of all stakeholder groups, whether internal stakeholders such as the Company's employees and executives or external stakeholders such as customers, business partners, competitors, creditors, the government, communities and the environment, and other related organizations. The Code of Conduct is announced on the Company's website <http://www.symphony.net.th/csr/conduct.aspx>

Anti-corruption

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

Responsibility to communities, society and the environment

The Company's provides public service to people, thus being an inseparable part of society. Therefore, the Company gives importance to preserving the environment, efficiently use natural resources and energy as well as giving support for social development.

In the past year, the Company continued to support the work of various foundations and organizations in improving society.



Sharing our smiles to underprivileged children with MEA

Symphony Communication Plc., in collaboration with Metropolitan Electricity Authority (MEA), Bangkok-Lat Krabang Districts, donated necessary learning equipment such as chairs, tables, fans, clothes, bicycles and toys to the students of Ban Huay Sai School in Phetchabun province in order to support and make the opportunity for their community and environment. The event was filled with joy, happiness and hearty smiles of both givers and receivers.

Symphony with Mahidol University built a weir

Symphony Communication Plc. and the Faculty of Information and Communication Technology (ICT) of Mahidol University built a weir to slow water level for soaking the jungle in accordance with the campaign ICT Junior Camp #7 and the project of do good things for our King. This was taken place at Mahidol University Kanchanaburi Campus.



Princess Galyani Vadhana Teacher 2015 Award Presentation

On behalf of the company, Mr. Teerarat Pan-tarasutra, President of Symphony Communication Plc., presented honorable Princess Galyani Vadhana Teacher 2015 awards to 9 outstanding teachers who have dedicated themselves and their own happiness for underprivileged children in remote areas. The award presentation ceremony was held at PMMV Building. Symphony Communication Plc. has been deeply proud to have continuously supported outstanding teachers for four consecutive years.

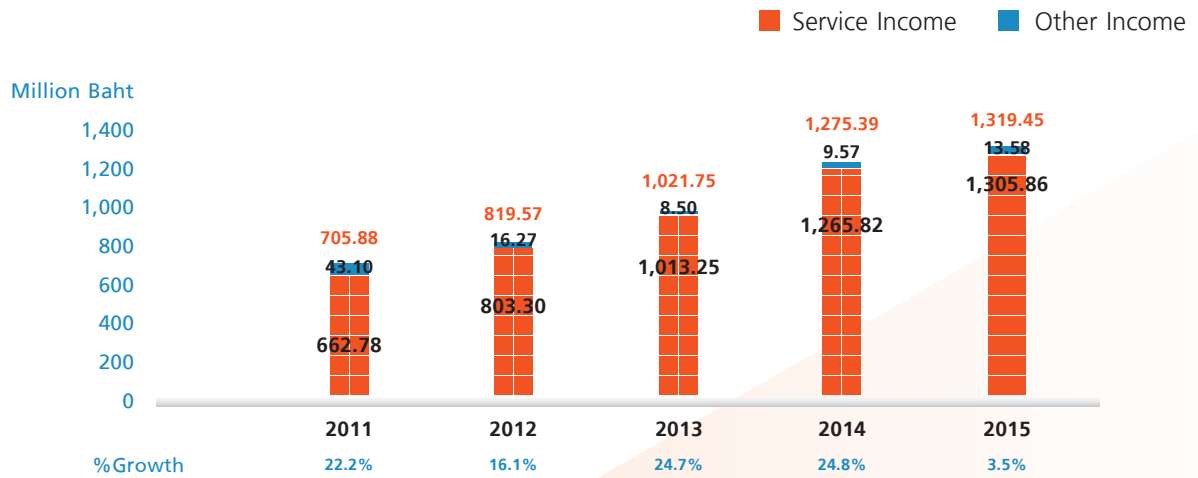
Helping save the environment at the Sirindhorn International Environment Park

Symphony Communication Plc. organized 'Helping save the environment' on 19th September 2015 at the Sirindhorn International Environment Park, Phetchaburi province. In order to replenish natural resources and reforest, the activities include releasing blue crabs and broodstocks and replanting mangrove forest to restore the fertile ecology system.

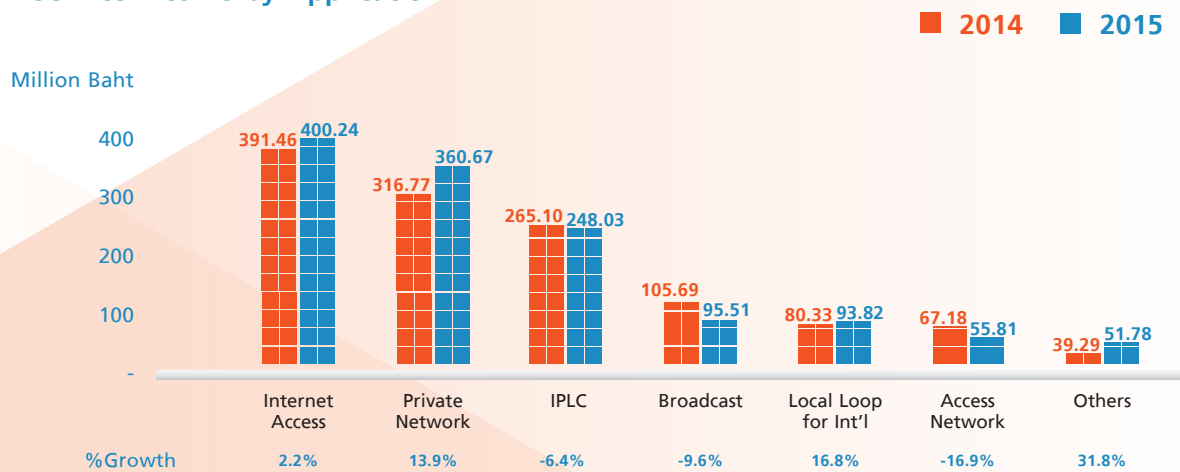


Financial Highlights

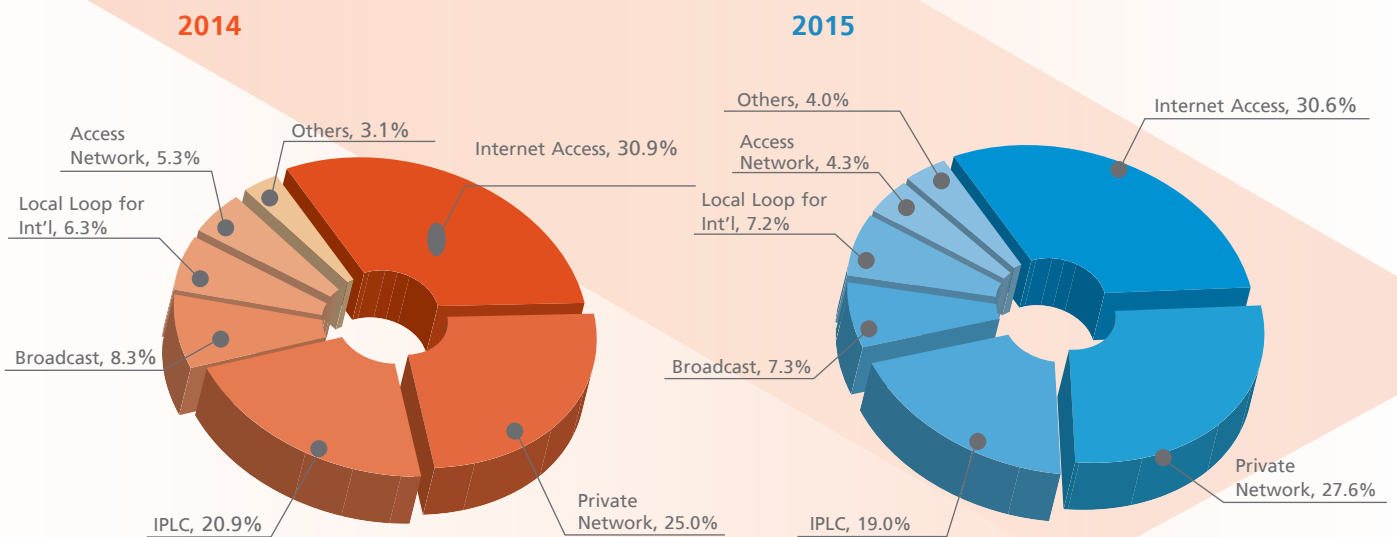
Total Revenue Growth



Service Income by Application

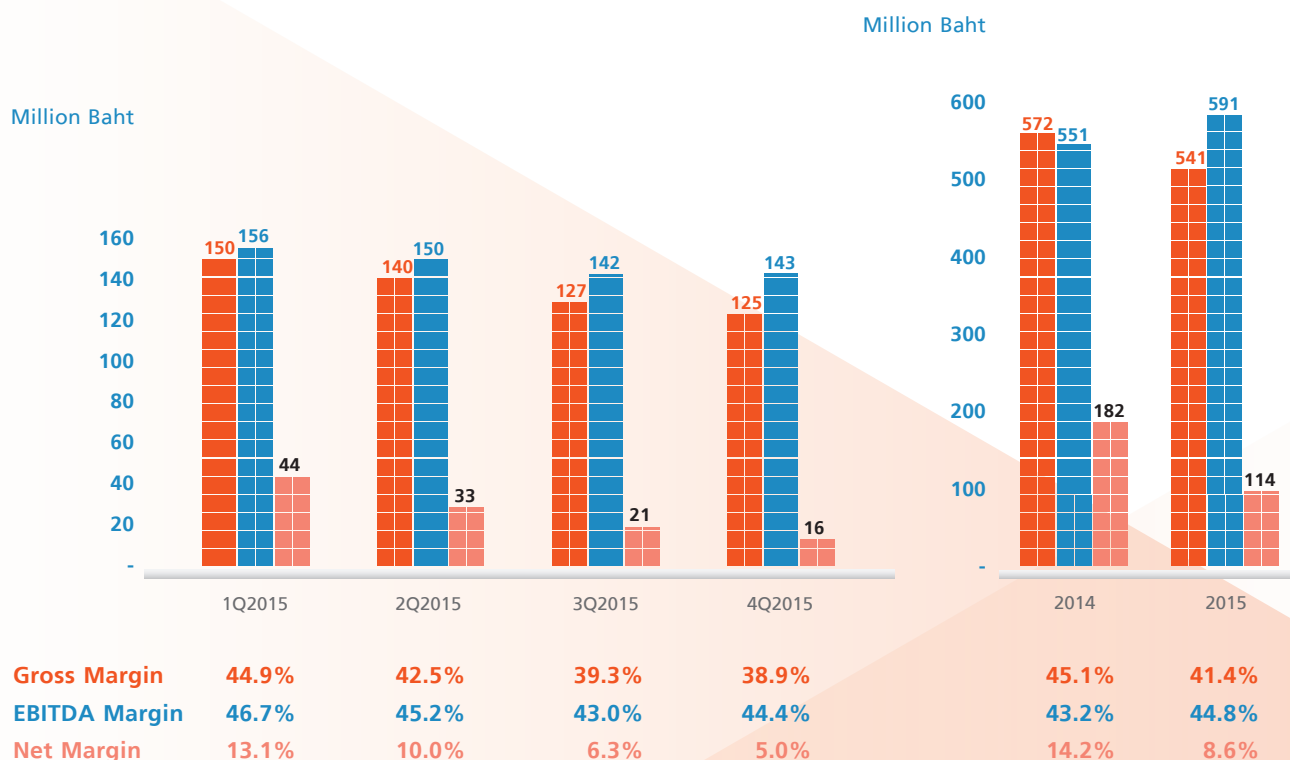


Portion of Service Income by Application



Profitability

■ Gross Profit ■ EBITDA ■ Net Profit



Key financial figures	Unit	2013	2014	2015
Total Revenue	MB	1,021.75	1,275.39	1,319.45
Net Profit	MB	245.58	181.71	113.90
Total Assets	MB	2,255.93	3,094.27	3,645.69
Interest Bearing Debt	MB	403.68	1,338.91	1,888.58
Total Liabilities	MB	984.68	1,802.96	2,349.30
Total Shareholders' Equity	MB	1,271.25	1,291.32	1,296.39
Return on Assets (ROA)	%	13.01%	6.79%	3.38%
Return on Equity (ROE)	%	19.94%	14.18%	8.80%
Debt to Equity Ratio	Times	0.77	1.40	1.81

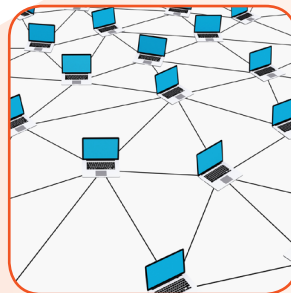
▶ Business Policy and Overview

The Company is the premium hi-speed communication network service provider using optical fiber cable for its core network. The optical fiber network is common infrastructure of all kind of telecommunications and broadcasting service. It enables rapid, precise and reliable data transmission for all kind of telecommunication services for example transmission of video, voice streaming, international private leased circuits, intranet, inter-office data exchange, internet connection for large enterprises, and digital broadcasting etc. The service can be customized to the needs of customers by qualified and highly experienced experts. Moreover, the network is monitored by state-of-the-art computerized control system that our experts can promptly detect interruptions.

Optical Fiber Cable Network Applications



International Network
Connect local offices
and oversea offices



Private Network
Connect head office
and branches



**Digital Broadcast
Service**
Connect Production
Studio and Broadcast
Station



Access Network
Connect Data
Center's services
to customers



Internet Access
Connect ISP's
Customers
to Internet

Optical Fiber Cable Network is COMMON INFRASTRUCTURE of all kinds of telecommunications & broadcast service.

Mission

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

Business Strategy

The company focuses on creating long-term competitiveness by providing best service to our valued customers without focusing on price competition. Therefore, the company formulates marketing strategy and business policy as follows:

1. Business Neutrality

The company strictly adheres to the business neutrality policy, which means we focus mainly on our hi-speed communication network service (Network Service Provider Only) in order to provide fair service to all partners e.g. the Company will not offer internet service to compete with our ISP customers in the same market. As a result, the ISP partners prefer our hi-speed communication network service to other service providers who also provide internet service.

2. Guarantee the quality of networks with Service Level Agreement (SLA) at 99.9%

The Company guarantees the quality of networks with Service Level Agreement (SLA) at 99.9% to ensure the Company's premium quality. We place high importance on the quality of service. Our Network Operation Center operates around-the-clock with our efficient computerized network monitoring system. Any irregularities on the network arise, we can promptly detect and instantly notify and fix the problems for our clients.

3. Maintain the Company's service standard and after-sale service.

The Company strictly maintains the standard of its hi-speed communication network service to ensure stability and smooth communication for customers. We offer service customization to meet different customers' requirements and welcome customers' opinion in customized circuit design process. Furthermore, the Company has provided the preventive measure, for instance, our expert team and technicians have a regular schedule to check, monitor, maintain the cabling, equipments and the back-up system to ensure readiness for use at all the time. Aside from that, we provide after-sale service including one-stop call center that our experts and technicians are available 24-7 to assist or give consultations when needed.

4. Provide consultation and profound analysis

The Company continuously provides consultation and profound analysis, including organizing the technical seminar for customers' technicians. We focus on fostering valued relationship and create the highest customers' satisfaction. The Company has constantly reviewed the customers' satisfaction by conducting surveys to improve the service quality. In the event of relationship, not only we foster relationship with our direct customers, but we also extend it to the end-users who are the customers of our ISPs' customers. So they can recognize our brand and wish to continue their use of our network, even though they change their Internet service provider.

5. Strengthening brand image

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

We also treat our sub-contractors as our own employees. As for the quality control, we make sure each step of our services meet our customers and partners’ satisfactions. We believe the difference of our services has made our customers and partners trust us and introduce our service to their organization, partners or even their end-users. As a result, our customers have increased steadily until now.

6. Service development and capture high potential market

The Company keeps an eye on advanced innovation and development of telecommunication technologies as well as market trend. In order to lead customer expectation and capture new opportunity by developing new services that is quality-focused e.g. international leased circuits, digital broadcasting, premium broadband, etc.

Company Background and Major Development

Symphony Communication Public Company Limited was found by the management team with over 20 years experience in telecom business. The Company was established on 24 November 2005 and has been converted to a Public Company Limited since 6 May 2010. The Company is a hi-speed communication network service provider using optical fiber cable for its core network and provides related service for example last mile network management and installation service.

The Company was the first licensee of the Telecommunication Service License Type II (with network ownership) since 15 June 2006 for the contract period of 15 years and commercially launched its services since March 2007 under the “Symphony” brand. It was also a primary member of “Metro Ethernet Forum” in Thailand. The membership of the association was comprised of world leading IT multi-vendors, multi-service based networks, and service providers that shape up the standards of technology trend relevant to “Carrier Ethernet”.

In 2011, the Company has obtained additional telecom business licenses as follows: International Private Leased Circuit (IPLC) License, IP-Virtual Private Network (IP-VPN) License Type III, International Internet Gateway (IIG) License and National Internet Exchange (NIX) License type II and also the permission to adopt Wi-Fi technology in addition to the existing license Type II.

In 2013, the Company has obtained Internet Operation License Type I and Radio or Television Broadcasting Business License for the Radio or Television Network Services (Not using radio frequency). The Company has established a subsidiary, namely Diamond Line Services Company Limited, to provide installation and maintenance service for outside-plant networks and telecom equipments, and joint-invest with other companies. The Company holds 99.99% of share capital with the registered capital of Baht 5,000,000.

In 2014, the Company has obtained the extension scope of service for the telecom business license Type III for International Private Leased Circuit Service (IPLC)-Terrestrial Section by adding supplementary scope of International Private Leased Circuit Service (IPLC)-Submarine Section in order to build the Submarine Cable Network to support international communication traffic growth and developing SYMC business to be ASEAN telecom hub and gateway. In addition, the Company has launched pilot project for FTTx service—another hi-speed communication network service using Gigabit Passive Optical Network (GPON) technology on existing optical fiber cable networks

with speed from 20 Mbps up to 1 Gbps. The service fee is lower to match the need of small and medium enterprises as an extended market to the Company.

Hence, in 2015, the Company signed joint investment project agreement to build Malaysia-Cambodia-Thailand (MCT) submarine cable system that spans approximately 1,300 kilometers. The Company become the first Thai private company to build international submarine cable network system. This project will enhance the company to be ASEAN telecom hub and gateway. Considering the growing demand of internet usage, both in term of number of users and bandwidth. The Company has entered premium broadband internet market by collaborating with numbers of local premium broadband internet service providers. The Company provides backbone networks and technologies to these premium broadband internet service providers, especially the ones who have strong customer bases in provincial areas. Consequently, this collaboration will serve the future internet usage expansion with our existing high stable and efficient network service.

The following milestones are the Company's major developments.

Month/Year	Development
Nov 2005	Established with the initial registered capital of 1 million Baht
Jun 2006	Obtained the Telecommunication Service License Type II, permitted by The National Telecommunications Commission (NTC) for the contract period of 15 years
Mar 2007	Launched Ready Ethernet, Metro Ethernet and TDM services under the brand "Symphony"
Oct 2007	Obtained the telecommunication services license and was the first operator who secured the permission for Right of Way in accordance with Article 39 Section 1 of the Telecommunications Business Act (B.E. 2544)
Nov 2007	Bangkok Mass Transit System Public Company Limited (BTS) authorized the Company to install optical fiber cables and equipments on elevated rail throughout BTS's service route
Mar 2008	Launched SDH hi-speed data communication and Ethernet over SDH (EoSDH) service to corporate customers
Sep 2008	Obtained the Right of Way to place optical fiber cables along electric posts permitted by Metropolitan Electricity Authority
Jan 2009	Bangkok Metropolitan Authority (BMA) permitted the Company to install optical fiber cables solely beneath the pedestrian walkways along the BTS routes.
Jun 2009	Increased registered capital to 80 million Baht with 8 million shares outstanding, 10 Baht par value per share
Jul 2009	Attained the qualified standards of technology deployment for Metro Ethernet networks from Metro Ethernet Forum and recognized as a qualified service provider to connect to other international carriers
Sep 2009	Increased registered capital to 225 million Baht with 22.5 million shares outstanding, 10 Baht par value per share.

