

(Translation)

Opinion of the Independent Financial Advisor on Financial  
Assistance to Connected Person  
of

**JTS**

Jasmine Telecom Systems Public Company Limited

Presented to

The Audit Committee and Shareholders of  
Jasmine Telecom Systems Public Company Limited

Prepared by

**OPTASIA**  
C A P I T A L

OptAsia Capital Company Limited

17 November 2017

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Subject: Opinion of the Independent Financial Advisor on Financial Assistance to Connected Person

To: The Audit Committee and Shareholders  
Jasmine Telecom Systems Public Company Limited

Attachment:

- 1) Business Information of Jasmine Telecom Systems Public Company Limited and its subsidiary
- 2) Business Information of Jasmine International Public Company Limited and its subsidiaries

- Refer:
- 1) Resolution of the Board of Directors' meeting of Jasmine Telecom Systems Public Company Limited No. 6/2017, held on 13 November 2017 and Information Memorandum on Connected Transaction: An Approval for Financial Assistance to Connected Person.
  - 2) Form 56-1 of Jasmine Telecom Systems Public Company Limited for the year ended 31 December 2016.
  - 3) Form 56-1 of Jasmine International Public Company Limited for the year ended 31 December 2016.
  - 4) Financial statements audited and reviewed by the auditors of Jasmine Telecom Systems Public Company Limited and its subsidiary for 12-month period ended 31 December 2014 – 2016, and 3-month period ended 31 March 2017, and 6-month period ended 30 June 2017, and 9-month period ended 30 September 2017.
  - 5) Financial statements audited and reviewed by the auditors of Jasmine International Public Company Limited and its subsidiaries for 12-month period ended 31 December 2014 – 2016, and 3-month period ended 31 March 2017, and 6-month period ended 30 June 2017, and 9-month period ended 30 September 2017.
  - 6) Certificate, memorandum of association, information and other documents, such as details of cash and short-term investments during the transaction, details of loans between companies in the group, as well as interviews with the management of Jasmine Telecom Systems Public Company Limited and the management of Jasmine International Public Company Limited.

### Transaction Background

According to the Board of Directors' meeting ("BOD's meeting") of Jasmine Telecom Systems Public Company Limited (the "Company" or "JTS") No. 6/2017 held on 13 November 2017 has resolution to propose the entering into the connected transaction of the provision of financial assistance of the Company to Jasmine International Public Company Limited ("JAS") to the Extraordinary General Meeting of Shareholder No. 1/2017 held on 25 December 2017 in order to consider the approval for financial assistance of THB 340 million of the Company to JAS, with the term of loan for 6 months with an extension right for another 6 months, and with interest of 2.08 percent per annum.

According to the shareholding structure as at 9 March 2017, the Company's major shareholders were JAS and other two companies in JAS's group, which were persons under Section 258 (according to the definition provided in the Securities and Exchange Act B.E. 2535) in which JAS has shareholding proportion in the Company of 32.80 percent, ACeS Regional Services Co., Ltd. has 9.06 percent, and T.J.P. Engineering Co., Ltd. has 9.05 percent, totaling equivalent to 50.91 percent of the total issued shares of the Company. As a result, the provision of financial assistance of the Company to JAS of THB 340 million and the interest that JAS paid to the Company for the calculation period of 12 months of THB 7.072 million were considered as connected transaction in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions dated 31 August 2008 and its amendments, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 dated 19 November 2003 and its amendments. The transaction represents the maximum value of 36.15 percent of the net tangible assets of the Company based on the Company's consolidated financial statement ended 30 September 2017 reviewed by the Company's auditor (as at 30 September 2017, the net tangible assets of the Company was THB 960.02 million), exceeding 3.00 percent of the net tangible assets of the Company. Consequently, the Company has the duty to disclose the information of the transaction to the Stock Exchange of Thailand ("SET") and seek approval of the transaction from the shareholders' meeting by obtaining not less than three-fourths of the votes from the shareholders attending the meeting and eligible to vote, excluding the votes from the shareholders who have conflict of interest. In addition, the Company is required to appoint an independent financial advisor to provide opinion concerning the reasonableness of the transaction, in terms of appropriateness of price and conditions to the shareholders of the Company as part of the consideration for the transaction approval.

The Board of Directors' meeting of the Company No. 6/2017 held on 13 November 2017 has resolution to appoint OptAsia Capital Company Limited ("Independent Financial Advisor" or "IFA") as an independent financial advisor certified by the Securities and Exchange Commission ("SEC") to provide its opinions on the

provision of financial assistance of the Company to JAS for the consideration of shareholders in approving the transaction further.

The IFA has prepared this report based on the study of information and details from the information memorandum which the Company informed the Stock Exchange of Thailand, information disclosed to the public, the Company's financial statements audited and reviewed by authorized auditors, information received from the Company, including information and other documents related to the details of financial assistance to the connected person. In addition, the IFA also relied on information obtained from interviews with the management of the Company and related parties, including other reports of the Company, forecasts and comments related to the entering into the transaction. The information has been analyzed and documented in the report. The opinion of the IFA in this report is based on the assumption that all the information and documents received are accurate and complete, and reflects the current information and situation at the time of preparing this report. However, there may be an incident having a material impact on the decision of the shareholders on the entering into the transaction, as a result, The IFA does not hold any responsibilities for the impacts that might arise from such transactions both directly and indirectly.

The IFA has certified that we have studied, analyzed and prudently performed our duties as an Independent Financial Advisor, complying with the generally accepted professional standard and rendered our opinion based on the unbiased analysis with regards to the best benefit of the shareholders. The decision to vote is the sole discretion of the shareholders, which shall include the consideration of advantages, disadvantages, and risk associated with the transactions as well as consideration of the attached documents submitting to the shareholders along with the invitation letter so as to make the most appropriate decision.