Month/Year	Development
May 2010	Converted into a public company limited and increased registered capital to 300 million Baht with 300 million shares outstanding, 1 Baht par value per share
Aug 2010	Made an agreement with Metropolitan Electricity Authority (MEA) to use its optical fiber cable network for the period of 12 years starting from Aug 2010, which also permitted the Company to place optical fiber cables along electric posts
Nov 2010	Listed in the Stock Exchange of Thailand, with the ticker symbol “SYMC”
Dec 2010	Short-listed as a finalist in the Metro Awards for the Asia-Pacific Carrier Ethernet Service Provider of the Year for 4 consecutive years
Jun 2011	SYMC stock has been included in FTSE SET Shariah Index calculation
Jun 2011	Obtained the Telecommunication Service License Type II to operate International Internet Gateway (IIG) and National Internet Exchange (NIX) services, for the contract period of 5 years
Aug 2011	Obtained the Telecommunication Service License Type III to International Private Leased Circuit (IPLC) and IP-Virtual Private Network (IP-VPN) service, for the contract period of 15 years
Dec 2011	Rated “Very Good” Corporate Governance Rating in the Corporate Governance Report of Thai Listed Companies 2011, which was surveyed and assessed by the Thai Institute of Directors Association (IOD), the Securities and Exchange Commission, and the Stock Exchange of Thailand
Nov 2012	Rated “Excellent” Corporate Governance Rating in the Corporate Governance Report of Thai Listed Companies 2012, which was surveyed and assessed by the Thai Institute of Directors Association (IOD), the Securities and Exchange Commission, and the Stock Exchange of Thailand and ranked in the Top Quartile of the companies with market capitalization between Baht 3,000-9,999 million
2012	Extended coverage areas to key major economic hubs e.g. 24 industrial estates, major cities e.g. Phuket, Chiang Mai, Udonnathani, Khon Kaen, etc.
May 2013	Obtained the Telecommunication Service License for the Internet Operation Type I, for the contract period of 5 years
Jul 2013	Obtained the Radio or Television Broadcasting Business License for the Radio or Television Network Services (Not using radio frequency), for the contract period of 15 years
Oct 2013	Rated “Excellent” Corporate Governance Rating in the Corporate Governance Report of Thai Listed Companies 2013, which was surveyed and assessed by the Thai Institute of Directors Association (IOD), the Securities and Exchange Commission, and the Stock Exchange of Thailand and ranked in the Top Quartile of the companies with market capitalization between Baht 3,000-9,999 million for the 2 nd consecutive year
Nov 2013	Established a subsidiary, namely Diamond Line Services Company Limited, to provide installation and maintenance service for outside-plant networks and telecom equipments, and joint-invest with other companies. The Company holds 99.99% of share capital with the registered capital of Baht 5,000,000

Month/Year	Development
Jul 2014	Obtained the extension scope of service for the telecom business license Type III for International Private Leased Circuit Service (IPLC)-Terrestrial Section by adding supplementary scope of International Private Leased Circuit Service (IPLC)-Submarine Section to build the Submarine Cable Network to support international communication traffic growth and developing SYMC business to be ASEAN telecom hub and gateway
Oct 2014	Rated “Good” Corporate Governance Rating in the Corporate Governance Report of Thai Listed Companies, which was assessed with the new assessment criterion by the Thai Institute of Directors Association (IOD)
May 2015	Signed joint investment project agreement to build Malaysia-Cambodia-Thailand (MCT) submarine cable system that spans approximately 1,300 kilometers. The Company become the first Thai private company to build international submarine cable network system.
Oct 2015	Rated “Very Good” Corporate Governance Rating in the Corporate Governance Report of Thai Listed Companies, which was assessed by the Thai Institute of Directors Association (IOD)

Corporate structure

Symphony Communication Public Company Limited

Registered capital Baht 306.00 million, Paid-up capital Baht 300.36 million

99.99%

Diamond Line Service Company Limited

Registered capital Baht 5.00 million, Fully Paid-up

Nature of Business

Revenue Structure

The Company has core revenue from leased line service income and related services such as management and maintenance services. The revenue structures for the last 3 years are as follow:

Unit : Million Baht	2013		2014		2015	
	Amount	(%)	Amount	(%)	Amount	(%)
Revenue						
Leased line service income	983.80	96%	1,250.38	98%	1,289.96	98%
Management and maintenance service income - network	29.44	3%	15.44	1%	15.90	1%
Total service income	1,013.25	99%	1,265.82	99%	1,305.86	99%
Revenue from sales	3.85	0%	2.73	0%	0.38	0%
Other income	4.66	0%	6.84	1%	13.20	1%
Total Revenue	1,021.75	100%	1,275.39	100%	1,319.45	100%

The target customers can be categorized into 2 major groups:

- 1) Telecom Service Providers who lease company's communication network for commercial purposes e.g. Internet Service Provider (ISP), Data Center Service Provider, Mobile Phone Operator, International Carrier, etc.
- 2) End-user customers e.g. business organization, juristic entity, other telecommunication service providers, using company's communication network for massive and rapid data transmission such as TV program producers with digital broadcasting system, modern-trade retailers, commercial banks, international corporations, securities companies, hotels, etc.

Service income by application

Unit : Million Baht	2013		2014		2015	
	Amount	(%)	Amount	(%)	Amount	(%)
Internet Access	374.45	37%	391.46	31%	400.24	31%
Private Network	261.67	26%	316.77	25%	360.67	28%
IPLC	95.24	9%	265.10	21%	248.03	19%
Broadcast	95.15	9%	105.69	8%	95.51	7%
Local Loop for Int'l	73.24	7%	80.33	6%	93.82	7%
Access Network	65.57	6%	67.18	5%	55.81	4%
others	47.93	5%	39.29	3%	51.78	4%
Total service income	1,013.25	100%	1,265.82	100%	1,305.86	100%

Hi-speed Communication Network Service Application

1) Internet Access : to connect ISP's customers to Internet. Customers in this segment are Internet Service Providers (ISPs) who offer internet service to end-users. They lease hi-speed communication network from the Company to save their investment cost. Such major internet service providers are CS Loxinfo Plc, KSC Commercial Internet Co., Ltd. or Internet Thailand Plc (INET), etc.

2) Private Network : to connect the private network e.g. head office and branches. Customers in this segment, for example, are Telcos who lease hi-speed communication network from the Company to be their backbone networks or to provide telecom service to their end-users. There are also end-user customers who are business corporations that need massive and rapid data transmission for their business operation, for instance the communication network between headquarters and its branches of large organizations such as banks, or modern-trade retailers, etc. Examples of customers are Kasikorn Bank Plc, Siam Commercial Bank Plc, Bank of Ayudhaya Plc, Central Retail Corporation Plc, Government Saving Bank, CTH Plc, etc.

3) Digital Broadcast : to connect their production studios and broadcasting stations. Customers in this segment are TV program producers, Cable TV Operators, or IPTV operators, they lease hi-speed communication network from the Company to connect their production studios and broadcasting stations e.g. Thaicom uplink station or Digital TV broadcasting stations. Examples of customers are Poly Telemedia Co., Ltd. PSI Broadcasting Co., Ltd. (PSI), CTH Cable TV Co., Ltd., Splash Media Plc, RS Plc, GMM Grammy Plc, etc.

4) International Private Leased Circuit (IPLC) : to connect international communication networks or connect between local offices and oversea offices of local or multinational corporations. Such customers are also other Telcos e.g. the international carriers, local telecom operators who lease hi-speed communication network from the Company to be their backbone network or to connect between local and international networks in various countries for their customers. Such service providers are Singapore Telecommunications Co., Ltd., Verizon Business Co., Ltd., Hutchison Global Communication Co., Ltd., NTT Communications (Thailand) Co., Ltd., KDDI (Thailand) Co., Ltd., etc.

5) **Local Loop for International Private Leased Circuit** : domestic hi-speed communication network for IPLC service providers to provide IPLC service to their local end-users. Example of IPLC service providers are JasTel Network Co., Ltd., True International Gateway Co., Ltd., etc.

6) **Access Network** : to connect end-users to servers e.g. the connectivity from Data Center Service Providers who offer electronic data storage service and provides applications to their end-user or connectivity provided for data service providers such as Bloomberg. Such Data Center service providers do not have their own network, therefore, they need to lease our hi-speed communication network to connect with their customers' offices. Example of data center service provider are Metro System Corporation Plc, Datapro Computer System Co., Ltd., etc. who are the large Data Center service providers in Thailand and also offer one stop service for electronic data storage and Application Service Provider (ASP).

7) **Other Applications** : e.g. to connect small cells networks of mobile phone operators. Although they have numerous networks of their own, they lease our hi-speed communication network to be a part of their backbone or to connect their small cell networks in high-rise buildings to have fast and more extensive coverage or install additional routers to our hi-speed communication network to provide WiFi service, etc.

Hi-speed Network Service Technologies

Technologies used for network service can be categorized as follows:

1. **Metro Ethernet Service (ME)**
2. **Ready Ethernet Service (RE)**
3. **Time Division Multiplexing Service (TDM)**
4. **Synchronous Digital Hierarchy Service (SDH)**
5. **Ethernet over Synchronous Digital Hierarchy Service (EoSDH)**
6. **Optical Fiber Cable Connection Service (Dark Fiber)**

1. **Metro Ethernet (ME)** is a hi-speed network service using optical fiber cable as the main networks on Ethernet technology platform to support large data transmissions. It offers high stability, efficiency and also cost-effective as Ethernet technology is widely used, therefore, the price has become competitive. However, its response time for data transmissions is longer than TDM technology. The Company's current network backbone capacity is up to 20 Gbps. The provided speed for Metro Ethernet service are from 1 Mbps up to 20 Gbps. and adjustable to higher speeds on request. The service customization can be done by the Network Management System, with the choice of extra-protection route to enhance the reliability on request.

2. **Ready Ethernet (RE)** is classified as Ethernet service for customers in commercial buildings in Bangkok Metropolitan area. The Company has prepared ready-to-service optical fiber cables and network equipment in more than 80 leading commercial buildings. Therefore, installation to customers' premises can be done within 8 working days and the service can be offered at lower service rate than ME due to the cost of main network to the building can be shared to several customers. The network equipment are interconnected to the main optical trunk networks with protection routes of optical fiber cable to provide alternate routes in cases of any failure in the main route. Therefore, customers will get high reliability and stability services of hi-speed data at all times. Presently, the Company offers Ready Ethernet service from 1 Mbps up to 10 Gbps.

3. **Time Division Multiplexing (TDM)** is a hi-speed network on TDM technology platform, which is the technology used since the introduction stage among large organizations. The network infrastructure consists of optical fiber cable core networks with the last mile being copper wires connected to customers. TDM technology is suitable for real-time data transmissions. Currently, the Company offers TDM speeds from 64 Kbps up to 2 Mbps. The modem interface facilitates prompt service to customers. The Power Alarm System provides a monitoring

function capability of inspecting cable signal errors. The alarm function pre-detects and alerts the Company's operations center to immediately resolve problems before customers inform of any errors. Although, TDM is used only among some groups of customers due to the limited capacity last mile, TDM is still a trusted service by customers due to its high reliability and short response time.

4. Synchronous Digital Hierarchy (SDH) is a hi-speed network service developed from TDM technology with enhanced capacity by last mile optical fiber cable. The technology utilizes a simple yet highly reliable control system to transmit data over long distances. There is also a route protection system with the ability to switch transmission cables in the event of damage incurred to regular cables to ensure continuity and reliability of data transmissions. Presently, the Company offers SDH service from 34 Mbps to 10 Gbps via optical fiber cable.

5. Ethernet over Synchronous Digital Hierarchy (EoSDH) is an exceedingly high speed data transmissions circuit using SDH technology platform with Ethernet connection to customer. EoSDH technology is suitable for users that need reliable data transmissions via Ethernet connection without additional investment in SDH Interface. Currently, the Company offers EoSDH service from 2 Mbps to 10 Gbps.

6. Dark Fiber is optical fiber cable connection service to specific customers that require self-management and control over internal data transmissions within their organizations with specific designed source and destination equipments for their transmission and have their own technical team of experts; hence, customers are free to determine transmission speeds and equipments at their own discretion.

Network Coverage Expansion

The Company has been determined to continually develop network service. As the demand for data connectivity has been growing along with the development of telecommunication technology and cross-borders trade and investment, the Company has expanded network coverage to catch up with increasing demand in the high potential areas that justify customers' needs and investment returns, especially the routes that connect neighboring countries which also cover major cities nationwide and 4 gateways to connect international networks. Moreover, the international network coverage will be broaden with the MCT project by connecting to other worldwide submarine cable networks. The investment for network coverage expansion has caused the increase in cost of service in term of higher depreciation, cable laying fee, expenses of network engineers and service centers. In the long run, the Company believes this investment decision should enable effective cost control and allow more flexibility and efficiency of network management that better support rapid traffic growth.

MCT Submarine Cable System Project

In 2014, the Company has extended scope of the telecom business license Type III for International Private Leased Circuit Service (IPLC)- Terrestrial Section by adding supplementary scope of International Private Leased Circuit Service (IPLC)-Submarine Section. In 2015, the Company has signed joint investment project agreement to build Malaysia-Cambodia-Thailand (MCT) submarine cable system that spans approximately 1,300 kilometers. The cable landing station in Thailand is located at Tambon Tapong, Ampur Muang, Rayong Province. The construction period will be approximately 18 months and expect to launch commercial service operation by middle of 2017. This project will support international communication traffic growth and reduce international network rental fees of IPLC service. In addition, this will enhance SYMC business to be ASEAN telecom hub and gateway. This remarked the Company as the first private company in Thailand that authorized to own and operate submarine cable network and reflects the vision of management that demands of international communication traffic has been growing and continuing the development of telecom business in Thailand to be on par with international counterparts.



Current Coverage Area

Focus on high-potential business density areas

- ▶ Bangkok and vicinity
- ▶ 84 leading office towers
- ▶ 41 Industrial estates
- ▶ 43 Major provinces nationwide
- ▶ 17 Service centers nationwide

IPLC Gateways

- ▶ Songkla (Hatyai) to connect Malaysia
- ▶ Sakaew to connect Cambodia
- ▶ Nongkhai to connect Lao
- ▶ Tak (Maesot) to connect Myanmar

- MCT submarine
- Symphony owned networks
- Leased networks
- Gateway to connect to Neighboring countries

Market Condition and Competition

The high-speed communication network service market has continual demand growth from the increasing usage demand of business communication in various forms e.g. video and voice streaming, digital broadcasting, online applications of wireless devices or data center usages which can be seen in term of increasing numbers of circuits and higher bandwidth in both domestic and international communication. Referring to Telecommunication Market Situation as of September 2015 reported by Office of The National Broadcasting and Telecommunication Commission (NBTC), leased line service volume (Gbps.) during the first 9 months of 2015 strongly increased by 31.1% YoY, whereas leased line service revenue grown up only 2.2% YoY. It reflected the very high demand on leased line service but the pressure of economics situation and the strong competition in telecom market caused slightly market growth in 2015. The demand is more complex, the network service provider, therefore, need to develop competitive marketing strategies in all aspects e.g. service solutions, fast delivery, and competitive pricing.

For internet access market, the price competition amongst Internet service providers (ISP) is more intense. The Company therefore needs to offer competitive prices and fast service delivery, as well as value added and one stop service e.g. firewall management, router and equipment providing.

For end-user customers, the competition is more on customer satisfaction than price. The Company needs to focus on service quality, after-sale service and comprehensive network monitoring, as well as service expertise in order to retain customers.

In conclusion, we plan to catch up with growing demand, business growth, and adjust strategies to match various needs in different market segments, from pricing, quality and after-sale service. The Company also opens to new business opportunities and adds service variety, for example, Wi-Fi, digital TV network, FTTx and submarine cable system to accommodate development of AEC and move forward to be a leader in telecom market from national to ASEAN regional field.

To explore new business opportunities, the Company has entered premium broadband internet market to reach new groups of customers by providing backbone networks to premium broadband internet service providers, especially the ones who have strong customer bases in provincial areas e.g. Simat Technologies Public Company Limited (SIMAT), Amnax Company Limited and Super High-speed Internet Company Limited, etc. This not only creates additional service income but also increases more utilization of our network.

Operating Performance Overview for 2015

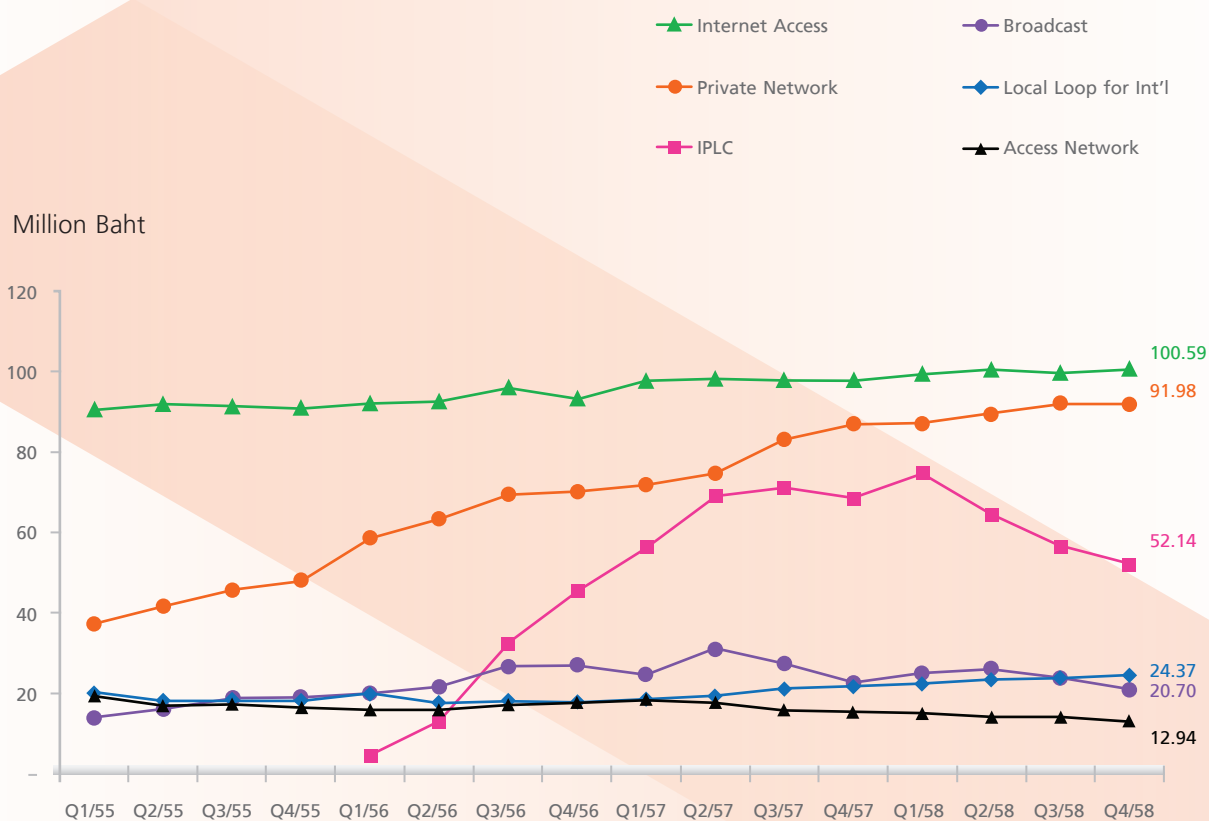
Total revenue

Total revenue of 2015 was Baht 1,319.45 million, increased by Baht 44.06 million or 3.5% YoY. Service income, the core revenue of the company, was Baht 1,305.86 million, increased by Baht 40.04 million or 3.2% YoY. In 2015, industrial/business sectors continuously required to enhance their communication efficiency with high-speed networks. The Company also fulfill those requirement with new service developments and collaboration with new partners. However, the economic and political problem that caused slowdown investment in private sector which also impacted more competition in telecom market. As a result, revenue growth was lower than expected.

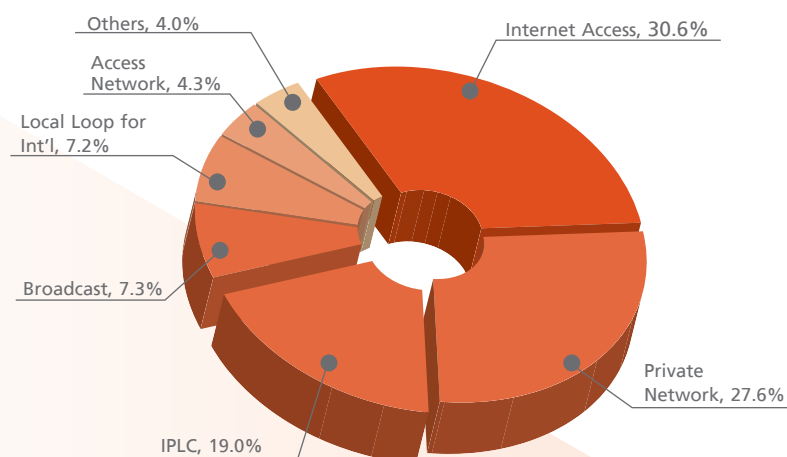
Service income: by application

Unit : Million Baht	2014		2015		Change	
	Amount	(%)	Amount	(%)	Amount	(%)
Internet Access	391.46	30.9%	400.24	30.6%	8.78	2.2%
Private Network	316.77	25.0%	360.67	27.6%	43.90	13.9%
IPLC	265.10	20.9%	248.03	19.0%	-17.07	-6.4%
Broadcast	105.69	8.3%	95.51	7.3%	-10.18	-9.6%
Local Loop for Int'l	80.33	6.3%	93.82	7.2%	13.49	16.8%
Access Network	67.18	5.3%	55.81	4.3%	-11.37	-16.9%
others	39.30	3.1%	51.78	4.0%	12.49	31.8%
Total service income	1,265.82	100.0%	1,305.86	100.0%	40.04	3.2%

Quarterly Service Income : By Application



2015



Revenue from Internet Access segment was still a major contributor to total service income, accounted for 30.6% of total service income. The revenue from Internet Access in 2015 was Baht 400.24 million, the number of customers increased, but revenue slightly increased due to high competition in this market.

The revenue from Private Network segment continually grows as a result of increasing usage of existing and new customers, and expansion in large corporation market. In 2015, it was Baht 360.67 million, increased by Baht 43.90 million or 13.9% YoY. The portion of the private network revenue comparing to total revenue was 27.6 %.

In 2015, the revenue from international private leased circuits segment (IPLC) was Baht 248.03 million, decreased by Baht 17.07 million or 6.4% YoY due to expiration of some non-recurring contracts and new customer delayed their use.

The revenue from Digital Broadcast segment in 2015 was Baht 95.51 million. It decreased by Baht 10.18 million due to some customers have suspended their broadcasting activities since 2H2014.

The revenue from Local Loop for International segment in 2015 was Baht 93.82 million YoY, increased by Baht 13.49 million or 16.8% from increased usage of customers. The revenue from Access Network segment in 2015 was Baht 55.81 million, decreased by Baht 11.37 million YoY due to some contracts that were not renewed.

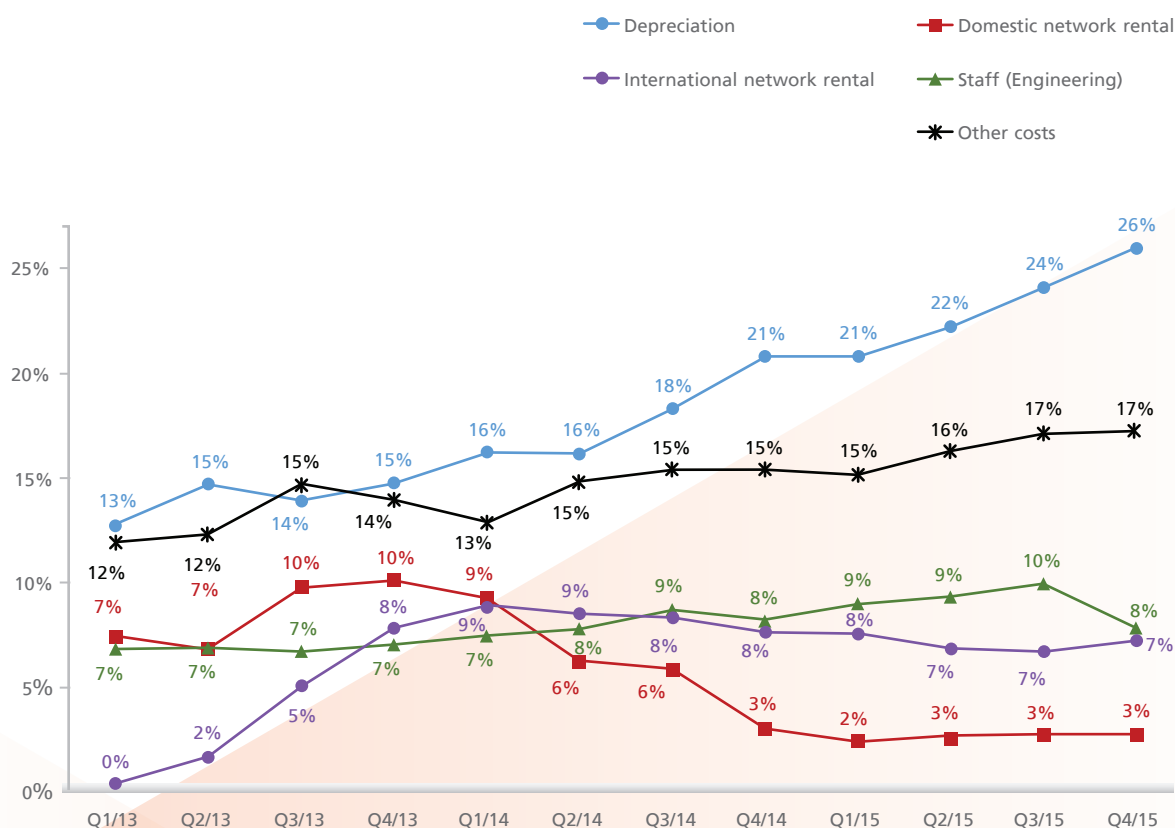
The revenue from others segment in 2015 was Baht 51.78 million, increased by Baht 12.49 million or 31.8% YoY from new services such as premium broadband internet that the Company collaborate with business partners.

Costs of Services and Sales

Costs of services and sales in 2015 were Baht 765.18 million, increased by Baht 68.46 million or 9.8% mainly resulting from depreciation due to network expansion and increased service costs such as higher headcount and maintenance cost. Whereas, the company was able to reduce some cash costs such as network rental.

The depreciation and amortization include in cost of services in 2015 were Baht 308.8 million, increased by Baht 81.84 million or 36.1% YoY. The network rental was Baht 127.84 million, decreased by Baht 54.78 million YoY.

% of Cost Type to Total Service Income



Service Expenses

Service Expenses in 2015 was Baht 72.31 million, increased by Baht 10.12 million or 16.3% YoY. The main reasons are higher headcounts and marketing activities to boost sales revenue amidst high market competition.

Administrative expenses

Administrative Expenses in 2015 were Baht 251.13 million, increased by Baht 14.35 million or 6.1% YoY mainly resulting from higher employee expenses due to the increased number of employees and depreciation of office equipment and legal fees.

Gross profit, EBITDA and Net profit

In 2015, the Company recorded gross profit in the amount of Baht 541.06 million or gross profit margin of 41.4%. Gross profit decreased by Baht 30.76 million or 5.4% YoY. EBITDA was Baht 591.36 million or EBITDA margin of 44.8% in this quarter, increased by Baht 40.14 million or 7.3% YoY. Net profit in 2015 was Baht 113.90 million, decreased by Baht 67.81 million or 37.3% YoY resulting from the increased depreciation and financial expenses.

Statement of Financial Position

As of 31 December 2015, the Company recorded total assets in the amount of Baht 3,645.69 million, increased by Baht 551.42 million from 31 December 2014 mainly due to the increase of network equipment and asset under construction of MCT Project.

Total liabilities were Baht 2,349.30 million, increased by Baht 546.34 million from 31 December 2014 mainly due to the borrowing from financial institutions and funding by Bill of Exchange to support network expansion projects. Total shareholders' equity was Baht 1,296.39 million, increased by Baht 5.08 million from 31 December 2014 due to total comprehensive income for 2015 in the amount of Baht 115.19 million and dividend payment in the amount of Baht 117.14 million and capital reserve for share-based payment transactions increased by Baht 7.03 million YoY. As of 31 December 2015, Debt to Equity (D/E) ratio was 1.81x.

Key financial figures	Unit	2013	2014	2015
Total Revenue	MB	1,021.75	1,275.39	1,319.45
Net Profit	MB	245.58	181.71	113.90
Total Assets	MB	2,255.93	3,094.27	3,645.69
Interest Bearing Debt	MB	403.68	1,338.91	1,888.58
Total Liabilities	MB	984.68	1,802.96	2,349.30
Total Shareholders' Equity	MB	1,271.25	1,291.32	1,296.39
Return on Assets	%	13.01%	6.79%	3.38%
Return on Equity	%	19.94%	14.18%	8.80%
Debt to Equity Ratio	Times	0.77	1.40	1.81

Risk Factors

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

The Office of National Broadcasting and Telecommunication Commission (“NBTC”) has the authority to issue telecommunications business licenses to new operators based on the principle of free and fair competition. The Company cannot foresee the number of new operators that will be granted telecommunication business licenses. More operators will result in additional competition. However, the telecommunications business requires expertise and experience of management and employees as well as intensive capital. Hence, large business operators have competitive advantages over small, medium and new operators. At present, there are more price competition in some markets e.g. internet access market and competition from substitutable service e.g. broadband internet. Therefore, the Company strategically prepared for such competition by emphasizing on its businesses strength and maintain its neutral business stance and focus on providing the network service only. Simultaneously, the Company continues to expand its hi-speed data communications network service coverage to provincial economic hub to better serve customers’ need, and also launch new service in order to enhance its competitive advantages in the long run. The Company also consistently explore new technologies to maximize network capacity and efficiency e.g. using DWDM technology at 100 Gbps per ramda. In 2015, the Company has launched L3 technology in addition to the core Metro Ethernet service. MPLS techonology can be an efficient tool to manage traffic routing, and its scalability allows flexibility and customization according to customer requirement which is a key to enhance competitiveness. In 2016, L3 is expected to be ready for implementation to the Company’s entire networks. Both DWDM and MPLS technology are capital intensive investment, however, there are many sources of supply in the market.

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

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

Under the stipulation of section 54 of the Telecommunication Business Act and Notification of the NBTC Re: Approval of Contracts relating to Telecommunications Business to be Made with Foreign Governments, International Organizations or Persons Residing Overseas B.E. 2549, the Company is obligated to submit any drafted contracts or drafted agreements concerning the operation and servicing of telecommunication with foreign governments, international organizations or persons residing overseas, including amendment or annulment of contracts or agreements for the approval of NBTC. There is an exemption if such contracts or agreements relate with normal procedures that comply with guidelines and conditions that NBTC stipulates. However, the NBTC may request the Company to amend any such contracts or agreements in accordance with the conditions that NBTC stipulates. At present, the Company has a contract to provide circuit lease services to customers who are foreign companies and the Company still has plans to expand such business to providing services to international carriers located overseas. Hence, the stipulation of section 54 of the Telecommunication Business Act may place constraints in entering such contracts and therefore affect the business expansion plan and revenue that the Company may receive from the expansion of such customer base to foreign carriers locate overseas in the future.

The Government’s implementation of Digital Economy Policy

In 2015, Government launched the Digital Economy policy. The Ministry of Information and Communication Technology (MICT) has drafted the digital economy plan (Year 2016-2020) and preparing to revise the laws relating to the mobilization of digital economy to be proposed to National Legislative Assembly for approval such as draft amendment of Organization for Allocating Broadcasting Frequency and Supervising Radio/Television Broadcasting and Telecommunication Businesses, Cyber Security Act, and Commission of an Offence relating to Computer Act, Digital Economy Development Act and etc. The

Company has considered that the Digital Economy (Year 2016 – 2020) will create the positive impact to the Company because it will support and stimulate demand on the digital infrastructure usage. The revised laws may also cause some negative impacts. However, the revised laws has not been officially finalized and enforced, it is difficult to anticipate the impact that the Company need to follow up on this issue.

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

(a) Risk from Networks

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

At present, Metropolitan Electricity Authority (MEA) starts to put the electricity wires to underground for some main roads in Bangkok CBD, effecting the cabling of the Company that currently being on electricity poles. Therefore, the Company has to reroute the networks to avoid service interruption. Meanwhile, the Company is co-operating with other related operators to wire the cable underground with MEA project to be the network protection routes and enhance network reliability.

Provincial Electricity Authority (PEA) has announced the critical routes that PEA does not allow additional communication wiring. PEA has informed all operators to avoid the wiring in critical routes for safety of public and passerby. This announcement caused the delayed installation on critical routes, however, not effect to service continuity. In this regards, the Company has been co-operative to PEA and work with other operators to re-organize the network wiring for better safety condition and corporate image.

Furthermore, the Company has networks that already been installed but in the process of obtaining approval from property owners e.g. government agents, utility providers according to their criterion. Thus the Company may have an obligation to pay installation fee, maintenance fee or any additional processing fee that may increase the Company's cost of business and profitability.

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

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

For this reason, the Company preemptively created a contingency plan by setting up a Disaster Recovery Operation Center (DROC) which has been operated since 2Q2013 to ensure uninterrupted servicing. For the Company's internal working system, the Company minimizes operational risks from human errors by having access control system in all operation rooms of the Company that allow access only for trained and certified employees with specified qualifications.

The Company strongly emphasizes the importance of equipment selection by selecting only fine optical fiber cables and adhering to international standards to ensure efficiency of servicing. In regards to essential equipment for the core network such as power supply and CPU, the Company has prepared reserved sets of

equipment ready to be installed as soon as any malfunction to existing equipment occurs. As for the installation of optical fiber cable, the Company will install optical fiber cable in at least 2 non-replicated routes for core network in case any optical fiber cable malfunction occurred. Moreover, for systems related with end-users, the Company has a preventive policy to identify any flaws and promptly mend them before any errors occurred. Technical expert team will check cable nets, main equipment and other support equipment to ensure that all are in good working conditions. In addition, the Company has implemented 3-Year IT Master Plan (Year 2015 – 2017) in accordance with the Company's business plan. The main purposes are to gain more efficiency in each business activity, to create the data integration, and also to maintain data security within the well-organized budget.

4. Risk regarding Key Management Reliance

According to nature of business, the Company requires experts that specialized in complicated technology and regulations, with different experiences and skills to operate the business. The Company recruits various telecom experts to serve the Company's growth. The Company gives emphasis on the succession plan and Talent Management System. With Talent Management System, company will get the strategic movement on how to recruit, develop and maintain the high performance employees who are the high potential to be future management team. Consequently, key management reliance risk will be lowered by succession with the high competency management. The Company also allocate budget for development and training to all level of employees. For example, the Company provides scholarships for undergraduate and post-graduate study in various fields such as business administration, information technology, and engineering. By offering employees an opportunity to be trained with institutions of good reputations in terms of professional skills and development of other working skills, employees will continue to improve from such developments and trainings to prepare employees for future business expansions. Additionally, the corporate structure emphasizes bottom-up working styles to encourage employees, especially middle management, to participate in the process of brain-storming and setting operational guidelines. Moreover, the Company places emphasis on teams to work both within the business functions and across business functions to competently resolve any issues that occurred.

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

The group of major shareholders, directors and management as defined by SEC have the shareholding at 31 December 2015, collectively 50.09% of the total paid-up shares. As a result, they can control the resolution of various agendas in the Shareholders' Meeting by forming the majority votes that other shareholders may not be able to collect the voting to monitor for check-and-balance reason. However, the major shareholders will refrain from voting on the matter that has conflict of interest.

6. Risk from natural disaster, riot and terrorism

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

▶ Capital Structure

Capital Structure

1) Ordinary shares

At 31 December 2015, the Company has registered capital of Baht 306,000,000.- which comprises 300,600,000.-paid-up ordinary shares at par value of Baht 1 each, paid-up Baht 300,364,200.-

2) Warrants to purchase ordinary shares

On 22 April 2013, the Annual General Meeting of Shareholders 2013 approved the issuance and offering of 6,000,000 units of free warrant to directors, management and/or employees of the Company (ESOP-Warrants). The warrants have expiry date 4 years from the issuance date.

On 2 July 2013, the Company had issued and allocated all 6,000,000 units of free ESOP warrants to directors, management and/or employees of the Company. The conversion ratio is 1 unit of warrant to 1 ordinary share at the exercise price of Baht 14.72 per share. ESOP warrants can be exercised as following criteria:

Year 1 : Not more than 15% of the allocated units, exercisable on November 20th, 2013 and May 20th, 2014.

Year 2 : Not more than 25% of the allocated units, exercisable on November 20th, 2014 and May 20th, 2015.

Year 3 : Not more than 30% of the allocated units, exercisable on November 20th, 2015 and May 20th, 2016.

Year 4 : Not more than 30% of the allocated units, exercisable on November 20th, 2016 and May 20th, 2017 and July 1st, 2017, the 4-year maturity date of these ESOP-Warrants.

As at 31 December 2015, there were 364,200 units of ESOP warrants have been exercised.

Major Shareholders

Top 10 major shareholders as of the book closing date on 31 December 2015 are as follows:

	Number of shares	% of paid-up capital
1. Asawasuwan Group	49,076,240	16.34%
Mr. Kranphol Asawasuwan	48,976,240	16.31%
Ms. Kwandin Asawasuwan	100,000	0.03%
2. Pantarasutra Group	46,796,240	15.58%
Mr. Teerarat Pantarasutra	46,796,230	15.58%
Ms. Toungporn Pantarasutra	10	0.00%
3. Thanakijuntorn Group	24,523,740	8.16%
Mr. Pongthep Thanakijuntorn	24,423,740	8.13%
Ms. Srisamorn Threepetchsomkhun	100,000	0.03%

	Number of shares	% of paid-up capital
4. Srisuphakhnanin Group	24,261,740	8.08%
Mr. Pathomkrit Srisuphakhnanin	23,523,740	7.83%
Ms. Sumatthakan Srisuphakhnanin	738,000	0.25%
5. Phatra Capital Public Company Limited	14,616,000	4.87%
6. Mr. Niphol Suwannachet	14,344,940	4.78%
7. Mr. Wanchai Somboonphon	12,785,201	4.26%
8. Mr. Manoch Youbunyong	8,497,119	2.83%
9. Ms. Bussakorn Jaruwachirathanakul	8,243,000	2.74%
10. Bualuang Long-Term Equity Fund	7,332,800	2.44%

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

Dividend Policy

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

Dividend Payment History

Year	2012	2013	2014
Basic earnings per share (Baht/share)	0.79	0.82	0.61
Dividend payment per share (Baht/share)	0.58	0.58	0.43
Payout ratio (%)	74.3%	70.7%	70.7%

The Board of Directors meeting No2/2016, held on 23 February 2016 has approved to propose the Annual General Shareholders' Meeting for the Year 2016 to consider and approve dividend payment for the operation Year at 0.20259 Baht/share to total 300,364,200 shares, or total amount of 60.85 Million Baht, equivalent to a payout ratio of 52.83%. The payment is in form of ordinary shares and cash as follows:

1. The Company has paid interim dividend for the first half of Year 2015 in form of cash at 0.11 Baht/share to total 300,364,200 shares, in total amount of 33.04 Million Baht on 9 September 2015.

2. Propose the Annual General Shareholders' Meeting for the Year 2016 to consider and approve dividend payment for the second half of Year 2015 to shareholders as follows:

1) Dividend payment in form of ordinary shares at a ratio of 12 current shares per 1 dividend share, or representing dividend payment at 0.08333 Baht/share. In case that any shareholder holds the indivisible shares remaining after such allocation, the dividend shall be paid by cash in the amount of 0.08333 Baht/share.

2) Dividend payment in form of cash at 0.00926 Baht/share
Therefore, total dividend payment for the second half of Year 2015 at 0.09259 Baht/share to total 300,364,200 shares, in total amount of 27.81 Million Baht.

However, the dividend payment is subject to final approval from shareholders meeting that will be held in April 2016.

Dividend policy for the subsidiary

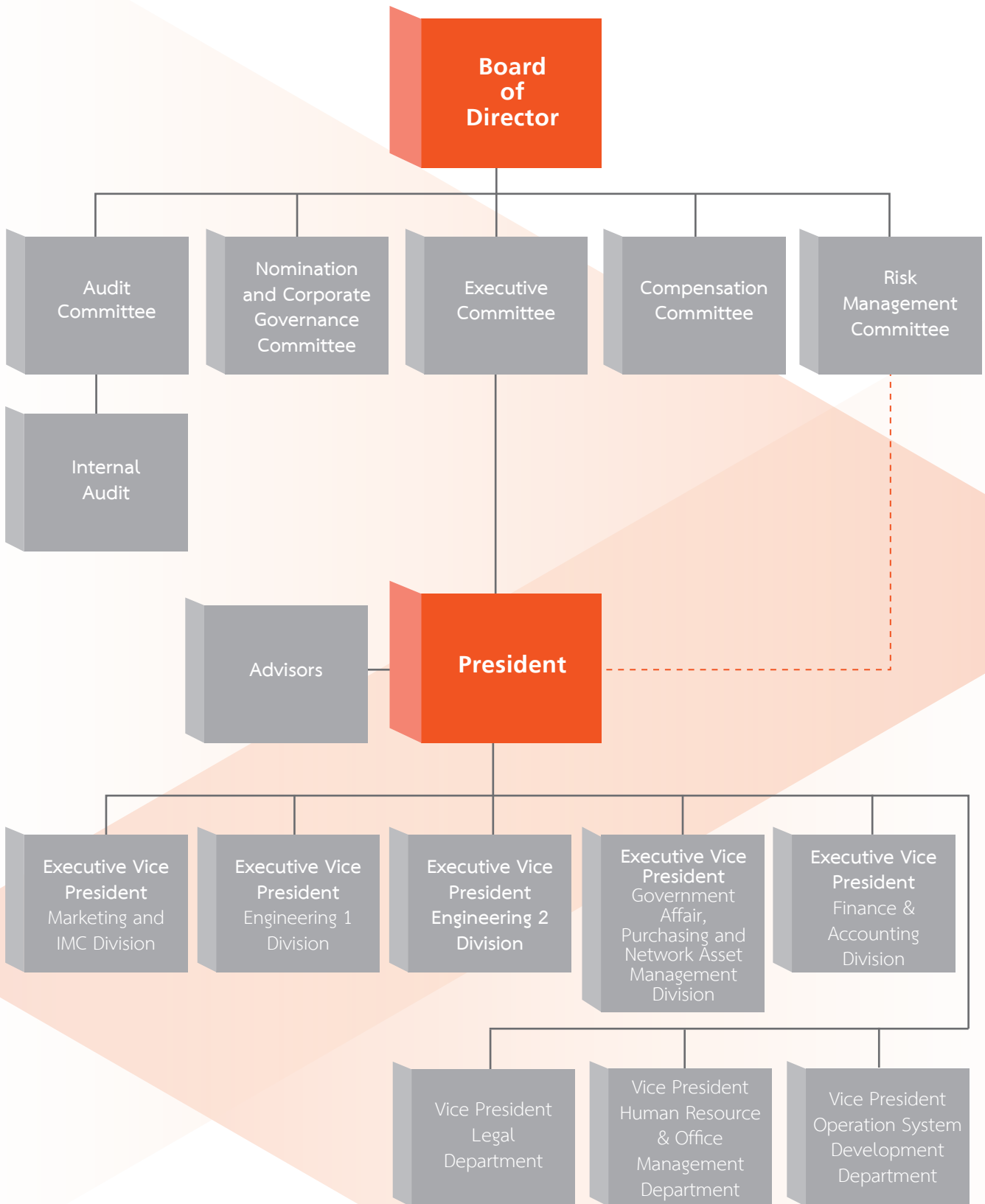
Diamond Line Services Co.,Ltd., the subsidiary that the Company hold 99.99% of total shares, has not determined its dividend policy. The dividend payment will be subject to its performance, business plan, liquidity, necessity and other suitability in the future.