Abbreviations

The Company or JTS	Jasmine Telecom Systems Public Company Limited
JAS	Jasmine International Public Company Limited
Companies in JAS's group	ACeS Regional Services Co., Ltd. and T.J.P. Engineering Co., Ltd.
Interested Directors	Mr. Pleumjai Sinarkorn, Mrs. Nonglug Pongsrihadulchai and Mrs. Nitt Visesphan
Independent Financial Advisor (IFA) or OptAsia	OptAsia Capital Company Limited
SEC	The Securities and Exchange Commission
SET	The Stock Exchange of Thailand
Notification of the Connected Transaction	The Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions dated 31 August 2008 and its amendments, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 dated 19 November 2003 and its amendments.
Connected Person	<p>The persons who may influence directors or executives of listed companies having a conflict of interests in operational decisions for the interests of the persons or the interests of the Company, including</p> <ol style="list-style-type: none"> <li>1. Directors, executives, major shareholders, controlling persons of listed companies, persons who will be nominated as a director or executive or controlling person, including related persons and close relatives of such persons.</li> <li>2. Any juristic person having a major shareholder or a controlling person under (1).</li> <li>3. Any person whose behavior can be indicated as an acting person or under a major influence of persons from (1) to (2).</li> <li>4. Directors of a juristic person having control over the Company.</li> <li>5. Spouse, child or adopted minor child of a director under (4).</li> </ol>

	<p>6. Juristic person under (4) or (5) having control over the Company. Any person who acts with understanding or agreement that if the Company has done the transaction providing financial benefits to such person, the following persons will also receive financial benefits.</p> <p>7.1 Directors of the Company</p> <p>7.2 Managements of the Company</p> <p>7.3 Persons who have controlling power</p> <p>7.4 Director of persons having control over the Company</p> <p>7.5 Spouse, child or adopted minor child of a person under 7.1 to 7.4.</p>
Major shareholder	<p>means shareholders, either directly or indirectly in any juristic person exceeding 10 percent of the total shares with voting rights of such juristic person, including the shares held by related persons.</p>
Persons under Section 258 according to the definition provided in the Securities and Exchange Act B.E. 2535	<p>Related parties of connected persons are the followings,</p> <p>(1) Spouse</p> <p>(2) Minor child</p> <p>(3) Partnership in which connected persons, including (1) or (2) are as a partner.</p> <p>(4) Limited partnership which connected persons, including (1) or (2) are an unlimited liability partner or limited liability partner in aggregate more than 30 percent.</p> <p>(5) Company limited or public company limited which connected persons, including (1) or (2) or (3) or (4) holding shares in aggregate more than 30 percent.</p> <p>(6) Company limited or public company limited which connected persons, including (1) or (2) or (3) or (4) or (5) holding shares in aggregate more than 30 percent.</p> <p>(7) Juristic person under section 246 and 247 (according to the Securities and Exchange Act) with authority as representatives of the juristic person.</p>

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Executive Summary

According to the Board of Directors' meeting of Jasmine Telecom Systems Public Company Limited (the "Company" or "JTS") No. 6/2017 held on 13 November 2017 has resolution to propose the entering into the connected transaction of the provision of financial assistance of the Company to Jasmine International Public Company Limited ("JAS") to the Extraordinary General Meeting of Shareholder No. 1/2017 held on 25 December 2017 in order to consider the approval for financial assistance of THB 340 million of the Company to JAS, with the term of loan for 6 months with an extension right for another 6 months, and with interest of 2.08 percent per annum.

According to the shareholding structure as at 9 March 2017, the Company's major shareholders were JAS and other two companies in JAS's group, which were persons under Section 258 (according to the definition provided in the Securities and Exchange Act B.E. 2535) in which JAS has shareholding proportion in the Company of 32.80 percent, ACeS Regional Services Co., Ltd. has 9.06 percent, and T.J.P. Engineering Co., Ltd. has 9.05 percent, totaling equivalent to 50.91 percent of the total issued shares of the Company. As a result, the provision of financial assistance of the Company to JAS of THB 340 million and the interest that JAS paid to the Company for the calculation period of 12 months of THB 7.072 million were considered as connected transaction in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions dated 31 August 2008 and its amendments, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 dated 19 November 2003 and its amendments. The transaction represents the maximum value of 36.15 percent of the net tangible assets of the Company based on the Company's consolidated financial statement ended 30 September 2017 reviewed by the Company's auditor (as at 30 September 2017, the net tangible assets of the Company was THB 960.02 million), exceeding 3.00 percent of the net tangible assets of the Company. Consequently, the Company has the duty to disclose the information of the transaction to the Stock Exchange of Thailand ("SET") and seek approval of the transaction from the shareholders' meeting by obtaining not less than three-fourths of the votes from the shareholders attending the meeting and eligible to vote, excluding the votes from the shareholders who have conflict of interest. In addition, the Company is required to appoint an independent financial advisor to provide opinion concerning the reasonableness of the transaction, in terms of appropriateness of price and conditions to the shareholders of the Company as part of the consideration for the transaction approval.

The Board of Directors' meeting of the Company No. 6/2017 held on 13 November 2017 has resolution to appoint OptAsia Capital Company Limited ("Independent Financial Advisor" or "IFA") as an independent financial advisor certified by the Securities and Exchange Commission ("SEC") to provide its opinions on the

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provision of financial assistance of the Company to JAS for the consideration of shareholders in approving the transaction further.

"OptAsia" or "Independent Financial Advisor" as an independent financial advisor of the shareholders appointed by the Company has an opinion on the transaction as follows;

In considering advantages and disadvantages of entering into the transaction and not entering into the transaction, including the risks of the transaction of financial assistance to JAS in the past, they could be summarized as the followings;

#### Advantages of Entering into the Transactions

- The Company receives a return on the loan

Providing financial assistance this time, the Company will receive a higher return than the interest rate charged between companies in JAS's group on the normal basis which increases from 1.58 percent to 2.08 percent per year. If deducting with the expenses arising from transaction such as legal fees, financial advisor fees, costs of the shareholders' meeting, and other related costs, the Company did not lose the benefits from the loan provision and still receive a net return higher than the opportunity cost of depositing money with financial institutions or the return on the loan policy of the companies in JAS's group (1.41 - 1.58 percent per year) in case of 12-month loan.

- Enhance liquidity for the company in the same group.

Provision of financial assistance to JAS is providing assistance as needed to JAS that required money to manage cash flow of JAS and the companies in JAS's group which helps improve the liquidity for operation and does not affect the overall business of the group as a major shareholder of the group.

#### Disadvantage of Entering into the Transactions

- The Company may have risk of not receiving the repayment from JAS.