Shareholding of Directors and Management

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

Name	Title	31 December 2014 (Shares)	Change (Shares)	31 December 2015 (Shares)
1. Mr. Woodtipong Moleechad	Chairman of the Board / Chairman of Nomination and Corporate Governance Committee / Audit Committee Member / Compensation Committee Member / Chairman of Independent Director	-	-	-
2. Mr. Prasitt Hemwarapornchai	Deputy Chairman of the Board / Chairman of Compensation Committee/ Nomination and Corporate Governance Committee Member / Audit Committee Member / Independent Director	-	-	-
3. Mr. Jitkasem Sangsingkeo	Chairman of the Audit Committee / Nomination and Corporate Governance Committee Member / Compensation Committee Member / Independent Director	-	-	-
4. Mr. Kranphol Asawasuwana	Director / Nomination and Corporate Governance Committee Member / Chairman of Executive Committee	48,976,240	-	48,976,240
Ms. Kwandarin Asawasuwana	Spouse	100,000	-	100,000
5. Mr. Teerarat Pantarasutra	Director / Compensation Committee Member / President	46,796,230	-	46,796,230
Ms. Toungporn Pantarasutra	Spouse	10	-	10
6. Mr. Pongthep Thanakijsumton	Director / Executive Vice President	24,423,740	-	24,423,740
Ms. Srisamorn Threepetchsomkhun	Mother-in-law	100,000	-	100,000
7. Mr. Pathomkrit Srisuphakhani	Director / Executive Vice President	23,523,740	-	23,523,740
Ms. Sumatthakan Srisuphakhani	Spouse	738,000	-	738,000
8. Ms. Bussakorn Jaruwachirathanakul	Director / Executive Vice President	8,243,000	-	8,243,000
9. Mr. Supornchai Chotputtikul	Director / Executive Vice President	30,000	-	30,000

Organization Structure



**Effective from 16 January 2015*

▶ Director and Executive Profile



Mr. Woodtipong Moleechad

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

Age 67 years

Education

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

Shareholding (%) -

Personal Relationship with the Management -

Work Experience

2009-present	Chairman of the Board, Chairman of Nomination and Corporate Governance Committee, Audit Committee Member, Compensation Committee Member, Chairman of Independent Director Committee	2009-2015	Director Council Member, King Mongkut's Institute of Technology Ladkrabang
	Symphony Communication Public Company Limited	2010-2013	Director, Audit Committee Member, Business Relations Committee Member Sukhumvit Asset Management Company Limited
2015-present	Chairman of the Board Business Alignment Company Limited	2008-2014	Director Banknote Management Committee Bank of Thailand
2012-present	Chairman of the Board International Research Corporation Public Company Limited	2007-2011	Chairman The Communications Authority of Thailand Savings Co-operative Limited
2012-2015	Director L Solar 1 Company Limited	2003-2009	Senior Executive Vice President (Operations), Thailand Post Company Limited

Mr. Prasitt Hemwarapornchai

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

Age 67 years

Education

- Advanced Certificate of Electrical Engineering, Chulalongkorn University
- Bachelor of Engineering (Communication, Electrical Power), Chulalongkorn University
- Director Certification Program (DCP 129/2010)
- Audit Committee Program (ACP 32/2010)
- Role of Compensation Committee (RCC 11/2010)
- Role of the Chairman Program (RCP 25/2011)
- Monitoring the Quality of Financial Reporting (MFR 15/2012)
- Role of Nomination and Governance Committee (RNG 3/2012)
- Anti-Corruption for Executive Program (ACEP 8/2013)

Shareholding (%) -

Personal Relationship with the Management -

Work Experience

2009-present Deputy Chairman of the Board, Chairman of Compensation Committee, Nomination and Corporate Governance Committee Member, Audit Committee Member, Independent Director

2015-present Specialist of the Assessment for the profession of Electrical Adjunct Engineer Subcommittee Council of Engineer

2013-present Chairman of Subcommittee to draft Standard in Management of Safety,

2011-present

2011-present

2009-present

2013-2014

Occupational Health and Environment to work on Electricity, Ministry of Labour
Member of the Board of Directors, Chairman of Senior Engineer Committee, Senior advisor of Electrical Engineering Committee, Chairman of Data Center Standard Subcommittee
The Engineering Institute of Thailand, Under H.M. the King's Patronage
Member of the Assessment for the profession of Electrical Engineer Subcommittee, Council of Engineer
Advisor, Electrical System
Rose Garden Hotel (2511) Company Limited
Senior Electrical System Advisor for Suvarnabhumi Airport phase 2 Project
Span Company Limited., Electrical System Design and Consulting





Mr. Jitkasem Sangsingkeo

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

Age 66 years

Education

- Master of Commerce (Hon.) University of Canterbury, Christchurch, New Zealand
- Bachelor of Science (Hon.) University of Canterbury, Christchurch, New Zealand
- Audit Committee Program (ACP 3/2004)
- Director Accreditation Program (DAP 22/2004)
- Director Certification Program (DCP 62/2005)
- Improving the Quality of Financial Reporting (1/2006)
- Advance Audit Committee Program (AAPC 3/2010)
- Role of Compensation Committee (RCC 11/2010)
- Role of the Chairman Program (RCP 25/2011)
- Role of Nomination and Governance Committee (RNG 3/2012)
- Anti-Corruption for Executive Program (ACEP 8/2013)

Shareholding (%) -

Personal Relationship with the Management -

Work Experience

2009-present	Director, Chairman of the Audit Committee, Nomination and Corporate Governance Committee Member, Compensation Committee Member, Independent Director	2005-2013	Investment Board (SME Fund) Aureos Advisers (Thailand) Limited
	Symphony Communication Public Company Limited	2005-2012	Member of the State Enterprise Performance Appraisal Committee Ministry of Finance
	Senior Advisor, Thai Resources and Environmental Management Institute (TREM)	2010-2011	Advisor of Audit Committee CAT Telecom Public Company Limited
2014-present		2009-2011	Director Metropolitan Waterworks Authority
		2005-2010	Audit Committee Member Prasit Patana Public Company Limited



Mr. Kranphol Asawasuwana

Mr. Teerarat Pantarasutra

**Director /
Nomination and Corporate Governance
Committee Member /
Chairman of Executive Committee**

Age 51 years

Education

- Master of Business Administration, Bangkok University
- Bachelor of Engineering (Electrical) with second class honor, Kasetsart University
- Director Certification Program (DCP 129/2010)
- Successful Formulation & Execution of Strategy (SFE 6/2010)
- Executive Development Program (EDP 7/2011)
- Capital Market Academy (CMA 13/2011)
- ASEAN Economic Community (AEC 3/2013)
- Anti-Corruption For Executive Program (ACEP 13/2014)
- Director Certification Program Update (DCPU 3/2015)
- Thammasat Leadership Program (TLP 7/2015)

Shareholding (%) 16.34

Personal Relationship with the Management -

Work Experience

2007-present	Director, Nomination and Corporate Governance Committee Member, Chairman of Executive Committee Symphony Communication Public Company Limited
2007-2014	President, Symphony Communication Public Company Limited
2015-present	Chairman of Audit Committee Thai Listed Companies Association
2015-present	Vice Chairman, Thai Internet Service Provider Association
2006-present	Director, Synergy Net Holding Company Limited
2000-present	Director, Global Crossing Systems Company Limited
2000-2008	Director, Global Crossing Services Company Limited

**Director /
Compensation Committee Member /
President**

Age 55 years

Education

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

Shareholding (%) 15.58

Personal Relationship with the Management -

Work Experience

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



Mr. Pongthep Thanakijsumton

Mr. Pathomkrit Srisuphakhain

**Director /
Executive Vice President-Marketing & IMC**

**Director /
Executive Vice President – Engineering 2**

Age 47 years

Education

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

Shareholding (%) 8.16

Personal Relationship with the Management -

Work Experience

- 2005-present Director, Executive Vice President Symphony Communication Public Company Limited
- 2006-present Director Global Crossing Systems Company Limited
- 2006-present Director Synergy Net Holding Company Limited

Age 48 years

Education

- Master of Public and Private Management (MPPM), National Institute of Development Administration (NIDA)
- Master of Business Administration (MBA), Rangsit University
- Bachelor of Engineering (Telecommunication), King Mongkut’s Institute of Technology Ladkrabang (KMITL)
- Bachelor of Law, Sukhothai Thammathirat Open University (STOU)
- Director Accreditation Program (DAP 81/2009)
- Director Certification Program (DCP 138/2010)
- Successful Formulation & Execution of Strategy (SFE 14/2012)

Shareholding (%) 8.08

Personal Relationship with the Management -

Work Experience

- 2007-present Director, Executive Vice President Symphony Communication Public Company Limited
- 2013-present Director Diamond Line Services Company Limited
- 2006-present Director Global Crossing Systems Company Limited
- 2006-present Director Synergy Net Holding Company Limited



Dr. Bussakorn Jaruwachirathanakul

Mr. Supornchai Chotputtikul

**Director /
Executive Vice President – Finance and Account**

**Director /
Executive Vice President – Engineering 1**

Age 49 years

Education

- Doctoral of Business Administration, Information Systems, Edith Cowan University, Perth, Australia
- Master of Business Administration (Finance), Chulalongkorn University
- Bachelor of Business Administration (Accounting), Chulalongkorn University
- Director Certification Program (DCP 129/2010)
- Executive Development Program (EDP 9/2011)
- Ethical Leadership Program (ELP 1/2015)

Shareholding (%) 2.74

Personal Relationship with the Management -

Work Experience

- | | |
|--------------|---|
| 2004-present | Director / Executive Vice President
Symphony Communication Public
Company Limited |
| 2006-present | Director
Synergy Net Holding Company
Limited |
| 2004-present | Director
Global Crossing Systems Company
Limited |
| 2006-2011 | Director
Global Crossing Services Company
Limited |

Age 49 years

Education

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

Shareholding (%) 0.01

Personal Relationship with the Management -

Work Experience

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

Management Structure

Board of Directors

The Board of Directors consists of nine Directors, three of them are independent directors. All directors have received certificates from The Thai Institute of Directors Association. The list of directors and the role of independent directors in the subcommittees are as follows:

Name	Title	Meeting Attendance			
		Board of Directors	Audit Committee	Compensation Committee	Nomination and Corporate Governance Committee
1. Mr. Woodtipong Moleechad	Chairman of the Board / Chairman of Nomination and Corporate Governance Committee / Audit Committee Member / Compensation Committee Member / Chairman of Independent Director	11/11	5/5	6/6	5/5
2. Mr. Prasitt Hemwarapornchai	Deputy Chairman of the Board / Chairman of Compensation Committee/ Nomination and Corporate Governance Committee Member / Audit Committee Member / Independent Director	11/11	5/5	6/6	5/5
3. Mr. Jitkasem Sangsingkeo	Chairman of the Audit Committee / Nomination and Corporate Governance Committee Member / Compensation Committee Member / Independent Director	11/11	5/5	6/6	5/5
4. Mr. Kranphol Asawasuan	Director / Nomination and Corporate Governance Committee Member	11/11	-	-	5/5

Name	Title	Meeting Attendance			
		Board of Directors	Audit Committee	Compensation Committee	Nomination and Corporate Governance Committee
5. Mr. Teerarat Pantarasutra	Director / Compensation Committee Member	11/11	-	6/6	-
6. Mr. Pathomkrit Srisuphakhnanin	Director	10/11	-	-	-
7. Mr. Pongthep Thanakijsumton	Director	11/11	-	-	-
8. Ms. Bussakorn Jaruwachirathanakul	Director	11/11	-	-	-
9. Mr. Supornchai Chotputtikul	Director	11/11	-	-	-

Ms. Nattaya Jungswatmetha is the secretary of the Board of Directors and company secretary.

Authorized Directors

Authorized directors pursuant to the Affidavit of the Company are Mr. Kranphol Asawasuwana, Mr. Teerarat Pantarasutra, Mr. Pathomkrit Srisuphakhnanin, Mr. Pongthep Thanakijsumton, Ms. Bussakorn Jaruwachirathanakul or Mr. Supornchai Chotputtikul any two of them may jointly sign their names and affix the corporate seal to legally bind the company.

Qualification of Board of Directors and Term of office

The Board of Directors shall comprise of at least 5 directors, of which not less than half of total directors must be Thai residents. The Board of Directors must comprise executive directors, non-executive directors and independent directors. The Board of Directors comprises of three independent directors or not less than one-third (1/3) of total number of directors. The independent director must possess qualifications in compliance with the law on securities and stock exchange and the regulations of the Stock Exchange of Thailand. The appointment and dismissal of the Directors shall be in line with the principles and methods defined in the Company's Articles of Association. The term of office for director is 3 years. At every Annual General Meeting of Shareholders, one-third of the Directors shall vacate their office; if the number is indivisible by three, the nearest number shall apply. The retiring directors may be reappointed to resume the positions. Independent directors shall not hold position no longer than 9 consecutive years, except approved by nomination and corporate governance committee due to his/her contribution to the Company and the committee has opinion that additional term of office over 9 years will not impact his/her independency. Moreover, the appointment shall be approved by Board of Directors and Shareholders. At present, none of independent directors holds position longer than 9 years.

Qualification of Independent Director

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

1. Must be appointed by the Board of Directors or at the shareholders' meeting.
2. Must possess qualifications in compliance with the law on securities and stock exchange and the regulations of the Stock Exchange of Thailand.
3. Must hold shares not exceeding one per cent of the total number of voting rights of the Company, its parent company, subsidiary, affiliate, principal shareholder or controlling person of the Company, including the shares held by related persons of the independent director.
4. Neither being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the Company, its parent company, subsidiary, affiliate, same-level subsidiary, principal shareholder or controlling person of the Company unless the foregoing status has ended more than two years prior to the date of appointment. Therefore, such prohibition does not include the director who used to be a civil servant or a consultant of the government organization that is the principal shareholder or has controlling power of the Company.
5. Must not have a business relationship with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, in the manner which may interfere with his or her independent judgment, and neither being nor having been a principal shareholder or controlling person of any person having business relationship with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company unless the foregoing relationship has ended more than two years prior to the date of appointment.
6. Neither being nor having been an auditor of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, and not being a principal shareholder or controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company unless the foregoing relationship has ended more than two years from the date of appointment.
7. Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, and neither being nor having been a principal shareholder, controlling person or partner of the professional advisor unless the foregoing relationship has ended more than two years from the date of appointment.
8. Must not be a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling persons of the Company or its subsidiary.
9. Must not be a director who has been appointed (both openly and secretly) as a representative of the Company's director, major shareholder or shareholders who are related to the major shareholder.
10. Must not operate any business which has the same nature as and is in significant competition with the business of the Company or subsidiary, or not being a principal partner in any partnership, or not being an executive director, employee, staff, or advisor who receives salary; or holding shares not exceeding one per cent of the total number of voting rights of any other company operating business which has the same nature as and is in significant competition with the business of the Company or subsidiary.
11. Must be a capable person who can express his/her opinion or report his/her duty independently without being controlled by the director or major shareholders of the Company, including their close relatives.
12. Must be respectable and widely accepted person.
13. Must devote sufficient time to their duty of member of Board of Directors.

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

1. Perform duty with honesty, care and with full responsibility for the Company's best interests. Manage the Company according to the law, the Company's objectives, Articles of Association and lawful resolutions of the meeting of shareholders.
2. Determine the Company's vision, policies and direction including supervising the management team to effectively and efficiently conduct the business in accordance with the given business policy and action plan in order to maximize economic value and shareholder's wealth and foster sustainable growth.
3. Manage the Company with accountability to the shareholders and disclose full information in accordance with the Company's transparency policy.
4. The Board of Directors must possess knowledge, capability and experience deemed necessary to the Company's operation and concentrated in the Company's activity of which they are appointed as Directors.
5. Evaluate the performance of top executives and review their remunerations.
6. Set forth the business policies and objective with a clear and measurable monitoring system as an operational guidance that reasonable and possible, also regularly review such policies and the adoption.
7. Promote the publication of the Company's business ethics handbook to help all directors, executives and employees understand and comply with the standard of business ethics.
8. Carefully review all transactions that may lead to conflicts of interest, ensure that they are at the best interest to the Company and shareholders, make sure that those who have conflict of interest are not in a part of decision making process and these transactions are completely disclosed and strictly comply with related laws and the regulations.
9. Recommend the thorough risk management policy for the entire organization and delegate the management team to execute such policy and regularly report to the Board of Directors as well as having regular evaluation and assessment or whenever the risk level seems deviate from the specified direction and precaution to any warning signal or irregularities.
10. Make decision on important matters such as policies, business plan, large scale investment, management authority, acquisition or disposal of assets or any transaction required by law.
11. Delegate business transaction approval authority to appropriate group or persons in accordance with related laws, establish authority of approval handbook and review it on annual basis.
12. Set the reliable accounting, financial report and audit program, including the evaluation process of internal control. Appoint independent person or organization to perform such audit. Such programs should be reviewed regularly.
13. Consider the auditor appointment and determine the annual auditor fee and propose to the shareholders' meeting for approval.
14. Report the responsibility of the Board of Directors for financial reporting, together with the report of auditor in the annual report, the content of which should cover important matters in accordance with code of conduct of the SET listed company's directors.
15. The Board of Directors may appoint subcommittee or any person to oversee, follow up, and operate the Company's business that is deemed necessary under directors' control of the Company, and in compliance with the Company's charter, including the evaluation of its performance; or grant the powers to such subcommittee or person for a certain period of time or as it deems appropriate. The Board of Directors may remove such person or change the scope of power of such person. Such authorization shall not allow the authorized subcommittee or person to approve transaction that he/she has vested interest in or has conflict of interests. The Company shall propose the shareholder meeting for approval of connected transaction, the requisition or disposition of significant assets as set forth in the Company's Articles of Association and in the regulations of the Securities and Exchange

Commission and the Stock exchange of Thailand. The party with conflict of interest shall not eligible to approve or vote for the transaction. The grant of approval authority for normal business transactions must be clearly defined the scope and approval limit for each level. Therefore, there is no authorization in transaction approval that has no approval limit. In the event of authorizing manager or another person to act for and on behalf of the Board of Directors, such authorization must be in written form or clearly recorded in a meeting minute. Furthermore, such authorization should clearly specify a scope of powers, duties and responsibilities of an authorized person.

16. The Board of Directors must perform self-assessment.

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

Management Team

The Company's managements as defined by the Securities and Exchange Commission comprise of the following 5 members.

Name	Title
1. Mr. Teerarat Pantarasutra	President
2. Mr. Pathomkrit Srisuphakhnanin	Executive Vice President for Engineering 2
3. Mr. Pongthep Thanakijsumton	Executive Vice President for Marketing and IMC
4. Ms. Bussakorn Jaruwachirathanakul	Executive Vice President for Finance and Accounting
5. Mr. Supornchai Chotputtikul	Executive Vice President for Engineering 1

The scope of power, duties and responsibilities of President

1. Operate, plan and manage day-to-day business.
2. Make decision on important matters. Set missions, objectives, guidelines and policies for the Company's business operation and control the management of each department.
3. Authorized to supervise, contact, command, sign agreements, orders or announcements as defined in authorization handbook.
4. Authorized to hire, appoint, transfer, as well as define scope of duties and appropriate remuneration including salary, bonus, fringe benefits for employees, take disciplinary action against employees as well as dismiss the employees as defined in authorization handbook.
5. Authorized to set the trade condition for the Company's benefit.
6. Consider signing agreement related to the Company's normal business, new business venture or the closure of some business for submission to Executive Committee and/or the Board of Directors.
7. To approve and appoint the consultant in the area that is deemed necessary.
8. To act according to the assignment from Executive Committee and/or the Board of Directors.

9. Authorized to manage the Company's business in accordance with objectives, regulations, policies, Articles of Association, order and the resolution of the shareholders' meeting and/or Executive Committee and the Board of Directors.
10. Authorized to appoint and manage working groups for efficient management and transparency and to assign the power of attorney and/or delegate specific tasks to other persons, provided that it complies with the document concerning the power of attorney and/or rules approved by the Board of Directors.
11. Authorized to order, regulate, issue announcement to ensure that overall operation is done according to the policy and best benefit of the Company.

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

Company Secretary

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

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

Background and qualification of company secretary

Ms. Nattaya Jungsawatmetha

Education	Master of Business Administration, Thammasat University Bachelor of Art (Economics), Thammasat University Bachelor Degree of Business Administration (Accounting), Sukhothaidhammadhirat University
Experience	2010-present Senior Investor Relations Manager, Symphony Communication Public Company Limited
Qualification	Knowledge of company business, SEC and SET rules, regulations and related laws regarding responsibilities of company secretary. Joined training courses relating to roles and responsibilities e.g. Company Secretary Program from Thai Institution of Directors, Smart Disclosure Program from SET etc.

Directors and Management Compensation

1) Compensation in cash

1.1) Directors Compensation

The Company has considered directors compensation which is separated into independent directors and executive directors as well as considering principle appropriate for the business, amount of payment and comparing with other companies listed in Stock Exchange of Thailand, responsibility, the Company's position, operating performance and the supervision of the Company to achieve the strategic execution and corporate objective including income growth and also considering external factors such as business competition, conditions and trend of the market as well as current economic environment and etc. The director compensation must be approved by shareholders' meeting.

The Annual General Meeting of Shareholders 2015, held on 24 April 2015, resolved to approve the Board of Directors' and Subcommittee Compensation for the year 2015, in the amount not over Baht 7.0 million per year and director bonus in the amount not exceeding Baht 3,000,000 per year to be payable in proportion of 1% of total dividend payment (if paid).

1.1.1) Meeting allowance

Meeting allowance rate for Board of Directors meeting and subcommittee meeting are as follows:

Position	Meeting allowance (Baht/time)					Remarks
	Board of Directors	Compensation Committee	Nomination and Corporate Governance Committee	Audit Committee	Independent Director Committee	
Chairman	25,000	20,000	20,000	20,000	10,000	- Payable to participated members - Meeting allowance for subcommittee only paid to non-executive members - No meeting allowance for Executive Committee and Risk Management Committee as all members are executives
Member	20,000	15,000	15,000	15,000	10,000	

1.1.2) Retainer fee

Retainer fee for Board of Directors and Subcommittee are as follows:

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

1.1.3) Director bonus

The Annual General Meeting of Shareholders 2015, held on 24 April 2015, resolved to approve director bonus in the amount not exceeding Baht 3,000,000 per year to be payable in proportion of 1% of total dividend payment (if paid). Board of Directors meeting No.2/2016, held on 23 February 2016 approved to propose the Annual General Shareholders' Meeting for the year 2016 to consider and approve dividend payment for operating performance of 2015 in total amount of 60.85 Million Baht. Therefore, director bonus at 1% of total dividend payment is 608,516 (Six hundred eight thousand five hundred sixteen Baht), to be paid on the same day as dividend payment date on 24 May 2016 if the Shareholders' Meeting approve the dividend payment as proposed.

In 2015, the compensation paid to directors according to above criteria are as follows:

Unit : Baht

Name	Meeting Attendance					Retainer Fee	Total
	Board of Directors	Compensation Committee	Nomination and Corporate Governance Committee	Audit Committee	Independent Director Committee		
1. Mr. Woodtipong Moleechad Chairman of the Board / Chairman of Nomination and Corporate Governance Committee / Audit Committee Member / Compensation Committee Member / Chairman of Independent Director	250,000	90,000	100,000	75,000	10,000	960,000	1,485,000
2. Mr. Prasitt Hemwarapornchai Deputy Chairman of the Board / Chairman of Compensation Committee / Nomination and Corporate Governance Committee Member / Audit Committee Member / Independent Director	200,000	120,000	75,000	75,000	10,000	960,000	1,440,000

Name	Meeting Attendance					Retainer Fee	Total
	Board of Directors	Compensation Committee	Nomination and Corporate Governance Committee	Audit Committee	Independent Director Committee		
3. Mr. Jitkasem Sangsingkeo Chairman of the Audit Committee / Nomination and Corporate Governance Committee Member / Compensation Committee Member / Independent Director	200,000	90,000	75,000	100,000	10,000	960,000	1,435,000
4. Mr. Kranphol Asawasuwana Director / Nomination and Corporate Governance Committee Member	200,000	0	0	0	0	240,000	440,000
5. Mr. Teerarat Pantarasutra Director / Compensation Committee Member	200,000	0	0	0	0	240,000	440,000
6. Mr. Pongthep Thanakijsumton Director	180,000	0	0	0	0	240,000	420,000
7. Mr. Pathomkrit Srisuphakhanin Director	200,000	0	0	0	0	240,000	440,000
8. Ms. Bussakorn Jaruwachirathanakul Director	200,000	0	0	0	0	240,000	440,000
9. Mr. Supornchai Chotputtikul Director	200,000	0	0	0	0	240,000	440,000
Total	1,830,000	300,000	250,000	250,000	30,000	4,320,000	6,980,000

1.2) Management Compensation

In 2014 and 2015, management compensations are as follows:

Benefits	2014		2015	
	Number of executives	Amount (Baht)	Number of executives	Amount (Baht)
Salary and Bonus	7	24,690,445	6	21,864,715
Other remunerations such as contribution to social security fund, provident funds, etc.	7	1,816,874	6	2,024,406
Total	7	26,507,319	6	23,889,121

2) Other benefits

On 22 April 2013, the annual general meeting of shareholders 2013 approved the issuance and offering of 6,000,000 units of free warrant to directors, management and/or employees of the Company to motivate and reward directors, management and/or employees who are essential for the Company to achieve sustainability and stimulate higher business growth. The exercise ratio is 1 unit of warrant for 1 ordinary share at exercise price of 14.72 Baht/share. The warrants have expiry date 4 years from the issuance date. None of director, management and/or employees received allocation more than 5% of total issued warrants. Mr. Supornchai Chotputtikul is the only director/management who received allocation in the amount of 300,000 units or 5% of total issued ESOP warrants.

Personnel

1) Number of Employees and Compensation

As of 31 December 2015, the total number of employees (exclude Directors and Management) was 400, which can be classified functions as follows:

Department	No. of Employees
Office of Managing Director	3
Consultant	1
Marketing and Information Technology	76
Engineering	256
Government Affair, Purchasing and Asset Management	26
Finance and Accounting	19
Human Resources	12
Legal	2
Operation System Development	5
Total	400

The Company has a compensation policy which provides fair and attractive compensation to employees by considering the compensation policy of other companies in the same industries to motivate and retained qualified personnel in the long run. In 2014 and 2015, the compensation which the Company provided for its employees are as follows:

Employees' Compensation (Baht)	2014	2015
Salary and bonus	157,196,069	176,938,120
Other benefits such as commission, bonus, contribution to social security fund, contribution to provident fund, living expenses and other fringe benefits	62,925,560	69,881,893
Total	220,121,629	246,816,913

2) Human Resource Development Policies

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

The human resource development strategies need to be aligned with our visions, missions, goals, strategic plans, and fulfill the desired employee competencies. Our desired core competencies are categorized into 5 following areas: Adaptability, Professionalism, Teamwork, Integrity and Service-Minded.

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

Summary of Training to employees of the Company and its subsidiary in 2015

In 2014, the Company properly provided for training courses for employees of the Company and its subsidiary, both in-house training and external training with professional training houses and accredited organizations. Most employees had total training hour over 18 hours per year which is higher than training hours required by the standard of the Department of Skill Development which required average minimum 6 hours per person per year.

Total training hours	6 Hours	12 Hours	More than 18 Hours	Total
Number of employees	51 employees	105 employees	212 employees	368 employees

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

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

Good Corporate Governance

1. Corporate Governance Policy

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

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

Section 1 Shareholders' Rights

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

Shareholder Meeting

- Delivering meeting notices prior to the meeting in compliance with the related laws or regulations of Securities and Exchange Commission (SEC) and Security Exchange of Thailand (SET). The notices are available in Thai and English, together with details of agenda, objective of each agenda, Board of Directors' opinion and accompanying documents supplementary detailing rights of the shareholders to attend the meeting, and rights to vote for resolution of the shareholders' meeting, the documents required to present for meeting registration that use bar-code scanning. Posting such information on company's website at least 30 days prior to the mailing and advertising the notice in daily newspaper for 3 consecutive days prior to the meeting at least 14 days.
- For those shareholders who cannot attend the meeting in person, they can appoint proxies or delegate their votes to any company's independent director in attendance by filling in the proxy form which is attached along with the meeting notices.
- Prior to the meeting, the shareholders can send their views, opinions, recommendations or questions to the Company. Moreover, the Company gives opportunity to shareholders to propose the additional agenda and nominate candidates for the election of directors prior to the meeting. The Company also set the communication channels for investor contact via the Stock Exchange of Thailand and the Company's Investor Relations Websites.
- During the meeting, the Company will provide adequate time for all attendants to express opinions or recommendations and ask questions freely before voting. The Chairman and the management are to address and answer all questions clearly and precisely. All these will be recorded with written summary in the minutes of the meeting.

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

Section 2 Equitable treatment of Shareholders

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

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

Section 3 Roles of the Stakeholders

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

Shareholders

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

Customers

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

Business partners

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

Competitors

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

Creditors

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

Employees

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

Government

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

Community, social, environment, occupational health and safety

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

Mechanism of Participation for Stakeholders

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

Symphony Communication Public Company Limited

123 Suntowers Building B, 35th - 37th FL.,

Vibhavadee Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 or

Telephone : 66-2-101-1111, Fax : 66-2-101-1133 or through the Company's website, www.symphony.net.th

in which the contact person for each department and communication channels have already been specified.

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

Section 4 Disclosure of Information and Transparency

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

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

Investor Relations

The Company realizes the importance of communication with investors, analysts and other concerned parties. Therefore, the Company has assigned the investor relations department to be responsible for investor relations activities. Such responsibilities concern the disclosure of information in accordance with the regulations set by Securities and Exchange Commission and the Security Exchange of Thailand. The department will act as company's representative to communicate and publicize other information that useful for investors, analysts and other concerned people. The Company will provide opportunities for investors to ask questions and receive information through various channels such as the Company's website, investor and analyst meetings which attended by senior executives. The interested persons may contact the Company directly at 02-101-1111 ext. 36312 or at email: ir@symphony.net.th

Section 5 Responsibilities of the Board of Directors

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

1) The Structure of the Board of Directors

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

At present, the Board of Directors consists of 9 directors, of which 3 of them are independent directors, which is amounted to one-third (1/3) of the total directors, thus, can adequately exercise check-and-balance power in the deliberation and voting of agenda. Aside from that, the Company appointed 5 subcommittees, namely Audit Committee, Compensation Committee, Nomination and Corporate Governance Committee, Risk Management Committee and Executive Committee. The Company also clearly defined the scope of power and responsibility of these sub-committees in the Board of Directors' Charter.

The Company has required that the Chairman of the Board of Directors and the Chairman of the Executive Committee are two distinct persons, in order to segregate policy-making and governing duties from those of day-to-day management.

Moreover, the Company appointed the secretary of the Board of Directors to be responsible for the Company's Board of Directors meeting and shareholders' meeting. The Company also appointed corporate secretary whose main duty is to provide information on the Company's laws and regulations that the Board of Directors is supposed to know and oversee the Board of Directors' activities, to ensure that all resolutions of the Board of Directors will be strictly observed.

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

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

- **Corporate Governance Policy**
The Company has defined Corporate Governance Policy in written form and issue the Corporate Governance handbook to publish as a guideline for the directors, management and employees and review it on annual basis.
- **Business Code of Conduct**
Board of Directors must promote and develop corporate governance and set code of conduct in written form for the Board of Directors, management and all employees to strictly observe, compile and set standard as a guidance to control and monitor actions of directors, managements and employees as well as define to punishment for those who misconduct.
- **Respect to laws, human rights and intellectual properties**
Business of the Company is to providing service to public, therefore, the Company shall conduct the business in compliance with laws, regulations, order and resolution of Board of Directors as well as respect to principle of human rights by avoiding any violation to human rights. The Company also set policy for employees at all level to hold on to code of conduct relating to human rights and respect to intellectual properties and use only legalized standard softwares.
- **Anti-corruption Policy**
The Company has “Anti-Corruption Policy” in written form in order to prudently make a decision on any course of action that could possibly lead to corruption and to serve as an apparent guideline in performing business and effectively developing to sustainable organization. Director, managements, and staff are disallowed to involve or accept every type of corruption both in direct or indirect manners covering every business activities. The Anti-Corruption Policy must be reviewed regularly, including with a possible revision of such policy and implementation provision in order to accord with business changes, regulation, standard, and laws. The Company provide fairness and safeguard to staff who denies or informs corruption cases relating to the Company by applying Protection Policy for appellant or persons who incorporate with Anti-Corruption information as stated in the Whistleblower Policy.
- **Conflict of Interests**
The Company is determined to restrict the conflict of interests within an organization at high level of integrity and independency, considering the framework of business ethics and for the Company’s best interests. Any party having conflict of interests to the Company’s concerning matter must disclose their relationship and define possible conflict of interest to the Company. Such person, will be refrained from the concerned decision making and not authorized for the approval of such transactions. Such policy for the related transaction or the transactions having conflict of interests has been issued in compliance with the laws and regulations of SEC and SET. The Company has disclosed such information in the Company’s annual report and annual disclosure (form 56-1).
- **Internal Control**
The Company places importance on setting up an effective internal control system. The internal control regulations handbook has been published as a guideline for this matter, the contents of which clearly segregate the responsibilities and operating power of operating team from those of management in the matters concerning the Company’s assets, the approval of transactions, the documentation of accounting and financial information. Moreover, they clearly segregate the duties of operating team, monitoring team and evaluation team to enhance an adequate check-and-balance system.
- **Risk Management**
The Company places supreme importance on the risk management of the entire organization. Therefore, the Company appointed the risk management team to directly oversee and manage such risks that are financial risk, operating risk and business risk. The risk management team will report to the Audit

Committee on quarterly basis or whenever necessary for deliberation before submission to the Board of Directors.

3) Board of Directors meetings

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

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

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

4) Director positions in other listed companies

Policy for directors to hold director positions in other listed companies

Board of directors set policy that directors shall not hold director positions in other listed companies more than 5 companies, in order that the director can dedicate and provide efficiency to the duties of directors. At present, none of 9 directors hold director positions in other listed companies more than 5 companies, therefore, they can really contribute to the duties of directors.

Policy for the president regarding director positions in other companies

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

5) Performance Evaluation of Directors

The board of directors conducted the self-assessment on their scope of duties on annual basis, whereby each director is free to evaluate and express his/her opinions to board of directors in order to improve efficiency of board of directors. The evaluation measures including qualifications, roles of regulating and monitoring, leadership, strategic direction and duties.

In 2015, evaluation performance of board of directors was in “Good” level. All Director also evaluate themselves by individual evaluation including assessment of knowledge, competence, duties and responsibilities. In 2015, evaluation performance of each directors were in “Good” level.

Board of directors has analyzed the assessment results in all aspects for further efficiency improvement.

For subcommittee assessment, there were both selves assessment by individual director and subcommittee assessment, the evaluation results have been reported to Board of Directors. In 2015, average evaluation results of all subcommittees were in “Good” level.

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

6) Director and Executive Development

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

In 2015, the Company provided useful training courses for directors as follows:

1. Mr. Woodtipong Moleechad has attended following courses :
 - Anti-Corruption for Executive Program (ACEP 15/2015)
 - Director Certification Program Update (DCPU 3/2015)
2. Mr. Kranphol Asawasuwana has attended following course :
 - Director Certification Program Update (DCPU 3/2015)
3. Mr. Teerarat Pantarasutra has attended following courses :
 - Anti –Corruption For Executive Program (ACEP 13/2014)
 - Administrative Law for Executive Program (ALEP 2/2015)
4. Mr. Pongthep Thanakijsumton has attended following course :
 - Anti-Corruption for Executive Program (ACEP 15/2015)
5. Ms. Bussakorn Jaruwachirathanakul has attended following course :
 - Ethical Leadership Program (ELP 1/2015)
6. Mr. Supornchai Chotputtikul has attended following course :
 - Ethical Leadership Program (ELP 1/2015)

Subcommittees

1) Audit Committee

The Audit Committee consists of three following independent directors.

	Name	Title
1. Mr. Jitkasem	Sangsingkeo *	Chairman of Audit Committee
2. Mr. Prasitt	Hemwarapornchai	Member of Audit Committee
3. Mr. Woodtipong	Moleechad	Member of Audit Committee

Ms. Warun Aumetanapan is the secretary of the Audit Committee

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

Qualifications of Audit Committee

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

The scope of power, duties and responsibilities of Audit Committee

1. Review financial statements to ensure the correctness and completeness thereof. Cooperate with outside auditor and responsible executives to publish financial report quarterly and annually. Disclose sufficient

company's information prior to submission to the Board of Directors.

2. Review internal control system and internal audit system to ensure that the Company has a suitable and efficient internal control; to ensure that the internal audit remains independent. Provide opinions on appointment, transfer and removal of the Head of Internal Audit Department or other persons responsible for internal audit. Therefore, the audit committee may suggest the auditor to audit certain transactions that are deemed necessary during the auditing process. It may suggest the Board of Directors any ideas that can improve the Company's internal auditing system or cooperate with outside auditor, internal auditing manager and with internal auditing consultant.

3. Review the compliance with the law on securities and stock exchange and the regulations of the Stock Exchange of Thailand and other applicable laws.

4. Nominate independent persons as the Company's auditor and propose remuneration thereto for approval at the shareholders' meeting; to coordinate with auditors in a matter concerning the objectives, scope, direction and plan of auditing process, including the problems occurring during such process; and to attend meetings with an auditor in the absence of the management, at least once a year.

5. Review connected transactions or transactions with conflict of interests, ensure the disclosure in compliance with laws and the regulations of the Stock Exchange of Thailand; and to ensure the justification and the maximized benefits to the Company.

6. Review the risk management policy to ensure that the Company has appropriate risk management system.

7. Report the audit committee's operation to the Board of Directors at least four times a year.

8. In performing its duty, the Audit Committee has an authority to invite management executives or the Company's employees to share their views, attend the meeting or submit document that deems necessary.

9. To have authority to appoint or outsource consultants according to the Company regulations to provide opinion as deem necessary.

10. To prepare an Audit Committee's report, signed by the Chairman of Audit Committee, which shall comprise, at least, of the following details:

- Opinions on the correctness, completeness and reliability of the Company's financial reports.
- Opinions on the efficiency of the Company's internal control system.
- Opinions on the compliance with the law governing securities and stock exchange and the regulations of the Stock Exchange of Thailand and the other laws applicable to the Company's business.
- Opinions on the suitability of the auditor.
- Opinions on transactions that may involve conflict of interests.
- The number of meetings of the Audit Committee and the attendance of each member.
- Opinions or remarks on performance of duties pursuant to the Charter.
- Other transactions that the shareholders or investors should know, subject to the scope of duties and responsibilities as set forth by the Board of Directors.

11. To perform self-assessment and report the result including the problems and obstacles to the Board of Directors on annual basis.

12. To perform other duties assigned by the Board of Directors within the aforementioned scope of power and duties of the Audit Committee. In performing such duty, the Audit Committee is directly responsible for the Board of Directors, while the Board of Directors is responsible for the Company's operation.

2) Compensation Committee

The Company's Compensation Committee consists of the following 4 members.

	Name	Title
1.	Mr. Prasitt Hemwarapornchai	Chairman of the Compensation Committee
2.	Mr. Woodtipong Moleechad	Compensation Committee member
3.	Mr. Jitkasem Sangsingkeo	Compensation Committee member
4.	Mr. Teerarat Pantarasutra	Compensation Committee member

Ms. Natthanicha Chongvilai is the secretary of the Compensation Committee

Qualifications of Compensation Committee

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

Scope and responsibilities of the Compensation Committee

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

3) Nomination and Corporate Governance Committee

The Company's Nomination and Corporate Governance Committee consists of the following 4 members as follows:

Name	Title
1. Mr. Woodtipong Moleechad	Chairman of the Nomination and Corporate Governance Committee
2. Mr. Prasitt Hemwarapornchai	Nomination and Corporate Governance Committee member
3. Mr. Jitkasem Sangsingkeo	Nomination and Corporate Governance Committee member
4. Mr. Kranphol Asawasuwana	Nomination and Corporate Governance Committee member

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

Qualifications of Nomination and Corporate Governance Committee

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

Scope and responsibilities of the Nomination and Corporate Governance Committee

Nomination Roles

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

Corporate Governance Role

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

4) The Risk Management Committee

The Risk Management Committee consists of the following 9 members.

Name	Title
1. Mr. Kranphol Asawasuwana	Chairman of the Risk Management Committee
2. Mr. Pathomkrit Srisuphakhanin	Deputy Chairman of the Risk Management Committee
3. Ms. Bussakorn Jaruwachirathanakul	Risk Management Committee member
4. Mr. Supornchai Chotputtikul	Risk Management Committee member
5. Mr. Wanchai Somboonphon	Risk Management Committee member
6. Mr. Paisarn Trichavaroj	Risk Management Committee member
7. Mr. Apirath Wisitthiwong	Risk Management Committee member
8. Mr. Chakkrit Sangsawang	Risk Management Committee member
9. Mr. Patomrit Phatinawin	Risk Management Committee member

Ms. Warun Aumetanapan is the secretary of the Risk Management Committee

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

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

5) Executive Committee

The Executive Committee consists of the following 4 members.

Name	Title
1. Mr. Kranphol Asawasuwana	Chairman of the Executive Committee
2. Mr. Teerarat Pantarasutra	Deputy Chairman of the Executive Committee
3. Mr. Pongthep Thanakijsumton	Executive Director
4. Mr. Supomchai Chotputtikul	Executive Director

The scope of power, duties and responsibilities of Executive Committee

1. Must comprise of at least 4 Executive Directors.
2. Manage the Company's business operation in line with targets set by the Board of Directors and report the company's performance to the Board of Directors. The quorum of Executive Committee meeting shall have at least half of its members present and its resolution should be in accordance with the majority vote.
3. Set policies, guidelines, strategies and principles for business operation, including the management structure in line with targets set by the Board of Directors and submit it to the Board for consideration.
4. Set appropriate approval authority for each level of management and ensure segregation of duty for approval of such transaction that might lead to fraud and define the business transaction guidelines and procedures with the major shareholders, directors, management or connected persons in order to prevent the transfer of benefits or interests, then submit it to the Board of Directors for approval and ensure such approved policies as set forth are duly put into practice.
5. Review annual budget allocation as well as budget control procedure, propose to the Board of Directors for approval and monitor the budget utilization after the approval.
6. Review and approve investment budget in accordance with the authority as defined in authorization handbook.
7. Ensure any agreement or contracted that abide the Company signed by authorized person in accordance with the authority as defined in authorization handbook.
8. Set employee remuneration structure and policy to propose the compensation committee for consideration prior to propose for the approval from the Board of Directors.

9. Be responsible for providing sufficient information for the Board of Directors and shareholders for their decision making as well as reliable and transparent financial reports according to the generally accepted standard.
10. Consider the Company's profit or loss and propose the dividend payment to the Board of Directors.
11. Consider the new business venture or the closure of some business and submit to the Board of Directors for approval.
12. Set the reporting procedure of the irregularity or wrongdoing for operating officers to report the events to Executive Committee in due time. In the event that such incident has significant impact on the Company's operation, it must be reported to the Board of Directors so the remedial procedure shall be established in due time.
13. Take any actions to support the aforementioned activities according to the opinion or authority granted by the Board of Directors.
14. The resolution and/or approval of the Executive Committee must be reported to the Board of Directors in the next Board of Directors' meeting.
15. Perform the duties assigned by the Board of Directors.
16. To perform other duties assigned by the Board of Directors.

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

Nomination of Directors and Top Executives

The Appointment of Director

The Board of Directors has appointed Nominating and Corporate Governance Committee, which comprise of 3 independent directors from 4 members, to select, and nominate suitable candidates for the position of Directors and Managements and must consider the composition of board of directors in accordance with Public Company Act B.E.2535, qualification, variety of experiences and contribution to the Company. The Nominating and Corporate Governance Committee also considers if there are qualified persons nominated from minority shareholders. Then, Nominating and Corporate Governance Committee nominate to board of directors to propose the annual general shareholders meeting to appoint director by votes according to the Company's regulations. The Company allow shareholders to vote for directors individually one by one. The appointment and dismissal of the Directors shall be in line with the principles and methods defined in the Company's Articles of Association, the contents of which are as follows:

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

Chairman of the Meeting shall cast a ruling vote.

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

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

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

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

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

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

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

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

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

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

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

9. The Board of Directors shall hold the meeting at least every three (3) months at the venue specified by them. The Chairman or the person who has been assigned to act on behalf of the chairman is eligible to call a meeting.

At least two (2) Directors may ask the Chairman to call a meeting. In the event of being asked by at least two (2) directors, the Chairman or the person who has been assigned to act on behalf of the chairman shall set the date of the meeting within fourteen (14) days since the day of being asked.

10. The Board of Directors meeting shall be held at the place where the Company's headquarter situated or in the nearby province.

11. In the event of calling a meeting, the Chairman or the person who has been assigned to act on behalf of the Chairman shall send out the invitation for meeting to the Directors at least seven (7) days prior to the meeting, except in the case of emergency when upholding the rights and benefits of the Company is concerned. Such invitation of meeting shall be sent out the other way and the meeting date shall be set sooner than the aforementioned timeframe.

12. The meeting of the Board of Directors shall have the directors present at least half (1/2) of its total number.

The Chairman of the Board of Directors shall be the Chairman of the Meeting. In the event of his absence or his duties cannot be performed, the Deputy Chairman shall be the Chairman of the Meeting. In the event of the Deputy Chairman's absence or his duties cannot be performed, the directors present shall elect one to perform the duty of the Chairman of the Meeting.

13. All resolutions of the Directors' meeting shall be judged by the majority votes with one vote for one director. In the event of a tie, the Chairman of the Meeting shall cast a ruling vote.

14. Be responsible for the Company's operation and has an authority to act honestly within the scope of law, the Company's objectives, the Articles of Association and the resolution of the shareholders' meeting for the benefit of the Company.

The Board of Directors shall assign one (1) or many director (s) to perform any action on behalf of the Board of Directors.

15. Two (2) Directors as defined in the Company's certificate registration may jointly sign their names and affix the corporate seal to legally bind the Company.

The shareholders' meeting or the Board of Directors shall consider identifying or changing the name and/or number of the Directors that have authority to sign their names and affix the corporate seal to legally bind the Company.

16. The Company prohibits any payment either in the form of money or assets to the Directors, except their fees.

The Directors has rights to receive fees from the Company, which comes in the form of salary, attendance fee, bonus or other forms of fringe benefit in accordance with the Company's regulation or with the resolution of the shareholders' meeting which may clearly define in the form of money or principles.

The content in the previous paragraph shall not affect the rights of Company's employee and personnel who have been appointed as the Directors, to receive benefits and fees as the Company's employee or personnel.

The payment stated in the first and second paragraphs shall not contradict with the qualification of independent directors as defined by Securities and Exchange Act.