Providing financial assistance to JAS does not have an agreement between parties, warranty, penalties in case of default, etc. As a result, the Company may have potential risk of not receiving principal or interest or confronting with a delay in payment from JAS. However, JAS is a major shareholder of the Company and there are loans between companies in a group as usual. In addition, JAS also has good operating performance continuously based on the past operating results in which JAS has the ability to repay debt and never had the problem of default to the financial institutions. The Company expects to have very small risk of not receiving the repayment from JAS.

- The company may receive lower returns than usual if JAS borrowed money for only 6 months.

In the case that JAS borrowed money from the Company for only 6 months, the Company will need to deposit money with the financial institution, which is ICBC Bank (Thailand) for 6 months. The total return after expenses is calculated to be about 1.30 percent per year, which is slightly lower than the opportunity cost of depositing money with financial institutions or the average return of the Company (1.33 - 1.41 percent per annum). However, the management of JAS intends to borrow the money for a period of 12 months.

#### Advantage of Not Entering into the Transactions

- The Company will have a liquidity of THB 340 million. However, the financial assistance this time, the Company expects to earn higher returns than depositing money with financial institutions, and the Company still does not have investment projects that require a large amount of money during the next 1 year.

#### Disadvantage of Not Entering into the Transactions

- If the Company does not enter into the transaction, as a member of JAS group, the Company does not comply with the Group's policy on providing financial assistance. JAS has to consider other funding sources to be used as working capital, resulting in a higher financial cost for JAS as compared to borrowing from the Company. In addition, it will not be in accordance to the group's policy in regard to financial assistance in the management of liquidity and cash flows of the group.

#### Advantage and Disadvantage of Entering into the Connected Transactions

##### Advantage

- This is the management of liquidity within the group in which the companies having excess liquidity will receive interest at a higher rate than deposits received from the financial institutions. While companies require to use money can receive loans with financing costs not higher than market interest rate. In addition, there is also flexibility in negotiations and coordination over than transactions with third parties and the transaction among the group also has a very small risk of loans.

##### Disadvantage

- Entering into the transaction with connected person causes the burden of the disclosure of information and the regulatory compliance, including the increasing costs. Therefore, this transaction with connected person results in the Company's obligation to disclose the transaction to SET and ask for an approval from the shareholders' meeting of the Company, as well as, appoint the IFA to provide an opinion regarding the transaction which cause the increase in expenses of the Company. If the transaction is made with a third party, there is no requirement to propose to the shareholders' meeting

to approve the transaction. (However, the loan to a third party is not a normal business operations of the Company) and the financing cost is also higher than borrowing from the group.

According to the aforesaid reasons, OptAsia, as the Independent Financial Advisor, has an opinion that Shareholders of the Company should approve the provision of financial assistance of the Company to JAS which is a connected person. However, the decision to vote is the sole discretion of the shareholders, which shall include the consideration of advantages, disadvantages, and risk associated with the transactions as well as consideration of the attached documents submitting to the shareholders along with the invitation letter of the General Shareholders' meeting so as to make the most appropriate decision.

Part 1 Characteristic and Details of the Connected Transactions

1.1 Nature and Details of Transactions

Jasmine Telecom Systems Public Company Limited has been informed by Jasmine International Public Company Limited to request for financial assistance in form of a short-term loan in the amount of THB 340 million as working capital. Therefore, the Board of Directors' meeting of the Company No. 6/2017 which held on 13 November 2017 has considered and approved the provision of financial assistance of the Company to JAS which is a connected person. The details of the provision of financial assistance are as follows;

Subject	Details
Lender	Jasmine Telecom Systems Public Company Limited ("JTS")
Borrower	Jasmine International Public Company Limited ("JAS")
Amount of loan	THB 340 million
Term of loan	6 months with an extension right for another 6 months, totaling not over than 12 months
Interest Rate	Based on an average interest rate of 3 banks, including Bangkok Bank, Krung Thai Bank, and Kasikorn Bank, as at 7 November 2017, plus an additional 1.00 percent, equal to 2.08 percent per annum, with an interest payment in every 3 months.
Warranty	None
Objective	To be used as working capital of JAS
Agreement	There is no agreement. JAS will issue a promissory note to the Company as a collateral of the loan.

1.2 Category and Size of the Transactions

This transaction is the consideration to approve the provision of financial assistance of the Company to JAS in the amount of THB 340 million for 6 months with an extension right for another 6 months, totaling not over than 12 months. The Company uses deposits and current investments with the financial institutions and JAS aims to use the financial assistance as working capital for overall liquidity management.

The entering into the transaction was considered as the connected transaction in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions dated 31 August 2008 and its amendments, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the

Connected Transactions B.E. 2546 dated 19 November 2003 and its amendments. The main elements are as follows;

(1) Being connected persons since the Company's shares has been held by JAS and Companies in JAS's group, totaling equivalent to 50.91 percent of the total issued shares of the Company. In addition, there are three directors of the Company related to JAS, including Mr. Pleumjai Sinarkorn, Chairman of the Board of Directors, Mrs. Nonglug Pongsrihadulchai, Director, and Mrs. Nitt Visesphan, Director, who are considered as interested directors with respect to this matter (collectively, the "Interested Directors"). According to the shareholding structure of the Company, the provision of financial assistance is the transaction made with the Company's major shareholder under the definition of connected persons. As a result, this transaction is considered as connected transaction.

(2) The loan provision transaction and the Interest represent the maximum transaction value of 36.15 percent of the net tangible assets of the Company based on the Company's consolidated financial statement ended 30 September 2017 (as at 30 September 2017, the net tangible assets of the Company was THB 960.02 million), exceeding 3.00 percent of the net tangible assets of the Company and being more than THB 100 million. In this regard, there were no other connected transactions during the past six months from the date on which the Board of Directors of the Company approved the provision of financial assistance or loan provision transaction.

Consequently, the Company has the duty to disclose the information of the transaction to the Stock Exchange of Thailand ("SET") and seek approval of the transaction from the shareholders' meeting by obtaining not less than three-fourths of the votes from the shareholders attending the meeting and eligible to vote, excluding the votes from the shareholders who have conflict of interest.

### 1.3 Transactions Date

Company will provide financial assistance in the amount of THB 340 million to JAS after receiving the approval from the Extraordinary General Meeting of Shareholders of the Company No. 1/2017 held on 25 December 2017.