Appointment of the President and Succession Plan

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

Governance and Control of Subsidiary

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

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

The Control of Inside Information Usage

For transparency purpose and to prevent the use of inside information that has not been disclosed to the public for personal benefits and avoid criticism of inappropriate sale and purchase of company's shares by its personnel, the Company has issued regulations to directors, executives and all employees as follows:

- The directors, executives and all employees of the Company must protect the Company's confidentiality and must not disclose it for their own or others' benefits whether directly or indirectly. They must not transfer or be transferred the Company's shares by using the Company's confidentiality and/or inside information and/or undertake any business transactions by using the Company's confidentiality and/or inside information, which would lead to financial loss to the Company whether directly or indirectly.
- The directors, executives and employees who are aware of inside information that has not been disclosed to the public must not use such information and must avoid or refrain from buying, selling, transferring or being transfers company's shares within 1 month before the disclosure of the quarterly financial statement and annual financial statement to the public.

All company's directors and management must report any changes in their company's share ownership to SEC under section 59 of the Securities and Exchange Act B.E. 2535 within 3 days from the date of sale, purchase, disposal or receipt of such share and submit a copy to the Company as reference.

Auditor's Fee

The Company's financial statement have been reviewed and audited by certified accountant according to the general accepted accounting standard to ensure that the financial statements are fairly presented. The Company's financial statements for the year 2015 have been audited by EY Office Limited. The audit firm has received its fee as detailed below

1. Auditing fee according to the contract	1,050,000	Baht	(for quarterly and annual financial statement, exclude auditing fee of subsidiary in the amount of Baht 120,000)
2. Tax consulting fee	180,000	Baht	
3. Other expenses	<u>21,185</u>	Baht	
Total	<u>1,251,185</u>	Baht	

Audit Committee Report 2015 – Internal Control and Risk Management

The Audit Committee of Symphony Communication Public Company Limited comprises three independent directors whose qualifications fully comply with requirements of the Securities and Exchange Commission, namely Mr. Jitkasem Sangsingkeo, Chairman of the Audit Committee, Mr. Woodtipong Moleechad and Mr. Prasitt Hemwarapornchai, members of the Audit Committee. Ms. Warun Aumetanapan, Internal Audit Manager serves as the secretary of Audit Committee.

In 2015, the Audit Committee performed its duties in compliance with the Audit Committee Charter approved by the Board of Directors. The Audit Committee held at least once every quarter, total 5 meetings held in 2015, in which all Audit Committee members have fully attended all the meetings, together with executives, auditors and internal auditors as appropriated, which is summarized as follows:

1. Reviewed quarterly and annual financial statements for the year 2015 prior to proposing to the Board of Directors for approval. The Audit Committee has inquired management and auditor for the accuracy, completeness of the financial statements and the adequacy of disclosures. The Audit Committee is of the opinion that the Company's financial statements were prepared in accordance with legal requirements and generally accepted accounting principles.

2. Reviewed the internal control system to evaluate suitability and efficiency of current internal control system. The Audit Committee reviewed the planned quarterly audit reports from outsource internal auditor. There was no significant deficiency and the Company has proper asset control. The Audit Committee is of the opinion that the Company has efficient, adequate and suitable internal controls in the acceptable criteria. Its internal control system is regularly reviewed and evaluated. The Company also outsources an independent internal auditor to review, suggest and independently audit on a regular basis.

3. Reviewed the internal audit system. The audit committee meeting 5/2015, held on December 24th, 2015, appointed an independent internal auditor namely Ultima Advisory Co., Ltd. that assigned Ms. Cholada Thiraphatthanant and Ms. Suvimol Thiangthae to review internal audit activities and evaluate adequacy of internal control system. The independent internal auditor had directly reported the result to the Audit Committee on quarterly basis. The Audit Committee had considered the independence of Internal Auditor, the scope of internal auditing, independence, responsibilities, functions and audit plan. The Audit Committee is of the opinion that scope of internal auditing and audit plan are sufficient, suitable and regularly reviewed.

The Audit Committee had considered qualification of Ultima Advisory Co., Ltd., Ms. Cholada Thiraphatthanant and Ms. Suvimol Thiangthae, their qualification are sufficient and suitable to perform the duties due to their independence and experience in the field of internal audit. Moreover, the audit committee had assigned Internal control unit to cooperate with outsourced internal auditor.

4. Reviewed the compliance with the law. The Audit Committee has assigned Corporate Secretary to monitor the compliance to the rules and regulations of Securities and Exchange Commission and the Stock Exchange of Thailand or other laws relating to its business as well as corporate agreement with external parties, which has an opinion that the Company has complied with the Securities and Exchange Law, regulations of the Stock Exchange of Thailand, or other laws relating to its business and its agreement to external parties.

5. Reviewed the risk management system. The Audit Committee had reviewed the risk management system, considering its linkage to internal control, risk management policy and guidance as well as risk management progress. The Audit Committee is of the opinion that the Company has efficient risk management system that is constantly reviewed in accordance with the Company's risk management guidance handbook and at acceptable risk level.

6. Reviewed the connected transactions and its disclosure in audited financial statements and the notes of audited financial statements. The Audit Committee has common opinion with the independent auditor that the connected transactions were done on normal course of business and of the Company's interest, and completely disclosed.

7. Nominated external auditor and recommended their compensation for the year 2016 and presented to the Board of Directors to propose for final approval from the 2016 Annual General Meeting of Shareholders. The Audit Committee had considered performance, independence and appropriate compensation and, thus, has nominated following auditor (s); Mr. Sophon Permsirivallop, Certified Public Accountant (Thailand) No. 3182 and/or Ms. Rungnapa Lertsuwankul, Certified Public Accountant (Thailand) No. 3516 and/or Mr. Chayapol Suppasertanon, Certified Public Accountant (Thailand) No. 3972 and/or Ms. Pimjai Manitkajohnkit, Certified Public Accountant (Thailand) No. 4521 from EY Office Limited as an auditor of the Company and its subsidiary in 2016 with the compensation of Baht 1,100,000 (exclude audit fee of subsidiary).

Audit Committee has consider independency and service quality of the nominated auditor. The auditors as named above have no relationship or interest in the Company/ the management/ major shareholders or related person of the Company/ the management/ major shareholders. Ms. Rungnapa Lertsuwankul, Certified Public Accountant (Thailand) No. 3516 has signed the financial statements for the Company for two year in 2014 and 2015. The proposed audit fee has been considered by Audit Committee, managements and internal audit department, that the audit fee is justified and appropriated to proposed to the Board of Directors of the Company to propose to the Annual General Shareholders' Meeting for the year 2016 to consider and approve. In 2015, Audit Committee had 1 meeting with the auditor (without presence of the management team).

8. The Audit Committee conducted the self-assessment on their scope of duties in the year 2015 using the assessment form recommended by Thai Institute of Directors (IOD) which has assessment criterion according to the Audit Committee Charter and the good practice. For 2015, the assessment result was in good level. The Committee had performed its duties in accordance with the Audit Committee Charter and the good practice.

9. In November 2015, Audit Committee has attended "Audit Committee Seminar- Get Ready for the Year", held by Federation of Accounting Professions, Under the Royal Patronage of His Majesty the King and the Annual Seminar "Issues for Audit Committee" held by EY Office Group.

10. Assessed the adequacy of the internal control system. Audit Committee has proposed the Board of Directors committee meeting 2/2016, held on February 23rd, 2016 attended by all 3 independent directors. The Board of Directors committee has assessed the internal control of the company by asking information from management and reviewing an evaluation report from the audit committee. The report has concluded the assessment in five different elements; Control Environment, Risk Assessment, Control Activities, Information & Communication and Monitoring Activities. The Board of Directors committee has agreed that The Company's internal control system is adequate and appropriate. The Company has provided adequate personnel to operate the system effectively and can protect the assets of the Company and its subsidiaries also including transactions

with persons who may have conflicts of interest and related party.

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

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

On behalf of the Audit Committee



Mr. Jitkasem Sangsingkeo
Chairman of the Audit Committee
Symphony Communication Public Company Limited

Financial Statements

Independent Auditor's Report

To the Shareholders of Symphony Communication Public Company Limited

I have audited the accompanying consolidated financial statements of Symphony Communication Public Company Limited and its subsidiary, which comprise the consolidated statement of financial position as at 31 December 2015, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Symphony Communication Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Symphony Communication Public Company Limited and its subsidiary and of Symphony Communication Public Company Limited as at 31 December 2015, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.



Rungnapa Lertsuwankul

Certified Public Accountant (Thailand) No. 3516

EY Office Limited

Bangkok: 23 February 2016

Statement of financial position

Symphony Communication Public Company Limited and its subsidiary As at 31 December 2015

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Assets					
Current assets					
Cash and cash equivalents	7	62,498,278	27,941,987	60,977,123	26,210,895
Trade and other receivables	8	189,870,487	253,140,083	189,809,328	253,140,083
Inventories		14,156,838	13,553,533	14,048,870	13,462,358
Prepaid expenses		15,936,515	13,915,231	15,936,515	13,915,231
Input VAT refundable		38,902,617	39,134,515	38,902,617	39,074,862
Other current assets		11,575,221	12,058,271	11,399,226	12,028,124
Total current assets		332,939,956	359,743,620	331,073,679	357,831,553
Non-current assets					
Investment in subsidiary	9	-	-	3,399,819	4,999,600
Network equipment	10	2,856,718,777	2,385,285,718	2,856,718,777	2,385,285,718
Property, building and equipment	11	362,296,971	260,247,870	361,250,317	259,344,007
Intangible assets	12	22,810,149	22,547,598	22,796,169	22,529,639
Network equipment guarantees		35,645,931	29,432,115	35,645,931	29,432,115
Other guarantees and deposits		18,215,794	21,425,649	18,089,195	21,425,649
Deferred tax assets	22	6,218,720	5,335,697	6,218,720	5,123,307
Other non-current assets		10,847,809	10,254,322	10,847,809	10,127,722
Total non-current assets		3,312,754,151	2,734,528,969	3,314,966,737	2,738,267,757
Total assets		3,645,694,107	3,094,272,589	3,646,040,416	3,096,099,310

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

▶ Statement of financial position (continued)

Symphony Communication Public Company Limited and its subsidiary As at 31 December 2015

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	13	413,123,036	55,000,000	413,123,036	55,000,000
Trade and other payables	6, 14	318,996,359	311,406,272	319,413,922	312,454,473
Current portion of deferred income and advance received from customers		26,365,542	27,975,160	26,365,542	27,975,160
Current portion of long-term loans	15	362,203,764	316,917,547	362,203,764	316,917,547
Income tax payable		-	6,349,600	-	6,349,600
Other current liabilities	16	20,597,823	18,634,754	20,526,168	18,563,711
Total current liabilities		1,141,286,524	736,283,333	1,141,632,432	737,260,491
Non-current liabilities					
Liabilities under finance lease agreements, net of current portion	16	-	245,601	-	245,601
Deferred income and advance received from customers, net of current portion		74,610,044	81,959,554	74,610,044	81,959,554
Long-term loans, net of current portion	15	1,113,254,720	966,743,779	1,113,254,720	966,743,779
Provision for long-term employee benefits	17	20,149,080	17,724,750	20,149,080	17,724,750
Total non-current liabilities		1,208,013,844	1,066,673,684	1,208,013,844	1,066,673,684
Total liabilities		2,349,300,368	1,802,957,017	2,349,646,276	1,803,934,175

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

▶ Statement of financial position (continued)

Symphony Communication Public Company Limited and its subsidiary As at 31 December 2015

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Shareholders' equity					
Share capital	18				
Registered 306,000,000 ordinary shares of Baht 1 each		306,000,000	306,000,000	306,000,000	306,000,000
Issued and paid-up 300,364,200 ordinary shares of Baht 1 each		300,364,200	300,364,200	300,364,200	300,364,200
Share premium	18	555,545,269	555,545,269	555,545,269	555,545,269
Capital reserve for share-based payment transactions	19	15,795,287	8,766,222	15,795,287	8,766,222
Retained earnings					
Appropriated - statutory reserve	20	30,600,000	30,600,000	30,600,000	30,600,000
Unappropriated		394,088,983	396,039,881	394,089,384	396,889,444
Total shareholders' equity		1,296,393,739	1,291,315,572	1,296,394,140	1,292,165,135
Total liabilities and shareholders' equity		3,645,694,107	3,094,272,589	3,646,040,416	3,096,099,310

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

▶ Statement of comprehensive income

Symphony Communication Public Company Limited and its subsidiary For the year ended 31 December 2015

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Profit or loss:					
Revenues					
Lease line service income		1,289,961,183	1,250,378,494	1,289,961,183	1,250,378,494
Management and maintenance service income - network		15,903,727	15,442,800	15,442,800	15,442,800
Revenue from sales of network equipment		379,675	2,727,286	379,675	2,727,286
Other income		13,200,696	6,836,719	13,195,348	6,831,855
Total revenues		1,319,445,281	1,275,385,299	1,318,979,006	1,275,380,435
Expenses					
Cost of services and sales	6	765,183,194	696,723,783	766,303,557	697,733,146
Service expenses		72,312,510	62,191,440	72,312,510	62,191,440
Administrative expenses		251,133,633	236,783,239	250,608,547	234,797,874
Total expenses		1,088,629,337	995,698,462	1,089,224,614	994,722,460
Profit before finance cost and income tax expenses		230,815,944	279,686,837	229,754,392	280,657,975
Finance cost		(85,045,157)	(50,121,916)	(85,045,157)	(50,121,864)
Profit before income tax expenses		145,770,787	229,564,921	144,709,235	230,536,111
Income tax expenses	22	(31,874,615)	(47,859,810)	(31,662,225)	(48,071,681)
Profit for the year		113,896,172	181,705,111	113,047,010	182,464,430

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

▶ Statement of comprehensive income (continued)

Symphony Communication Public Company Limited and its subsidiary For the year ended 31 December 2015

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gains		1,618,709	-	1,618,709	-
Less: Income tax effect		(323,741)	-	(323,741)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		1,294,968	-	1,294,968	-
Other comprehensive income for the year		1,294,968	-	1,294,968	-
Total comprehensive income for the year		115,191,140	181,705,111	114,341,978	182,464,430
Earnings per share	23				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.38	0.61	0.38	0.61

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

Statement of changes in shareholders' equity

Symphony Communication Public Company Limited and its subsidiary For the year ended 31 December 2015

(Unit : Baht)

	Consolidated financial statements						
	Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Total
					Appropriated - Statutory reserve	Unappropriated	
Balance as at 1 January 2014		300,000,000	548,761,440	3,524,162	30,600,000	388,368,065	1,271,253,667
Profit for the year		-	-	-	-	181,705,111	181,705,111
Other comprehensive income for the year		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	181,705,111	181,705,111
Issuance of ordinary shares during the year from the exercise of warrants	18	364,200	6,783,829	(1,787,005)	-	-	5,361,024
Capital reserve for share-based payment transactions	19	-	-	7,029,065	-	-	7,029,065
Dividend paid	26	-	-	-	-	(174,033,295)	(174,033,295)
Balance as at 31 December 2014		<u>300,364,200</u>	<u>555,545,269</u>	<u>8,766,222</u>	<u>30,600,000</u>	<u>396,039,881</u>	<u>1,291,315,572</u>
Balance as at 1 January 2015		300,364,200	555,545,269	8,766,222	30,600,000	396,039,881	1,291,315,572
Profit for the year		-	-	-	-	113,896,172	113,896,172
Other comprehensive income for the year		-	-	-	-	1,294,968	1,294,968
Total comprehensive income for the year		-	-	-	-	115,191,140	115,191,140
Capital reserve for share-based payment transactions	19	-	-	7,029,065	-	-	7,029,065
Dividend paid	26	-	-	-	-	(117,142,038)	(117,142,038)
Balance as at 31 December 2015		<u>300,364,200</u>	<u>555,545,269</u>	<u>15,795,287</u>	<u>30,600,000</u>	<u>394,088,983</u>	<u>1,296,393,739</u>

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

▶ Statement of changes in shareholders' equity

Symphony Communication Public Company Limited and its subsidiary For the year ended 31 December 2015

(Unit : Baht)

	Note	Separate financial statements					Total
		Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		
					Appropriated - Statutory reserve	Unappropriated	
Balance as at 1 January 2014		300,000,000	548,761,440	3,524,162	30,600,000	388,458,309	1,271,343,911
Profit for the year		-	-	-	-	182,464,430	182,464,430
Other comprehensive income for the year		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	182,464,430	182,464,430
Issuance of ordinary shares during the year from the exercise of warrants	18	364,200	6,783,829	(1,787,005)	-	-	5,361,024
Capital reserve for share-based payment transactions	19	-	-	7,029,065	-	-	7,029,065
Dividend paid	26	-	-	-	-	(174,033,295)	(174,033,295)
Balance as at 31 December 2014		<u>300,364,200</u>	<u>555,545,269</u>	<u>8,766,222</u>	<u>30,600,000</u>	<u>396,889,444</u>	<u>1,292,165,135</u>
Balance as at 1 January 2015		300,364,200	555,545,269	8,766,222	30,600,000	396,889,444	1,292,165,135
Profit for the year		-	-	-	-	113,047,010	113,047,010
Other comprehensive income for the year		-	-	-	-	1,294,968	1,294,968
Total comprehensive income for the year		-	-	-	-	114,341,978	114,341,978
Capital reserve for share-based payment transactions	19	-	-	7,029,065	-	-	7,029,065
Dividend paid	26	-	-	-	-	(117,142,038)	(117,142,038)
Balance as at 31 December 2015		<u>300,364,200</u>	<u>555,545,269</u>	<u>15,795,287</u>	<u>30,600,000</u>	<u>394,089,384</u>	<u>1,296,394,140</u>

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

Cash flow statement

Symphony Communication Public Company Limited and its subsidiary For the year ended 31 December 2015

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit before tax	145,770,787	229,564,921	144,709,235	230,536,111
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	352,946,132	265,624,236	352,678,821	265,498,612
Amortisation of intangible assets	7,594,398	5,900,489	7,590,418	5,898,549
Write-off of network equipment	1,622,460	1,088,229	1,622,460	1,088,229
Unrealised (gain) loss on exchange rate	525,476	(390,335)	525,476	(390,335)
(Gain) loss on sales of network equipment and equipment	64,855	(188,435)	64,855	(188,435)
Allowance for doubtful accounts	3,119,829	1,388,161	3,119,829	1,388,161
Allowance for impairment loss on investment in subsidiary	-	-	1,599,781	-
Expense for share-based payment transactions	7,029,065	7,029,065	7,029,065	7,029,065
Provision for long-term employee benefits	4,043,039	3,491,406	4,043,039	3,491,406
Interest income	(127,457)	(135,941)	(122,110)	(131,078)
Interest expenses	82,710,279	48,138,036	82,710,279	48,137,984
Profit from operating activities before changes in operating assets and liabilities	605,298,863	561,509,832	605,571,148	562,358,269
Operating assets decrease (increase)				
Trade and other receivables	58,298,972	(92,306,857)	58,360,131	(92,306,857)
Inventories	(603,305)	(2,854,878)	(586,512)	(2,763,703)

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

Cash flow statement (continued)

Symphony Communication Public Company Limited and its subsidiary For the year ended 31 December 2015

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Prepaid expenses	(2,021,284)	(194,121)	(2,021,284)	(194,121)
Input VAT refundable	231,898	(14,667,493)	172,245	(14,607,840)
Other current assets	3,749,577	(2,858,957)	3,752,532	(2,758,566)
Network equipment guarantees	(6,213,816)	(6,462,266)	(6,213,816)	(6,462,266)
Other guarantees and deposits	3,209,855	(9,151,256)	3,336,454	(9,151,256)
Other non-current assets	(593,487)	(3,637,019)	(720,087)	(3,510,419)
Operating liabilities increase (decrease)				
Trade and other payables	(641,689)	(2,600,200)	(1,272,329)	(1,531,998)
Deferred income and advance received from customers	(8,959,128)	15,086,460	(8,959,128)	15,086,460
Other current liabilities	5,207,723	3,710,848	5,207,113	3,640,522
Cash flows from operating activities	656,964,179	445,574,093	656,626,467	447,798,225
Cash paid for interest expenses	(84,840,854)	(49,199,140)	(84,840,854)	(49,199,088)
Cash paid for corporate income tax	(42,697,507)	(65,414,360)	(42,554,614)	(65,414,360)
Net cash flows from operating activities	529,425,818	330,960,593	529,230,999	333,184,777
Cash flows from investing activities				
Cash paid for investment in subsidiary	-	-	-	(2,499,800)
Cash paid for acquisition of network equipment	(772,720,481)	(998,397,762)	(772,720,481)	(998,397,762)
Cash paid for acquisition of property, building and equipment	(150,011,820)	(82,972,892)	(149,601,717)	(81,943,405)
Cash paid for acquisition of intangible assets	(6,530,934)	(6,415,417)	(6,530,934)	(6,395,517)
Interest income	127,457	135,941	122,110	131,078
Proceed from sales of network equipment and equipment	2,831,260	919,461	2,831,260	919,461
Net cash flows used in investing activities	(926,304,518)	(1,086,730,669)	(925,899,762)	(1,088,185,945)

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

Cash flow statement (Continued)

Symphony Communication Public Company Limited and its subsidiary
For the year ended 31 December 2015

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	358,123,036	(87,671,042)	358,123,036	(87,671,042)
Cash paid for liabilities under finance lease agreements	(760,923)	(793,894)	(760,923)	(793,894)
Cash receipt from long-term loans	835,000,000	1,083,287,093	835,000,000	1,083,287,093
Cash paid for long-term loans	(643,801,600)	(55,000,000)	(643,801,600)	(55,000,000)
Cash receipt from exercise of warrants	-	5,361,024	-	5,361,024
Dividend paid	(117,125,522)	(174,091,589)	(117,125,522)	(174,091,589)
Net cash flows from financing activities	431,434,991	771,091,592	431,434,991	771,091,592
Net increase in cash and cash equivalents	34,556,291	15,321,516	34,766,228	16,090,424
Cash and cash equivalents at beginning of year	27,941,987	12,620,471	26,210,895	10,120,471
Cash and cash equivalents at end of year (Note 7)	62,498,278	27,941,987	60,977,123	26,210,895
Supplement cash flows information:				
Non-cash item consist of				
Increase (decrease) in accounts payable - purchases of network equipment	12,012,100	(128,384,051)	12,012,100	(128,384,051)
Increase (decrease) in accounts payable - purchases of property, building and equipment	(3,797,534)	2,613,233	(3,797,534)	2,613,233
Increase in accounts payable - purchases of intangible assets	1,326,014	2,443,997	1,326,014	2,443,997
Transfer of deposits of network equipment to network equipment	-	28,138,544	-	28,138,544
Actuarial gains	1,618,709	-	1,618,709	-

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



Notes to consolidated financial statements

Symphony Communication Public Company Limited and its subsidiary For the year ended 31 December 2015

1. General information

Symphony Communication Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the render of communication high speed circuit services. The registered office of the Company is at 123 Suntowers Building B, 35th-37th Floor, Vibhavadee Rangsit Road, Chomphon, Chatuchak, Bangkok.

The Company was awarded an International Direct Dialing License from the National Broadcasting and Telecommunications Commission (NBTC) to provide telecommunication services as follows:

Type of license	Issue date	Period
Telecom Operation License Type 2	15 June 2006	15 years
Internet Operation License Type 2	10 June 2011	5 years
Telecom Operation License Type 3*	10 August 2011	15 years
Internet Operation License Type 1	2 May 2013	5 years
Radio or Television Broadcasting Business License For the Radio or Television Network Services (Not using radio frequency)	25 July 2013	15 years

* The Company obtained additional approval to provide International Private Leased Circuit Service (IPLC) - Submarine Section on 24 June 2014.

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

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

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

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2015	2014
Diamond Line Services Company Limited	Network equipment service	Thailand	100%	100%

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

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

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

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

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

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

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

The Company and its subsidiary have adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiary's financial statements. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

This revised accounting standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former accounting standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised accounting standard does not have any impact on the financial statements as the Company and its subsidiary already recognise actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 *Consolidated and Separate Financial Statements* dealing with consolidated financial statements. This financial reporting standard changes the principles used in considering whether control exists. Under this financial reporting standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiary have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

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

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 *Interests in Joint Ventures*. This financial reporting standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the financial statements in which the equity method is applied or the consolidated financial statements (if any), and at cost in the separate financial statements.

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

TFRS 12 Disclosure of Interests in Other Entities

This financial reporting standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This financial reporting standard therefore has no financial impact on the financial statements of the Company and its subsidiary.

TFRS 13 Fair Value Measurement

This financial reporting standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this financial reporting standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this financial reporting standard are to be recognised prospectively.

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

(b) Financial reporting standards that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's and its subsidiary's management believe that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

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

Rendering of services

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

Interest income

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

4.2 Cash and cash equivalents

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

4.3 Trade and other receivables

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

4.4 Inventories

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

4.5 Investments

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

4.6 Network equipment

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

Depreciation is included in determining income.

No depreciation is provided on assets under installation.

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

4.7 Property, building and equipment and depreciation

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

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

Depreciation is included in determining income.

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

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

4.8 Intangible assets and amortisation

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

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

The intangible assets with finite useful lives is as follows.

	<u>Useful lives</u>
Computer software	5 years

4.9 Deferred financial fees

Financial expenses related to borrowings that are typically incurred on or before signing facility agreements and before actual draw down of the loans are recorded as deferred financial fees. A portion of deferred financial fees proportionate to the amount of the loan facility already drawn is presented as a deduction against the related loan account and amortised using the effective interest rate method over the term of the loans.

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

4.10 Related party transactions

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

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

4.11 Long-term leases

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

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

4.12 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

4.13 Impairment of assets

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

An impairment losses is recognised in profit or loss.

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

4.14 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

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

4.15 Provisions

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

4.16 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.17 Derivatives

Forward exchange contracts

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

Interest rate swap contracts

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

4.18 Equity-settled share-based payment transactions

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

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

4.19 Fair value measurement

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

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

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

5. Significant accounting judgements and estimates

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

Leases

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

Allowance for doubtful accounts

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

Impairment of investment

The Company treats investment as impaired when there has been a significant prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

Depreciation and amortisation

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

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

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

Deferred tax assets

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

Post-employment benefits under defined benefit plans

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

Litigation

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

6. Related party transactions

6.1 Business transactions incurred during the years

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

(Unit : Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2015	2014	2015	2014	
Transactions with subsidiary (eliminated from the consolidated financial statements)					
Network maintenance fee	-	-	4	2	Market price

6.2 Outstanding balances at the end of the years

As at 31 December 2015 and 2014, the outstanding balances of the accounts between the Company and those related parties and persons can be summarised as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade and other payable - related party (Note 14)				
Subsidiary	-	-	616	1,203

6.3 Directors and management's benefits

During the years ended 31 December 2015 and 2014, the Company and its subsidiary had employee benefit expenses payable to their directors and management as below.

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Short-term employee benefits	30,246	31,073	30,246	31,073
Post-employment benefits	1,216	1,081	1,216	1,081
Share-based payment (Note 19)	351	351	351	351
Total	31,813	32,505	31,813	32,505

7. Cash and cash equivalents

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash	2,070	1,368	2,061	1,353
Bank deposits	60,428	26,574	58,916	24,858
Total	62,498	27,942	60,977	26,211

As at 31 December 2015 and 2014, bank deposits in saving accounts carried interests between 0.10% and 0.375% per annum.

8. Trade and other receivables

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<u>Trade accounts receivable</u>				
Aged on the basis of due dates				
Not yet due	115,288	135,695	115,227	135,695
Past due				
Up to 3 months	41,860	89,619	41,860	89,619
3 - 6 months	5,282	11,578	5,282	11,578
6 - 12 months	5,005	3,191	5,005	3,191
Over 12 months	5,299	2,501	5,299	2,501
Total trade accounts receivable	172,734	242,584	172,673	242,584
Less: Allowance for doubtful debts	(4,555)	(1,435)	(4,555)	(1,435)
Total trade accounts receivable - net	168,179	241,149	168,118	241,149
<u>Other receivables</u>				
Other receivables	16	-	16	-
Accrued income	21,675	11,991	21,675	11,991
Total other receivables	21,691	11,991	21,691	11,991
Total trade and other receivables - net	189,870	253,140	189,809	253,140

9. Investment in subsidiary

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

(Unit : Thousand Baht)

Company's name	Separate financial statements									
	Paid-up capital		Shareholding Percentage		Cost		Allowance for impairment of investment		Carrying amounts based on cost method - net	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
			%	%						
Diamond Line Services Company Limited	5,000	5,000	100	100	5,000	5,000	1,600	-	3,400	5,000

10. Network equipment

(Unit : Thousand Baht)

Consolidated and separate financial statements

	Network equipment	Network equipment under installation	Total
Cost			
1 January 2014	1,935,529	344,992	2,280,521
Additions	249,605	648,758	898,363
Disposals / write-off	(2,107)	-	(2,107)
Transfer in (out)	652,388	(652,388)	-
31 December 2014	2,835,415	341,362	3,176,777
Additions	189,419	595,313	784,732
Disposal / write-off	(17,312)	-	(17,312)
Transfer in (out)	502,822	(502,822)	-
31 December 2015	3,510,344	433,853	3,944,197
Accumulated depreciation			
1 January 2014	558,766	-	558,766
Depreciation for the year	226,963	-	226,963
Depreciation on disposal / write-off	(627)	-	(627)
31 December 2014	785,102	-	785,102
Depreciation for the year	308,800	-	308,800
Depreciation on disposal / write-off	(12,813)	-	(12,813)
31 December 2015	1,081,089	-	1,081,089
Allowance for impairment loss			
31 December 2014	1,768	4,621	6,389
31 December 2015	1,768	4,621	6,389
Net book value			
31 December 2014	2,048,545	336,741	2,385,286
31 December 2015	2,427,487	429,232	2,856,719
Depreciation for the year			
2014 (included in cost of services and sales)			226,963
2015 (included in cost of services and sales)			308,800

As at 31 December 2015, the Company has network equipment with a net book value of Baht 11 million (2014: Baht 12 million) that is installed on the premises of a counterparty. The ownership of the network equipment will be transferred to the counterparty at the end of the agreement. Moreover, the Company has granted the right to use the equipment to the counterparty and has committed to share revenue generated from some of the equipment at a rate stipulated in the agreement annually, for the term of the agreement. The Company also agrees to provide to the counterparty the minimum guaranteed shared revenue amount stated in the agreement.

As at 31 December 2015, the Company has network equipment with a net book value of Baht 20 million (2014: Baht 21 million) that is covered by a Memorandum of Understanding concerning joint construction and management made with another party. The ownership of the network equipment is to be transferred to the counterparty at the end of the term of the Memorandum of Understanding at a mutually agreed price.

However, the above network equipment is only part of the core network equipment of the Company per the network construction plans set by the Company.

As at 31 December 2015, certain items of network equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 174 million (2014: Baht 154 million).

11. Property, building and equipment

(Unit : Thousand Baht)

Consolidated financial statements

	Land	Buildings and leasehold improvement	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Cost						
1 January 2014	9,707	155,084	112,163	9,341	-	286,295
Additions	17,100	18,499	49,469	408	110	85,586
Disposals / write-off	-	(46)	(814)	(513)	-	(1,373)
31 December 2014	26,807	173,537	160,818	9,236	110	370,508
Additions	1,405	19,327	25,543	124	99,816	146,215
Disposals / write-off	-	-	(63)	-	-	(63)
31 December 2015	28,212	192,864	186,298	9,360	99,926	516,660
Accumulated depreciation						
1 January 2014	-	18,655	48,510	5,257	-	72,422
Depreciation for the year	-	12,383	24,846	1,433	-	38,662
Depreciation on disposals/ write-off	-	(6)	(305)	(513)	-	(824)

Consolidated financial statements

	Land	Buildings and leasehold improve- ment	Furniture, and fixtures and office equipment	Vehicles	Assets under construction	Total
31 December 2014	-	31,032	73,051	6,177	-	110,260
Depreciation for the year	-	13,834	28,855	1,457	-	44,146
Depreciation on disposals/ write-off	-	-	(43)	-	-	(43)
31 December 2015	-	44,866	101,863	7,634	-	154,363
Net book value						
31 December 2014	26,807	142,505	87,767	3,059	110	260,248
31 December 2015	28,212	147,998	84,435	1,726	99,926	362,297
Depreciation charges for the year						
2014 (included in administrative expenses)						38,662
2015 (included in administrative expenses)						44,146

(Unit : Thousand Baht)

Separate financial statements

	Land	Buildings and leasehold improve- ment	Furniture, and fixtures and office equipment	Vehicles	Assets under construction	Total
Cost						
1 January 2014	9,707	155,084	112,163	9,341	-	286,295
Additions	17,100	18,386	48,565	396	110	84,557
Disposals / write-off	-	(46)	(814)	(513)	-	(1,373)
31 December 2014	26,807	173,424	159,914	9,224	110	369,479
Additions	1,405	19,327	25,133	124	99,816	145,805
Disposals / write-off	-	-	(63)	-	-	(63)
31 December 2015	28,212	192,751	184,984	9,348	99,926	515,221
Accumulated depreciation						
1 January 2014	-	18,655	48,510	5,257	-	72,422
Depreciation for the year	-	12,374	24,730	1,433	-	38,537
Depreciation on disposals/ write-off	-	(6)	(305)	(513)	-	(824)
31 December 2014	-	31,023	72,935	6,177	-	110,135
Depreciation for the year	-	13,811	28,613	1,455	-	43,879
Depreciation on disposals/ write-off	-	-	(43)	-	-	(43)
31 December 2015	-	44,834	101,505	7,632	-	153,971
Net book value						
31 December 2014	26,807	142,401	86,979	3,047	110	259,344
31 December 2015	28,212	147,917	83,479	1,716	99,926	361,250
Depreciation charges for the year						
2014 (included in administrative expenses)						38,537
2015 (included in administrative expenses)						43,879

As at 31 December 2015, the Company had vehicles with net book values of Baht 1 million (2014 : Baht 1 million) which were acquired under finance lease agreements.

As at 31 December 2015, certain items of equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 44 million (2014: Baht 28 million).

12. Intangible assets

The net book value of intangible assets as at 31 December 2015 and 2014 is presented below.

(Unit : Thousand Baht)

Consolidated financial statements			
	Computer software	Computer software under installation	Total
As at 31 December 2015 :			
Cost	45,269	1,637	46,906
Less : Accumulated amortisation	(24,096)	-	(24,096)
Net book value	21,173	1,637	22,810
As at 31 December 2014 :			
Cost	38,336	714	39,050
Less : Accumulated amortisation	(16,502)	-	(16,502)
Net book value	21,834	714	22,548

(Unit : Thousand Baht)

Separate financial statements			
	Computer software	Computer software under installation	Total
As at 31 December 2015 :			
Cost	45,249	1,637	46,886
Less : Accumulated amortisation	(24,090)	-	(24,090)
Net book value	21,159	1,637	22,796
As at 31 December 2014 :			
Cost	38,316	714	39,030
Less : Accumulated amortisation	(16,500)	-	(16,500)
Net book value	21,816	714	22,530

A reconciliation of the net book value of intangible assets for the years 2015 and 2014 is presented below.

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Net book value at beginning of year	22,548	19,589	22,530	19,589
Acquisition during the year	7,856	8,860	7,856	8,839
Amortisation	(7,594)	(5,901)	(7,590)	(5,898)
Net book value at end of year	22,810	22,548	22,796	22,530

As at 31 December 2015, certain items of intangible assets were fully amortised but are still in use. The gross carrying amount before deducting accumulated amortisation of those assets amounted to approximately Baht 4 million (2014: Baht 1 million).

13. Short-term loans from financial institutions

(Unit : Thousand Baht)

	Interest rate (% per annum)	Consolidated and separate financial statements	
		2015	2014
Short-term loans from financial institutions	2.95-3.65	119,280	55,000
Bill of exchange	4.50	293,843	-
Total		413,123	55,000

Short-term loans from financial institutions are unsecured loans from three financial institutions. The loans will be repaid within January 2016 and at call.

Bill of exchange are unsecured instruments from a financial institution. The instruments will be repaid within June 2016.

14. Trade and other payables

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Other payables for purchases of network equipment	163,053	151,041	163,053	151,041
Trade accounts payable	106,300	93,523	106,558	94,726
Accrued expenses	44,065	58,090	44,225	58,017
Other payables for purchases of property, building and equipment	378	4,176	378	4,176
Other payables for purchases of intangible assets	4,018	2,692	4,018	2,692
Other payables	1,182	1,884	1,182	1,802
Total trade and other payables	318,996	311,406	319,414	312,454

15. Long-term loans

(Unit : Thousand Baht)

Loan	Interest rate (% per annum)	Repayment schedule	Consolidated and separate financial statements	
			2015	2014
1	5.39	Quarterly installments as from 30 November 2013 with the last installment on 31 August 2016	30,000	70,000
2	MLR minus certain rates	Monthly installments as from 26 March 2014 with the last installment on 25 July 2017	11,665	21,666
3	MLR minus certain rates	Monthly installments as from 30 November 2014 with the last installment on 25 July 2017	73,333	113,334
4	5.82	Quarterly installments as from 31 March 2015 with the last installment on 25 February 2019	225,000	300,000

Loan	Interest rate (% per annum)	Repayment schedule	Consolidated and separate financial statements	
			2015	2014
5	MLR minus certain rates	Monthly installments as from 30 January 2015 with the last installment on 15 October 2018	69,487	98,287
6	THBFIX plus certain rates	Monthly installments as from 30 September 2015 with the last installment on 29 February 2020	750,000	685,000
7	3.95 for the year 1-2, MLR minus certain rates for the year 3-7	Quarterly installments as from 31 October 2017 with the last installment on 26 August 2022	320,000	-
Total long-term loans			1,479,485	1,288,287
Less: Deferred financial fee			(4,026)	(4,625)
Net			1,475,459	1,283,662
Less: Current portion			(362,204)	(316,918)
Long-term loans, net of current portion			1,113,255	966,744

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

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

As at 31 December 2015, the Company and its subsidiary have unused long-term loan facilities under the loan agreements amounting to Baht 1,330 million (2014: Baht 517 million).

16. Liabilities under finance lease agreements

(Unit : Thousand Baht)

	Consolidated and separate financial statements	
	2015	2014
Liabilities under finance lease agreements	250	1,041
Less : Deferred interest expenses	(4)	(34)
Total	246	1,007
Less : Portion due within one year	(246)	(761)
Liabilities under finance lease agreements - net of current portion	-	246

The Company has entered into the finance lease agreements with leasing companies for rental of motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 4 years.

As at 31 December 2015 and 2014, future minimum lease payments of the Company required under the finance lease agreements were as follows:

(Unit : Thousand Baht)

	Consolidated and separate financial statements					
	2015			2014		
	Less than 1 year	1-5 years	Total	Less than 1 year	1-5 years	Total
Future minimum lease payments	250	-	250	792	249	1,041
Deferred interest expenses	(4)	-	(4)	(31)	(3)	(34)
Present value of future minimum lease payments	246	-	246	761	246	1,007

17. Provision for long-term employee benefits

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

(Unit : Thousand Baht)

	Consolidated and separate financial statements	
	2015	2014
Provision for long-term employee benefits at beginning of year	17,725	14,233
Included in profit or loss :		
Current service cost	3,272	2,872
Interest cost	771	620
Included in other comprehensive income :		
Actuarial gains arising from		
Demographic assumptions changes	(1,446)	-
Financial assumptions changes	3,549	-
Experience adjustments	(3,722)	-
Provision for long-term employee benefits at end of year	20,149	17,725

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

(Unit : Thousand Baht)

	Consolidated and separate financial statements	
	2015	2014
Cost of services and sales	1,103	925
Service and administrative expenses	2,940	2,567
Total expenses recognised in profit or loss	4,043	3,492

As at 31 December 2015 and 2014, the Company and its subsidiary expect not to pay long-term employee benefits during the next year.

As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefits is 16.2 years (2014: 16.1 years).

Significant actuarial assumptions are summarised below:

	Consolidated and separate financial statements	
	2015	2014
	(% per annum)	(% per annum)
Discount rate	3.15%	4.35%
Future salary increase rate	5.00%	5.00%
Staff turnover rate (depending on age)	0.00% - 12.00%	0.00% - 12.00%

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2015 are summarised below:

(Unit : Million Baht)

	Consolidated and separate financial statements	
	Increase 0.25%	Decrease 0.25%
Discount rate	(0.8)	0.8
	Increase 1%	Decrease 1%
Future salary increase rate	3.1	(2.6)
Staff turnover rate	(3.0)	1.7

18. Share capital

On 22 April 2013, the Annual General Meeting of shareholders passed a resolution approving a Baht 6 million, made total registered share capital to Baht 306 million, increase in the Company's registered share capital to support the issue of warrant to purchase ordinary share allotted to directors and/or employees as discussed in Note 19.

During the year 2014, movements of the paid-up share capital and share premium are as follows:

	Number of ordinary shares	Paid-up capital	Share premium
	(Thousand shares)	(Thousand Baht)	(Thousand Baht)
<u>Issued and paid-up share capital</u>			
At the beginning of the year	300,000	300,000	548,761
Issuance of ordinary shares during the period from exercise of warrants (ESOP) (Note 19)	364	364	6,784
At the end of the year	300,364	300,364	555,545

On 26 May 2014 and 26 November 2014, the Company registered its paid-up share capital with the Ministry of Commerce according to the exercise of such warrants.

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

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

Type	: Named and non-transferable
Offering price per unit	: Baht 0 ("zero") per unit
Maturity of warrants	: 4 years from the date of issuance of warrants
Exercise price	: Baht 14.72 per share
Conversion ratio	: 1 unit of warrant : 1 unit of ordinary share (warrant right adjustment is reserved)
Period and allotment of exercise	: Year 1, Not more than 15% of the allocated units, exercisable on 20 November 2013 and 20 May 2014. Year 2, Not more than 25% of the allocated units, exercisable on 20 November 2014 and 20 May 2015. Year 3, Not more than 30% of the allocated units, exercisable on 20 November 2015 and 20 May 2016. Year 4, Not more than 30% of the allocated units, exercisable on 20 November 2016, 20 May 2017 and 1 July 2017, the 4-year maturity date of these ESOP-Warrants.

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

During the year 2015 and 2014, the Company recorded expenses of the warrants (ESOP) amounting to Baht 7 million as personnel expenses, together with a corresponding increase in capital reserve for share-based payment transactions in shareholders' equity.

As at 31 December 2015, the Company had capital reserve for share-based payment transactions amounting to Baht 16 million (2014: Baht 9 million).

During the year, movements of the number of warrants (ESOP) were as follows:

	<u>2015</u>	<u>2014</u>	
Number of warrants at the beginning of the year	5,547,300	5,975,000	Units
Exercised warrants	-	(364,200)	Units
Cancelled warrants	(351,100)	(63,500)	Units
Number of warrants at the end of the year	<u>5,196,200</u>	<u>5,547,300</u>	Units

Up to 31 December 2015, the Company cancelled a total of 439,600 warrants to purchase ordinary shares of the Company that had been allocated to the directors and management of the Company, because the directors and management who held those warrants had resigned, thus breaching the conditions under which the warrants were received.

20. Statutory reserve

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

21. Expenses by nature

Significant expenses classified by nature are as follow:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Salaries and wages and other employee benefits	273,757	250,806	271,160	249,440
Depreciation and amortisation expenses	360,541	271,525	360,269	271,397
Service fee for network interconnection	52,026	48,366	52,026	48,366
Rental expenses from operating lease agreements and service expenses	78,613	72,687	77,628	72,054
Rental expenses-network equipment	127,835	182,614	127,835	182,614
Professional fees	10,588	9,854	10,318	9,755

22. Income tax

Income tax expenses for the years ended 31 December 2015 and 2014 are made up as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Current income tax :				
Current income tax charge	33,081	49,016	33,081	49,016
Deferred tax :				
Relating to origination and reversal of temporary differences	(1,206)	(1,156)	(1,419)	(944)
Income tax expenses reported in the statement of comprehensive income	31,875	47,860	31,662	48,072

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

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Accounting profit before tax	145,771	229,565	144,709	230,536
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	29,154	45,913	28,941	46,107
Effects of:				
Non-deductible expenses	3,004	2,328	3,004	2,328
Additional expense deductions allowed	(283)	(381)	(283)	(363)
Total	2,721	1,947	2,721	1,965
Income tax expenses reported in the statement of comprehensive income	31,875	47,860	31,662	48,072

The components of deferred tax assets are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Deferred tax assets				
Allowance for doubtful accounts	911	287	911	287
Allowance for asset impairment	1,278	1,278	1,278	1,278
Accumulated depreciation - Network equipment	-	13	-	13
Provision for long-term employee benefits	4,030	3,545	4,030	3,545
Unused tax loss	-	213	-	-
Total	6,219	5,336	6,219	5,123

As at 31 December 2015, the Company and its subsidiary have deductible temporary differences and unused tax losses totaling Baht 3 million, on which deferred tax assets have not been recognised as the Company and its subsidiary believe that future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 2 million will expire by 2017 - 2019.