### 1.4 Name of Connected Person and its Relationship with the Listed Company

Lender	: Jasmine Telecom Systems Public Company Limited
Borrower	: Jasmine International Public Company Limited
Relationship	: JAS is a major shareholder of the Company directly holding 32.80 percent of the Company shares, and indirectly holding 9.06 percent through ACeS Regional Services Co., Ltd. and 9.05 percent

through T.J.P. Engineering Co., Ltd. The total shareholding of JAS both direct and indirectly in the Company is equivalent to 50.91 percent of the total issued shares of the Company.

#### 1.5 Source of Funds for Financial Assistance

The source of funds used to provide financial assistance this time came from deposits and current investments of the Company which based on the separate financial statements of the Company as at 30 September 2017, the Company had cash and cash equivalents of THB 77.20 million, current investments-bank deposits of THB 335.09 million, totaling cash and investments of THB 412.29 million. The Company and its subsidiaries had not borrowed money from financial institutions.

If considering from the separate financial statements of the Company as at 30 September 2017 after providing financial assistance in the amount of THB 340 million, it showed that the Company will have remaining liquidity of approximately THB 72.30 million. If considering the consolidated financial statements, it showed that cash and cash equivalents will be equal to THB 80.28 million (the results of operations in the 4<sup>th</sup> quarter of 2017 and the working capital of the Company during such period were still not taken into consideration) which indicated that the Company still has sufficient working capital and liquidity.

#### 1.6 Attendance and voting in the Board of Directors Meeting of the interested directors

In the Board of Directors Meeting No. 6/2017 which was convened on 13 November 2017 in order to consider and approve the financial assistance to JAS, there were three directors namely, Mr. Pleumjai Sinarkorn, Chairman of the Board of Directors, Mrs. Nonglug Pongsrihadulchai, Director, and Mrs. Nitt Visesphan, Director, who are considered as interested directors with respect to this matter (collectively, the "Interested Directors"). Therefore, the Interested Directors did not attend the meeting nor cast votes on such agenda item which proposes that the meeting consider and approve the financial assistance to JAS.

#### 1.7 Shareholders' meeting and voting

The provision of loan to JAS is the provision of financial assistance to a major shareholder which holds shares, both directly and indirectly, in a total proportion of 50.91 percent of the total issued shares of the Company, including Mr. Pleumjai Sinarkorn, Chairman of the Board of Directors. The details of the connected and interested persons are as follows;

Name	No. of Share (Share)	Percentage of total issued and paid-up shares	Percentage of total voting rights
1. Jasmine International Public Company Limited	231,714,400	32.80	32.80
2. ACeS Regional Services Co., Ltd. <sup>/1</sup>	64,027,700	9.06	9.06
3. T.J.P. Engineering Co., Ltd. <sup>/2</sup>	63,918,000	9.05	9.05
4. Mr. Pleumjai Sinarkorn	50,000	0.01	0.01
Total	359,710,100	50.92	50.92

<sup>/1</sup> ACeS Regional Services Co., Ltd. ("ARS") is a subsidiary of JAS, whereby JAS indirectly holds shares in ARS as follows: 98.04 percent of ARS shares are held by ACeS (Thailand) Co., Ltd. ("ACT"), 58.84 percent of ACT shares are held by Jasmine International Overseas Co., Ltd. ("JOIC"), and 39.82 percent of JOIC shares are held by JAS.

<sup>/2</sup> T.J.P. Engineering Co., Ltd. ("TJP") is a subsidiary of JAS, whereby 80 percent of its share are held by JAS, and another 20 percent are held by Acumen Co., Ltd. ("ACU") which is another subsidiary of JAS.

JAS, ACeS Regional Services Co., Ltd., and T.J.P. Engineering Co., Ltd., as well as Mr. Pleumjai Sinarkorn are interested shareholders of the Company and not entitled to cast votes on the agenda item in the shareholders' meeting which proposes that the meeting consider and approve the financial assistance or the loan which have been provided to JAS.

#### 1.8 Opinion of the Board of Directors on the entering into the connected transaction

The Board of Directors of the Company (not including the Interested Directors) was of the view that such transaction to provide the financial assistance is reasonable and would directly benefit the Company. Furthermore, the loan interest rate on this transaction is higher than the current maximum return rate that the Company receives from depositing funds with the financial institution.

The Board of Directors then resolved to approve the provision of financial assistance to JAS amounting to THB 340 million with interest of 2.08 percent per annum, and to propose that Extraordinary General Meeting of Shareholders No.1/2017 consider and approve the provision of financial assistance or the loan to JAS.

1.9 Opinion of the Audit Committee and/or directors of the Company which are different from those of the Board of Directors

The Audit Committee has considered the nature of the transactions and return, then agreed with the opinion of the Board of Directors of the Company to approve the provision of financial assistance of the Company to JAS. On 17 November 2017, there was a meeting of the Audit Committee to consider the opinion report of the transaction of the provision of financial assistance provided by the IFA in which the three Audit Committee members were of the same opinion as the IFA and approved to propose to the Shareholders' meeting for consideration.



Part 2 Fairness and Advantages / Disadvantages of the Entering into the Transactions
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JAS has informed the Company regarding the intention to receive the financial assistance in terms of the short-term loan from the Company in the amount of THB 340 million in order to use as working capital and increase liquidity. In the past, the companies in JAS's group, consisting of its subsidiaries and related companies, had core businesses which are broadband internet, telecommunication network services, design and implementation of telecommunications, and other businesses. There are records of the transactions in terms of business operations, including the provision of financial assistance as usual in order to assist and support business operations and liquidity in operating businesses within the group. In addition, there are the disclosures of transactions among companies in the group in the financial statements of each company in each accounting period to the shareholders of each company to recognize such transactions as always. The IFA has analyzed and considered significant issues for consideration as follows;

#### 2.1 History of Financial Assistance or Intercompany Loans

The financial assistance with JAS Group is a normal transaction. The interest rate is based on the average deposit rate of 3 banks (Bangkok Bank, Krung Thai Bank, and Kasikorn Bank) plus an additional 0.50% per annum, which is in accordance to JAS's Board of Directors' Resolution No. 5/2010, held on August 11, 2010. For short-term loans, there will be no loan contract but the borrower will issue the promissory note as proof of the loan. For loans with fixed repayment period of principal and its interest, there will be a loan agreement between the two parties to determine the terms of the loan. Each loan has to be considered by the Board of Directors of related companies which is the practice of JAS Group.