23. Earnings per share

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

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued. However, no calculation of diluted earnings per share for the years ended 31 December 2015 and 2014 was required for warrant (ESOP), as disclosed in Note 19, since the aggregated amounts of the exercise price and the fair value of the warrant were higher than the average market price of the Company's ordinary shares.

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

Consolidated financial statements					
Profit for the year		Weighted average number of ordinary shares		Earnings per share	
2015	2014	2015	2014	2015	2014
(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Shares)	(Baht)	(Baht)
Basic earnings per share					
Profit attributable to equity holders of the Company					
113,896	181,705	300,364	300,155	0.38	0.61

Separate financial statements

	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2015	2014	2015	2014	2015	2014
	(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	113,047	182,464	300,364	300,155	0.38	0.61

24. Segment information

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

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

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

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

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

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

The following tables present revenue, profit and total assets information regarding the Company's and its subsidiary's operating segments for the years ended 31 December 2015 and 2014, respectively.

(Unit : Thousand Baht)

For the year ended 31 December 2015

	Render of communica- tion high speed circuit services	Network equipment services	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	1,305,404	461	1,305,865	-	1,305,865
Inter-segment revenue	-	3,819	3,819	(3,819)	-
Interest income	122	5	127	-	127
Interest expense	(82,710)	-	(82,710)	-	(82,710)
Depreciation and amortisation	(360,269)	(272)	(360,541)	-	(360,541)
Loss on disposals/write-off of fixed assets	(1,687)	-	(1,687)	-	(1,687)
Income tax expenses	(31,662)	(213)	(31,875)	-	(31,875)
Segment profit (loss)	113,047	(750)	112,297	1,599	113,896
Segment total assets					
Increase in network equipment, building, equipment and intangible assets	573,606	139	573,745	-	573,745
Increase in non-current assets other than financial instruments and deferred tax assets	1,998	-	1,998	1,599	3,597

(Unit : Thousand Baht)

For the year ended 31 December 2014

	Render of communica- tion high speed circuit services	Network equipment services	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	1,265,821	-	1,265,821	-	1,265,821
Inter-segment revenue	-	1,987	1,987	(1,987)	-
Interest income	131	5	136	-	136
Interest expense	(48,138)	-	(48,138)	-	(48,138)
Depreciation and amortisation	(271,397)	(128)	(271,525)	-	(271,525)
Loss on disposals/write-off of fixed assets	(900)	-	(900)	-	(900)
Income tax (expense) revenue	(48,072)	212	(47,860)	-	(47,860)
Segment profit (loss)	182,464	(759)	181,705		181,705
Segment total assets					
Increase in network equipment, building, equipment and intangible assets	718,332	922	719,254	-	719,254
Increase (decrease) in non-current assets other than financial instruments and deferred tax assets	(9,015)	127	(8,888)	-	(8,888)

Geographic information

The Company and its subsidiary operate in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2015, the Company and its subsidiary have revenue from one major customer in amount of Baht 250 million, arising from render of communication high speed circuit services segment (2014: Baht 253 million and Baht 196 million, respectively, derived from two major customers, arising from render of communication high speed circuit services segment).

Lease line service income are the Company's and its subsidiary's main revenues, which can be classified by application into 7 groups as follow:

- Internet Access

- Private Network
- Digital Broadcast
- IPLC
- Local Loop for International
- Access Network
- Others

Revenue information from lease line service income by application for the years ended 31 December 2015 and 2014 are as follow:

(Unit : Thousand Baht)

	Separate financial statements	
	2015	2014
Internet Access	400,241	391,460
Private Network	360,672	316,773
IPLC	248,026	265,095
Digital Broadcast	95,511	105,691
Local Loop for International	93,821	80,329
Access Network	55,808	67,178
Others	51,325	39,295
Total	1,305,404	1,265,821

Revenue information from lease line service income by type of license for the years ended 31 December 2015 and 2014 are as follow:

(Unit : Thousand Baht)

	Separate financial statements	
	2015	2014
Telecom Operation License Type 2	1,055,482	967,029
Telecom Operation License Type 3	154,389	209,799
Radio or Television Broadcasting Business License for the Radio or Television Network Services (Not using radio frequency)	39,385	65,985
Internet Operation License Type 1	27,390	21,317
Internet Operation License Type 2	28,758	1,691
Total	1,305,404	1,265,821

25. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contributed to the fund monthly at the rate of 3% of basic salary. The fund, which is managed by Bank of Ayudhya Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2015, the contributions amounting to Baht 5 million (2014: Baht 4 million) were recognised as expenses.

26. Dividends

(Unit : Baht)

Dividends	Approved by	Approved dividend per share	Interim dividend per share	Additional dividend paid per share	Total additional dividend paid
Final dividends for 2013	Annual General Meeting of the shareholders on 25 April 2014	0.58	0.15	0.43	128,999,785
Interim dividend from profit for the period as from 1 January 2014 to 30 June 2014	Board of Directors' meeting on 7 August 2014	0.15	-	0.15	45,033,510
Total dividends paid in 2014		0.73	0.15	0.58	174,033,295
Final dividends for 2014	Annual General Meeting of the shareholders on 24 April 2015	0.43	0.15	0.28	84,101,976
Interim dividend from profit for the period as from 1 January 2015 to 30 June 2015	Board of Directors' meeting on 11 August 2015	0.11	-	0.11	33,040,062
Total dividends paid in 2015		0.54	0.15	0.39	117,142,038

27. Commitments and contingent liabilities

27.1 Capital commitments

As at 31 December 2015, the Company had capital commitments of approximately Baht 620 million and JPY 225 million (2014: Baht 242 million and JPY 232 million) relating to acquisition and installation of network equipment.

As at 31 December 2015, the Company had capital commitments of approximately Baht 14 million (2014: Baht 2 million) relating to acquire of equipment and construction agreements.

As at 31 December 2015, the Company had capital commitments of approximately Baht 1 million (2014: Baht 4 million) relating to acquisition of program computer.

27.2 Lease and service agreement commitments

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

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

	(Unit : Million Baht)	
	2015	2014
<u>Lease and service agreements presented under cost of service</u>		
Payable :		
In up to 1 year	96	129
In over 1 and up to 5 years	25	46
<u>Lease and service agreements presented under administrative expenses</u>		
Payable :		
In up to 1 year	22	32
In over 1 and up to 5 years	6	21

27.3 Purchase supply and equipment commitments

As at 31 December 2015, the Company has outstanding future payment commitments of approximately Baht 2 million (2014: Baht 1 million) relating to acquisition of supply and network equipment.

27.4 Bank guarantees

As at 31 December 2015, there were outstanding bank guarantees of approximately Baht 3 million (2014: Baht 5 million) issued by banks on behalf of the Company to guarantee fiber optic network use, space rental and other payables.

27.5 Other commitment

As at 31 December 2015, total credit facilities, both short-term and long-term loans, of the Company that could be drawn down amounted to Baht 2,155 million (2014: Baht 812 million).

27.6 Contingent liabilities

In 2011, a company transferred a quantity of fiber optic cable to the Company. The cable was already installed and in use in an underground cable conduit in Bangkok, belonging to the operator of a telecommunication business. Subsequently, in the first quarter of 2012, the Company received notification of the new rental rate for the underground cable conduit stipulated by the telecom operator, but no invoice has been issued to collect rental. Nevertheless, the Company has recorded a liability in respect of its rental obligations, estimated on the basis of the rental that was previously notified to the transferor of the fiber optic cable, which is lower than the new rental rate stipulated by the telecom operator. The Company's management believes that since the new rental rate for the underground cable conduit is considerably higher than the former rate, it is a rate stipulated by the telecom operator that is not in line with the principles and methods of determining network usage charges for licensees under the notification of the National Broadcasting and Telecommunications Commission (NBTC) on the use and interconnection of telecommunications networks B.E. 2549 ("IC notice"), since, in fact, these underground cable conduits were built and used by that telecom operator and had been used by the company that transferred the fiber optic cable to the Company for least 10 years. They are thus existing assets of the telecom operator and have not required additional investment expenditure. The Company therefore believes that the new rental rate stipulated by the telecom operator is not in line with cost-based principles ("IC notice No.19") and the method of calculating the rental charge may not reflect the cost, as approved by NBTC ("IC Notice No.20"). In addition, if there is to be any change in the rental rate the telecom operator, as the licensed network operator, is required to provide the Company, as a licensee requesting use of the network, with at least 90 days' notice, and evidence or reasons showing why the rate change is needed ("IC Notice No.21"). The telecom operator has not done this. Therefore, in order to move forward in accordance with legal principals and procedures, the Company submitted a letter asking the telecom operator to clarify the reasons for setting a new rental rate for the network and to provide the Company with evidence and the calculation method used to determine that rate. The Company also asked to exercise its right to negotiate a reduced, reasonable and fair, and legal rate with the telecom operator.

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

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

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

In addition, the Company has the right to request that NBTC to accept the dispute for dispute settlement procedures in accordance with the IC notice. Nevertheless, the Company has contingent liabilities with respect to the uncertainty regarding the outcome of negotiations to reduce the rental rate for the underground cable conduit, which it expects will not exceed Baht 36.2 million.

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

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

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

Subsequently, the Administrative Court has announced the Court order dated 26 June 2015 to the Company that the Administrative Court has received the case from the Civil Court. However, the Company has determined that it does not agree with the order of the Court; therefore, the Company filed a rebuttal statement to the Court on 13 August 2015. The Court considered the rebuttal statement of the Company and ordered on 28 August 2015 to reject the statement although the Civil Court had strike the case out of the case list. The Civil Court had already summarised the statements and sent all the documents to the Administrative Court. It means that

the case had been transferred to the Administrative Court. Although the Company still disagrees with the Court's order, such order is an interlocutory order by law. An appeal against an interlocutory order shall be filed at the same time when an appeal against a judgement is filed. In this regard, the Company has to wait till the Administrative Court reaches its judgement on this case so that it can lodge an appeal. The case is currently under legal proceedings by the Administrative Court. The Company's management believes that the Company will win this case.

28. Financial instruments

28.1 Financial risk management

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

Credit risk

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

Interest rate risk

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

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

(Unit : Million Baht)

As at 31 December 2015

	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
Financial assets					
Cash and cash equivalents	-	60	2	62	0.10-0.375
Trad and other receivables	-	-	190	190	-
	-	60	192	252	
Financial liabilities					
Short-term loans from financial institutions	413	-	-	413	2.95-4.50
Trade and other payables	-	-	319	319	-
Long-term loans	1,475	-	-	1,475	3.95-5.875
	1,888	-	319	2,207	

(Unit : Million Baht)

As at 31 December 2014

	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
Financial assets					
Cash and cash equivalents	-	27	1	28	0.10-0.375
Trade and other receivables	-	-	253	253	-
	-	27	254	281	
Financial liabilities					
Short-term loans from financial institutions	55	-	-	55	3.65-3.68
Trade and other payables	-	-	311	311	-
Long-term loans	1,284	-	-	1,284	5.05-5.88
	1,339	-	311	1,650	

The Company has entered into Interest Rate Swap Transaction Agreement with a local bank for principal totaling Baht 810 million to manage risk associated with the long-term loans carrying floating interest rate. The agreement is for a period of 4.5 years, maturing in February 2020 with the condition stipulated in the agreement. At each of the maturity dates, which occur every 1 month, the Company is required to pay interest to the bank based on the rate stipulated in the agreement (5%) and the bank is required to pay interest to the Company at THBFIX plus certain rate. The agreement contains other conditions. As at 31 December 2015, the Company has no outstanding credit.

Foreign currency risk

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

Foreign exchange contracts outstanding are summarised below.

As at 31 December 2015

Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought	Sold	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
US dollar	0.3	-	35.09	-	29 January 2016
US dollar	0.5	-	36.47	-	10 March 2016
US dollar	0.5	-	35.83	-	22 March 2016
US dollar	0.5	-	36.08	-	18 April 2016
US dollar	0.3	-	35.83	-	18 April 2016
US dollar	0.3	-	35.62	-	26 April 2016
US dollar	0.3	-	36.10	-	9 September 2016
US dollar	0.5	-	36.37	-	26 September 2016

28.2 Fair values of financial instruments

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

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

29. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2015, the Company's debt- to-equity ratio was 1.81:1 (2014: 1.40:1).

30. Events after the reporting period

On 23 February 2016, a meeting of the Board of Directors of the Company passed a resolution to propose to the Annual General Meeting of shareholders to be held in April 2016 to adopt a resolution to pay dividend in respect of the operating results for the second half of the year 2015 as follows:

1) To pay stock dividend in a ratio of 1 dividend share for every 12 existing shares, in the total amount not exceeding 25,030,350 shares with a par value of Baht 1 each and to approve the increase in the registered share capital of the Company through the issue of additional 25,030,350 shares with a par value of Baht 1 each to support the payment of the stock dividend. In case, the shareholders have odd lot after the allocation of stock dividend, they will be paid in cash dividend at Baht 0.08333 per share instead of stock dividend.

2) To pay cash dividend of Baht 0.00926 per share to the shareholders in the amount of 300,364,200 shares. This constitutes a total dividend of Baht 2,781,372.

However, the actual payment amount is subject to change upon approval of the Annual General Shareholder's Meeting in April 2016. Such dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

In accordance with the warrant right adjustment condition, the Company has to adjust exercise price and conversion ratio of warrants when the Company pays all or some parts of dividend by issuance of new shares to the shareholders. In this regard, there will be the adjustment of conversion ratio and exercise price of warrants to comply with the specific condition, from the conversion ratio of 1 existing share to 1.08333 shares to every 1 warrant and exercise price of warrants from Baht 14.720 each to Baht 13.588 each. In addition, the Board of Directors of the Company approved the increase in the registered share capital through the issue of not exceeding 432,999 shares with a par value of Baht 1 each to support the adjustment of exercise price and conversion ratio of warrants. In case, the stock dividend is approved by the Annual General Shareholder's Meeting in April 2016.

31. Approval of the financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 23 February 2016.



General Information

Ticker	SYMC (Listed in The Stock Exchange of Thailand)
Company	Symphony Communication Public Company Limited
Type of Business	Domestic Hi-speed Communication Network Service Provider
Head Office	123 Suntowers Building B, 35 th -37 th Fl., Vibhavadee Rangsit Road, Chomphon, Chatuchak, Bangkok 10900
Warehouse	65/1, Moo 3, Phahonyothin Road, Klongluang, Pathumthani 12120
Branch office	<ol style="list-style-type: none">1) Amata Nakorn Branch Office 700/640, Moo 7, Donhuaror, Mueang Chonburi, Chonburi 200002) Kabin Buri Service Center Branch 103, Moo 16, Mueang Kao, Kabin Buri, Prachinburi 252403) Hat Yai Service Center Branch 1173, Moo 3, Bypass (Asia) Road, Khuanlang, Hat Yai, Songkhla 901104) Laemchabang Service Center Branch 31/73, Moo 9, Thung Sukhla, Sri Racha, Chonburi 202305) Nakorn Ratchasima Service Center Branch 19/47, Lampru 2, Nai Mueang, Mueang Nakorn Ratchasima, Nakorn Ratchasima 300006) Phuket Service Center Branch 46/125, Moo 6, Ratsada, Mueang Phuket, Phuket 830007) Khon Kaen Branch 108/138, Moo 14, Nai Mueang, Mueang Khon Kean, Khon Kean 400008) Phitsanulok Service Center Branch 362/5, Moo 3, Aranyik, Mueang Phitsanulok, Phitsanulok 650009) Chiang Mai Service Center Branch 39/7, Tippanate Road, Haiya, Mueang Chiang Mai, Chiang Mai 5010010) Samutsakhon Service Center Branch 88/304, Moo 1, Tha Sai, Mueang Samutsakhon, Samutsakhon 7400011) Phra Nakhorn Si Ayuttaya Service Center Branch 89/5-6, Moo 3, Klong Suan Plu, Phra Nakhorn Si Ayuttaya, Phra Nakhorn Si Ayuttaya 1300012) Prachuap Khiri Khan Service Center Branch 208, Phachuapsiri Road, Prachuap Khiri Khan, Mueang Prachuap Khiri Khan 7700013) Mae Sot Service Center Branch 1086/3, Moo 1, Tha Sai Luat, Mae Sot, Tak 6311014) Surat Thani Service Center Branch 17/53-54, Moo 1, Watpho-Bangyai Road, Makham Tia, Mueang Surat Thani, Surat Thani 84000

- 15) Ubon Ratchathani Service Center Branch
48/10, Moo 23, Kham Yai, Mueang Ubon Ratchathani,
Ubon Ratchathani 34000
- 16) Nong Khai Service Center Branch
149/3, Moo 4, Meechai, Mueang Nong Khai 43000
- 17) Tak Service Center Branch
64/27, Moo 6, Mai Ngam, Mueang Tak, Tak 63000
- 18) Lamphun Service Center Branch
193/21, Moo 6, Ban Klang, Mueang Lamphun, Lamphun 51000

Company Registration No.	0107553000107
Home Page	www.symphony.net.th
Telephone	66-2-101-1111
Fax	66-2-101-1133
Registered Capital	Bath 306,000,000.-
Paid-up Capital	300,364,200 shares (Bath 1 each)
Voting Shares	300,364,200 ordinary shares
Accounting period	1 January – 31 December

▶ **Subsidiary**

Diamond Line Services Company Limited (DLS) provides installation, repair and maintenance service of external interconnected networks and telecommunication equipment and may conduct joint investment with other companies. Currently, DLS has registered capital of 5,000,000 Baht of which the Company holds 99.99 percent of the shares. The office is located at 99/417 Nonsi Road, Chong Nonsi, Yannawa, Bangkok 10120.

▶ **Reference**

Securities Registrar

Thailand Securities Depository Company Limited
93 Ratchadaphisek Road, Dindaeng,
Bangkok 10400, Thailand
Tel : 66-2-009-9000
Fax : 66-2-009-9991
Website: <http://www.tsd.co.th>

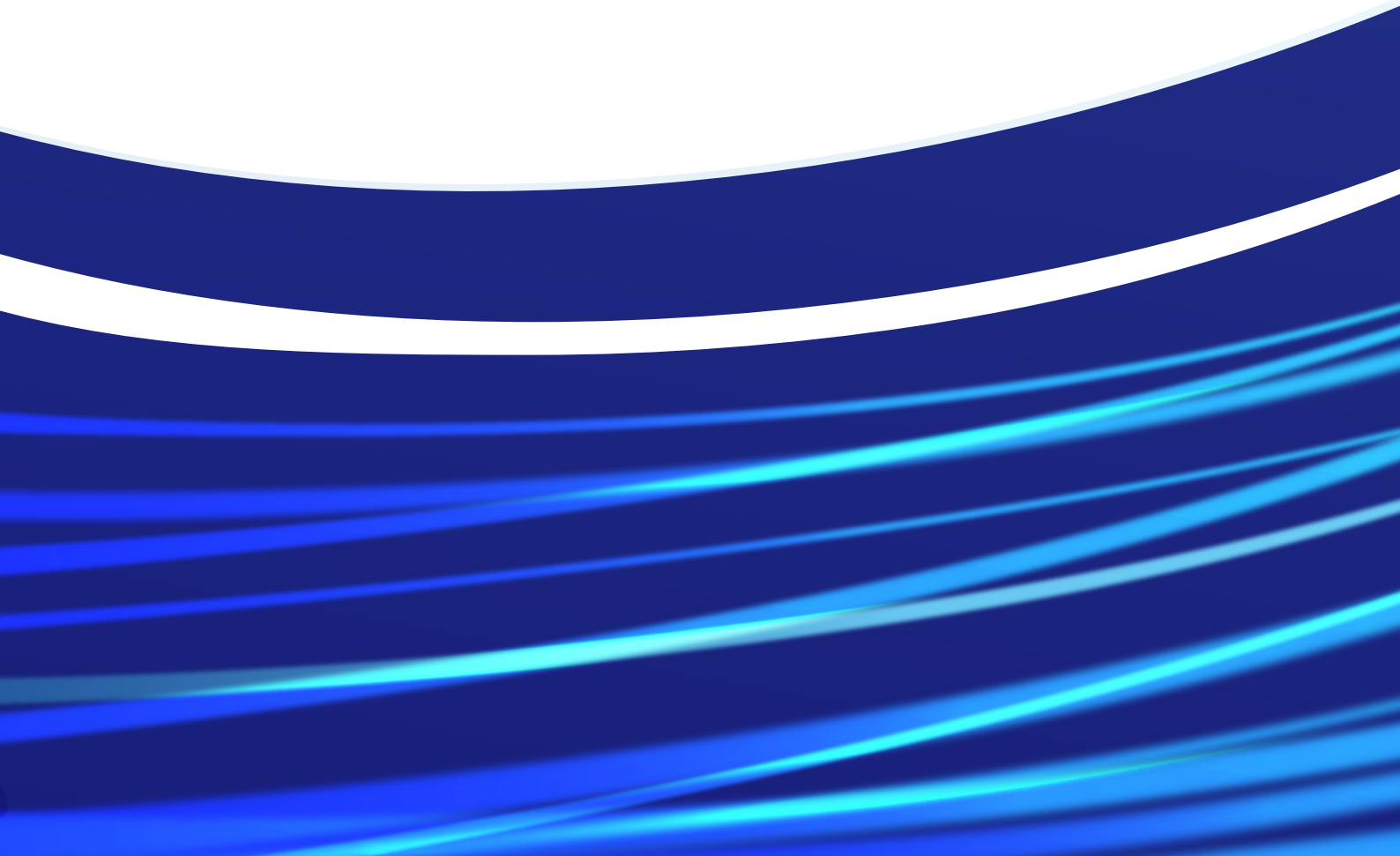
Auditor

EY Office Limited
33rd floor, Lake Ratchada Office Building.
193/136-137, New Ratchadapisek road, Khlongtoei, Bangkok 10110
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