During 2014 - 2016 and as at 30 September 2017, the Company had no borrowings from financial institutions or any third party in anyway. However, there are transactions of the provision of financial assistance to companies in the group as follows;

##### 1) Provision and obtaining of financial assistance of JTS

###### 1A. Provision of loans to Cloud Computing Solutions Co., Ltd. (CCS) which is its subsidiary.

JTS is one of companies in JAS's group. According to the information from the past, companies in the group are borrowing or lending between each other as usual and the disclosures are shown in the notes to financial statements. Most are short-term loans and the interest will be charged at the fixed deposit interest rate of financial banks, plus 0.50 percent per year.

Details of the provision of financial assistance to CSS during 2015 - present are as follows;

	Loan 1 <sup>/1</sup>	Loan 2 <sup>/1</sup>	Loan 3 <sup>/1</sup>	Loan 4
Amount of money	THB 69.35 million	THB 7.00 million	THB 4.00 million	THB 117.00 million with the outstanding balance of THB 105.00 million**
Period of time	4 Jan 2015 - present	30 Mar 2016 - present	30 Jun 2016 - present	29 Dec 2016 – 30 Jun 2024
Warranty	None	None	None	None
Interest rate*	2.8125%	2.8125%	2.8125%	1.660%
Repayment of Loan	-	-	-	Quarterly repayment
Type of Loan	On demand	On demand	On demand	Scheduled repayment period

Note: /1. Loans 1, 2 and 3 are loans that the Company lent to CCS for repay debt from financial institution and for use as working capital due to CCS was unable to repay the loan to financial institution in accordance with the terms of the loan to provide services to a customer and a customer encountered a bankruptcy problem. The Company has therefore recorded full allowance for doubtful accounts for the remaining balances which is disclosed in the Company's financial statement of 2016.

\*Interest rate based on 1-year fixed deposit interest rate of financial banks, plus 0.50 percent per year and the direction of interest rate is downward from 2015-2016.

\*\* As at 30 September 2017

If considering CCS, which is its subsidiary, that has borrowed money from financial institutions which is Bangkok Bank in July 2011 for using in the procurement project of customers service system and invoice preparation system to the customer, TT&T Public Company Limited, in the amount of THB 289.68 million with an interest of MLR or equal to 6.25 percent. Later in 2016, the Company has provided loans to CCS as details stated in the table (Loan 4) in order to repay all loans to financial institutions successfully.

#### 1B. Provision of loans to JAS.

The Company has provided financial assistance to JAS by providing loans in an amount of THB 530 million in which JAS issued promissory notes without warranty and was charged interest equal to the weighted average deposit interest rates of 3 major banks (Bangkok Bank, Krung Thai Bank, and Kasikorn Bank) at the time of borrowing (during June - September 2016), representing a rate of 1.40 percent per year, plus an additional 0.60 percent which is equal to 2.00 percent per annum. If calculating from the date of loans provision to the date of full repayment (during 15 June and 28 September 2016) for a period of 105 days, representing the interest of THB 3.05 million which the Company already received payment of principal and interest. The

details are in accordance with what have been proposed to the 2017 Annual General Meeting of Shareholders on 28 April 2017.

1C. Provision of loans to third parties.

In the past, JTS has never provided loans to third parties in anyway due to the purpose of the establishment of JTS is to operate the business regarding telecommunications and information technology by focusing on the fully integrated design and implementation of telecommunications (System Integrator), being a supplier of equipment and related services. Therefore, JTS has no policy to provide loans to third parties, except for the provision of loans to its subsidiaries and companies in the group. Thus, there is no information of interest rate of loans provided to the third parties.

2) Provision and obtaining of financial assistance of JAS

2A. Loans borrowing and loans provision to the companies in the group.

According to the previous financial statements during 2015 to the present, JAS has history both provision and receiving financial assistance from the companies in JAS's group as usual by providing financial assistance to its subsidiary such as companies include Acumen Co., Ltd., JAS Mobile Broadband Co., Ltd., and Jasmine Smart Shop Co., Ltd. As at 30 September 2017, the total value of short-term loans provision is equal to THB 100 million. JAS also has received financial assistance from the companies in JAS's group, such as Triple T Broadband Public Company Limited, Triple T Internet Co., Ltd., Premium Assets Co., Ltd., and ACeS Regional Services Co., Ltd., etc. As at 30 September 2017, the total value of short-term loans borrowing is equal to THB 6,662 million.

The loans provision and loans borrowing transactions are subject to interest calculation based on fixed deposit interest rates of commercial banks for 1 year, plus 0.50 percent per annum (Bangkok Bank, Krung Thai Bank, Kasikorn Bank) as at 7 November 2017, in which the range of interest rates that are mostly charged is between 1.58 - 1.76 percent per year which is according to the policy of provision of financial assistance in the group and according to the information disclosed in the notes to the financial statements.

2B. Loans from the Company.

The details are the same as the section 1B.

2C. Loans from the financial institutions.

JAS has borrowed money from a financial institution which was in the 3<sup>rd</sup> quarter of 2016. JAS has borrowed money from the Siam Commercial Bank in which the details are summarized as follows;

Type of Loans: Long-term loans of THB 6,000 million.

- Interest Rate: Interest rate is equal to MLR - 0.25 percent (a rate announced by the Siam Commercial Bank equal to 6.025 percent), representing an interest rate of JASS equal to 5.775 percent per annum.
- Objective: Used as working capital within the group
- Term of Loans: 5 years and 6 months
- Warranty: Investment units in Jasmine Broadband Internet Infrastructure Fund (JASIF) which are held the ownership by JAS
- Other conditions: JAS will not create any liability or obligation in excess of THB 25,000 million and will not provide loans to the third parties in anyway.

Currently, JAS has to repay principal and interest as usual. There is no problem in the event of default in anyway, and as at 30 September 2017, JAS has the outstanding balance of approximately THB 5,025 million.

#### 2D. Loans from others

As at 30 September 2017, JAS had borrowed from an unrelated party in the amount of THB 1,190 million with an interest rate of 8.00% per annum, in the form of promissory notes without warranty. The repayment period is 3 months with the extension period of 3 months. Currently, JAS has partially repaid the debt and has an outstanding balance of THB 590 million.

Since JAS has borrowings from many sources, JAS uses cost management as a policy to prioritize loan repayments, that is, by repaying loans which have higher interest rates first. However, in the case of loans between JAS Group, if any company urgently needs repayments, JAS will consider repaying the loan in before its due date.

Therefore, the IFA has an opinion that when comparing loans history occurring within companies in JAS's group, interest rates that are charged between them in accordance with policies defined in a topic of the provision of financial assistance. The interest rate equal to the average interest rate of 3 major banks aforementioned and there are actions as disclosed in the financial statements of each company. The interest rates on loans from financial institutions are based on market rates in general.

#### 2.2 Impact of Financial Assistance and Financial Position of the Company

According to the operating results from 2014 to the present, the Company has a net loss of operating results continuously. But one of the significant losses came from non-cash expenses, for example, in 2016 there were losses recorded as a provision of reversed judgment of the Supreme Court of TT&T Public Company Limited, allowance for doubtful accounts which is a deposit paid to a local company for the purchase of tablets, etc. but the aforementioned costs did not affect cash of the Company at all.

The Company has a large amount of cash from the payment of project receivables. Therefore, the Company had increasing cash and short-term investments since 2013 onwards, and reached THB 727 million at the end of 2014 in which the Company deposited with commercial banks with low risk and could earn a return on investment. The money is deposited in a fixed deposit account which is in line with the Company's policy of conservative investment. A portion of the money is also used in normal business operations. When considering the ratio of interest bearing debt to shareholders' equity, the ratio is very low and currently there are no loans from financial institutions.

For the previous period's statement of cash flows, the Company and its subsidiary have relatively little business activity since the year 2015. Most of the investment activities are the change of current investments which are related to providing or repayment of loans for reinvestment. For financing activities, the debt to financial institutions have been fully repaid in 2016.

Summary of the key separate financial statements of the Company

Unit: THB million

	2014	2015	2016	30 Sep 2017
Total Revenue	69.99	40.87	76.33	28.22
Non-cash Expenses *	(195.71)	(2.17)	(62.91)	(0.03)
Net Profit (Loss)	(300.02)	(42.02)	(54.96)	(10.59)
Cash and cash equivalents	176.11	170.28	314.29	77.20
Current investments-bank deposits	542.08	525.71	100.68	335.09
Interest bearing debt (loan) **	-	-	0.00	0.00
Total Liabilities	290.26	230.08	156.43	111.03
Ratio of interest bearing debt to equity shareholders (time)	-	-	-	-
Statements of Cash Flows:				
Operating activities	374.89	(35.59)	(89.41)	(28.41)
Investing activities	(402.48)	29.77	304.06	(208.68)
Financing activities	(25.16)	-	(70.64)	-
Net increase (decrease) in cash and cash equivalents	(52.75)	(5.83)	144.01	(237.08)
Cash and cash equivalents at beginning of period	228.85	176.11	170.28	314.29
Cash and cash equivalents at end of period	176.11	170.28	314.29	77.20

Summary of the key consolidated financial statements of the Company

Unit: THB million

	2014	2015	2016	30 Sep 2017
Total Revenue	127.61	90.76	(142.06)	76.60
Non-cash Expenses *	37.50	2.17	81.75	(0.03)
Net Profit (Loss)	(133.75)	(43.49)	(57.81)	15.38
Cash and cash equivalents	185.17	179.23	322.52	85.06
Current investments-bank deposits	542.23	525.86	100.81	335.23
Interest bearing debt (loan) **	167.77	138.77	0.00	0.00
Total Liabilities ***	644.68	572.34	350.68	293.55
Ratio of interest bearing debt to equity shareholders (time)	0.15	0.13	-	-
Statements of Cash Flows:				
Operating activities	390.91	(0.80)	(77.32)	(12.08)
Investing activities	(407.70)	23.86	430.02	(225.38)
Financing activities	(39.67)	(29.00)	(209.41)	-
Net increase (decrease) in cash and cash equivalents	(56.45)	(5.94)	143.29	(237.46)
Cash and cash equivalents at beginning of period	241.62	185.17	179.23	322.52
Cash and cash equivalents at end of period	185.17	179.23	322.52	85.06

\*Major non-cash expenses, including loss on impairment of investments in subsidiaries, doubtful accounts and impairment loss.

\*\*Debtor of the entire long-term loans is a subsidiary company, CCS, which has already repaid the full amount of loans to the financial institution.

\*\*\* Most liabilities are accounts payable, accrued project costs, other long-term liabilities, provision of long-term employee benefits, etc.

Please see more details about the financial analysis of JTS's financial statement in Appendix 1.

Considering the separate financial statements of the Company as at 30 September 2017, after providing financial assistance in the amount of THB 340 million, it showed that the Company will have remaining liquidity of approximately THB 72.30 million. The consolidated financial statements showed that cash and cash equivalents will be THB 80.28 million (the results of the 4th quarter of 2017 and the working capital of the Company during such period have not yet been taken into consideration). In 2018, the Company and its subsidiary plan to invest approximately THB 10-15 million in the cloud computing business. For the repayment of the current liabilities, the timing of the trade credit has already been set and there is no interest. Therefore,

the Company still has sufficient working capital and liquidity. The financial assistance provided to JAS has no impact on the Company's liquidity and financial position.

### 2.3 Operating Results and Financial Position of JAS

If considering the operating results and financial position of JAS during 2014 to 30 September 2017, they could be summarized as follows;

#### Summary of the key separate financial statements of JAS

Unit: THB million

	2014	2015	2016	30 Sep 2017
Total Revenue	2,399.65	14,054.21	11,123.46	3,634.22
Interest Expense	31.64	357.67	428.14	382.56
Earning Before Interest	1,973.18	13,869.91	10,048.06	3,510.51
Net Profit (Loss)	1,871.54	13,430.77	9,622.38	3,127.95
Cash and cash equivalents	554.83	1,380.00	617.69	639.86
Interest bearing debt (loan) **	439.87	17,637.63	14,641.83	12,836.80
Total Liabilities	826.39	18,026.44	15,520.74	13,407.75
Shareholders' Equity	4,984.59	6,751.37	7,726.53	9,590.51
Ratio of earning before interest to interest expense (time)	62.36	38.78	23.47	9.18
Ratio of interest bearing debt to equity shareholders (time)	0.09	2.61	1.90	1.34

Note: Please see more details about the financial analysis of JAS's financial statement in Appendix 2.

According to the analysis, it could be concluded that JAS's main revenue came from dividends received from companies in JAS's group, mostly from Triple T Broadband Public Company Limited which operates as internet service provider. Except for 2015 – 2016 in which JAS received higher dividend income than normal due to gains from the sale of assets to Jasmine Broadband Internet Infrastructure Fund or JASIF. The main expense is interest expense which came from loans of companies in JAS's group with financial institutions. According to the past operating results, JAS constantly had net profits and ability to repay principal and interest. As at 30 September 2017, the ratio of interest bearing debt to equity shareholders was equal to 1.34 times and the ratio of earnings before interest to interest expense was equal to 9.18 times. JAS has never had history of default with any person, therefore, JAS has the ability to repay principal and interest to the Company and there is very small risk for the Company to provide financial assistance to JAS.

## 2.4 Connected Transaction Policy

According to the Form 56-1 in 2016 of the Company, the Company has set up the policy on conflicts of interest as follows;

“The Company’s Board of Directors has set up the policy on conflicts of interest based on the principle that any decision on business conduct must be made with respect to the highest interests of the Company only. Any action which might lead to conflicts of interest must be avoided. It is specified that any person relevant or related to the subject to be considered is obliged to acknowledge the Company of his / her relationship or relevance to the matter. He / She is not permitted to join the party which judges the case and does not have the power to authorize that particular case and others. No conditions or regulations are specially set for such case. It is also stipulated that the Office of Internal Audit and the Audit Committee are responsible for taking care of and solving the conflicts of interest. However, to date, the Company has not experienced the problem related to the conflict of interest.

The Audit Committee will report the carefully considered related party transaction and the matter containing a conflict of interest to the Board of Directors to be in compliance with the regulations of the Stock Exchange of Thailand. Such information is disclosed in the Company’s Annual Report and the Updated Registration Statement (56-1 Form)”

In addition, the Board of Directors’ Meeting No. 2/2017 held on 18 April 2017 has set up additional guidelines regarding the connected transaction and the power of authorization as follows;

### Authority Index

No.	Approval Issues	Board of Directors	Chairman of the Board of Directors	President
1	Approval in accordance with the annual budget (expenditure and investment)	Unlimited	-	-
2	Approval of borrowing or receiving loan from financial institutions as usual.	Unlimited	-	-
3	Approval of bidding auction and/or joining with others for bidding auction	Unlimited	Not more than THB 200 million	Not more than THB 100 million
4	Approval of expenses of purchasing, hiring, rent, or leasing related to its operations.	Unlimited	Not more than THB 30 million	Not more than THB 5 million
5	Connected Transaction			
5.1	Items on property or services that do not have general trading conditions.	Not more than THB 20 million or 3% of NTA, whichever is higher	Not more than THB 1 million or 3% of NTA, whichever is higher	



5.2	Items on real estate property lease or rental, not more than three years, and no terms of the transaction.	Not more than THB 20 million or 3% of NTA, whichever is higher	Not more than THB 1 million or 3% of NTA, whichever is higher	
5.3	Items on receipt or provision of financial assistance that the Company or its subsidiaries made with other companies in which connected persons holding shares less than or equal to the Company or its subsidiaries.	Not more than THB 20 million or 3% of NTA, whichever is higher	Not more than THB 1 million or 3% of NTA, whichever is higher	
5.4	Items on provision of financial assistance to connected persons or companies that connected persons holding shares more than the Company or its subsidiaries.	Not more than THB 100 million or 3% of NTA, whichever is lower		

Note:

\* Connected transactions, the Company must adopt and implement in accordance with the rules and regulations of the SEC and the SET and in line with the scope of authority index set by the Company.

\*\* In case of transaction in which the Company or its subsidiaries and connected persons jointly provide financial assistance to a juristic person in which the Company or its subsidiaries and connected persons are shareholders in proportion to their interest in the juristic person in line with a general or better trade condition, the Company will be exempted from the approval of the shareholders' meeting on such transaction

Therefore, the provision of financial assistance to JAS is processed in accordance with procedures and power of authorization under 5.4.

## 2.5 Appropriateness of interest rate setting

Guidelines on how to consider interest rate for comparison by different approaches are as follows;

(1) Calculation of interest based on a policy of loans provision among related companies of the Company which is based on the average 1-year fixed deposit interest rate of 3 major financial institutions, including Bangkok Bank, Kasikorn Bank, Krung Thai Bank, plus 0.50 percent. The details of the calculation of the 1-year average fixed deposit interest rate are as follows;

1-year fixed deposit interest rate (percentage) as at 7 November 2017			
Bangkok Bank	Kasikorn Bank	Krung Thai Bank	Average
1.25%	0.95 %	1.05%	1.08%

Source: Interest rates announced by each bank

When the said average interest rate plus 0.50 percent, the interest rate calculated by this approach is equal to 1.58 percent per annum.

(2) Calculation of interest based on the opportunity cost of the investment of the Company that has invested.

Currently, the opportunity cost comes from no fixed scheduled deposit, 3-month and 6-month fixed deposits.

Financial Institution	Withdrawal Amount	Interest Rate (percentage)
ICBC (Thai) Bank	Approximately THB 350 million	0.85% – 1.50%
Average Interest Rate		1.41%

Therefore, according to this approach, the interest rate will be equal to 1.41 percent per annum.

(3) Calculation of interest based on the average rate of return on the investments of the Company in the last three quarters which could be summarized as follows;

Investments	As at 31 March 2017		As at 30 June 2017		As at 30 September 2017	
	Amount (THB million)	Interest Rate (%)	Amount (THB million)	Interest Rate (%)	Amount (THB million)	Interest Rate (%)
Cash	32.36	0.37%	9.06	0.35%	7.29	0.35%
3-month fixed deposit and at call deposit having no guarantee obligation	140.01	1.13%	50.59	0.97%	69.91	1.09%
Longer than 3-month fixed deposit having no guarantee obligation	271.19	1.59%	354.04	1.48%	335.09	1.47%
Deposit with guarantee obligation	23.01	0.88%	23.01	0.90%	23.01	0.90%
Average Interest Rate		1.33%		1.36%		1.36%

Therefore, according to this approach, the interest rate will be in a range of 1.33 – 1.36 percent per annum.

(4) Calculation of interest based on the average loan interest rate of general financial institutions.

Currently, JAS has borrowed loans from the Siam Commercial Bank with the interest rate of MLR - 0.25 percent or equal to 5.775 percent per year, or when comparing with MLR of 3 major commercial banks, including Bangkok Bank, Kasikorn Bank, Krung Thai Bank, the interest rate will be in a range of 6.25 - 6.275 percent per year.

When considering guidelines on how to determine interest rate for the transaction, according to the policy of the provision of financial assistance to companies in the group, the interest rate will be based on the average 1-year fixed deposit interest rate of 3 commercial banks, plus 0.50 percent per year, which is 1.08 percent plus 0.50 percent, or equal to 1.58 percent per year. However, due to the size of transaction is significant, the Company has to receive an approval from a meeting of shareholders by appointing an independent financial advisor to provide an opinion on the transaction, resulting in expenses incurred, such as legal fees, financial advisor fees, and other related expenses. In order to protect the interests of the Company by compensating the aforementioned expenses associated with the transaction, there is an additional 0.5 percent per year plus to the interest rate, or equal to 2.08 percent per year so that the Company does not lose benefits from the transaction. Therefore, the net return after subtracting expenses is higher than the current return on investment of the Company or the return on the loan according to the policy of companies in JAS's group for one-year loan.

However, in the case that JAS borrowed money from the Company for only 6 months, the Company will need to deposit money with the financial institution, which is ICBC Bank (Thailand) for 6 months. The total return after expenses is calculated to be about 1.30 percent per year, which is slightly lower than the opportunity cost of depositing money with financial institutions or the average return of the Company (1.33 - 1.41 percent per annum). However, the management of JAS intends to borrow the money for a period of 12 months.

As a result, determining interest rate equals to 2.08 percent per year is in line with the policy of the provision of financial assistance to the companies in JAS's group and receives a higher return than case (1), (2) and (3) aforesaid. The criteria for calculation of interest based on the average loan interest rate of general financial institutions do not comply with this case due to the Company does not use credit or loans from financial institutions to provide financial assistance to JAS, but using cash and current investments instead. Thus, the Company does not have interest burden but we should mainly consider the compensation to the opportunity costs of the return on investment of the Company. According to the above reasons, the IFA has an opinion that determining the interest rate of 2.08 percent per year is appropriate to the transaction.

## 2.6 Comparison of Advantages and Disadvantages of the Entering and Not Entering into the Transactions

### (1) Advantages and Disadvantages of the provision of financial assistance to JAS.

#### Advantages of Entering into the Transactions

- The Company receives a return on the loan  
Providing financial assistance this time, the Company will receive a higher return than the interest rate charged between companies in JAS's group on the normal basis which increases from 1.58 percent to 2.08 percent per year. If deducting with the expenses arising from transaction such as legal fees, financial advisor fees, costs of the shareholders' meeting, and other related costs, the Company did not lose the benefits from the loan provision and still receive a net return higher than the opportunity cost of depositing money with financial institutions or the return on the loan policy of the companies in JAS's group (1.41 - 1.58 percent per year) in case of 12-month loan.
- Enhance liquidity for the company in the same group.  
Provision of financial assistance to JAS is providing assistance as needed to JAS that required money to manage cash flow of JAS and the companies in JAS's group which helps improve the liquidity for operation and does not affect the overall business of the group as a major shareholder of the group.

#### Disadvantage of Entering into the Transactions

- The Company may have risk of not receiving the repayment from JAS.  
Providing financial assistance to JAS does not have an agreement between parties, warranty, penalties in case of default, etc. As a result, the Company may have potential risk of not receiving principal or interest or confronting with a delay in payment from JAS. However, JAS is a major shareholder of the Company and there are loans between companies in a group as usual. In addition, JAS also has good operating performance continuously based on the past operating results in which JAS has the ability to repay debt and never had the problem of default to the financial institutions. The Company expects to have very small risk of not receiving the repayment from JAS.
- The company may receive lower returns than usual if JAS borrowed money for only 6 months.  
In the case that JAS borrowed money from the Company for only 6 months, the Company will need to deposit money with the financial institution, which is ICBC Bank (Thailand) for 6 months. The total return after expenses is calculated to be about 1.30 percent per year, which is slightly lower than the opportunity cost of depositing money with financial institutions or the average return of the Company (1.33 - 1.41 percent per annum). However, the management of JAS intends to borrow the money for a period of 12 months.

Advantage of Not Entering into the Transactions

- The Company will have a liquidity of THB 340 million. However, the financial assistance this time, the Company expects to earn higher returns than depositing money with financial institutions, and the Company still does not have investment projects that require a large amount of money during the next 1 year.

Disadvantage of Not Entering into the Transactions

- If the Company does not enter into the transaction, as a member of JAS group, the Company does not comply with the Group's policy on providing financial assistance. JAS has to consider other funding sources to be used as working capital, resulting in a higher financial cost for JAS as compared to borrowing from the Company. In addition, it will not be in accordance to the group's policy in regard to financial assistance in the management of liquidity and cash flows of the group.

Advantage and Disadvantage of Entering into the connected transactionsAdvantage

- This is the management of liquidity within the group in which the companies having excess liquidity will receive interest at a higher rate than deposits received from the financial institutions. While companies require to use money can receive loans with financing costs not higher than market interest rate. In addition, there is also flexibility in negotiations and coordination over than transactions with third parties and the transaction among the group also has a very small risk of loans.

Disadvantage

- Entering into the transaction with connected person causes the burden of the disclosure of information and the regulatory compliance, including the increasing costs. Therefore, this transaction with connected person results in the Company's obligation to disclose the transaction to SET and ask for an approval from the shareholders' meeting of the Company, as well as, appoint the IFA to provide an opinion regarding the transaction which cause the increase in expenses of the Company. If the transaction is made with a third party, there is no requirement to propose to the shareholders' meeting to approve the transaction. However, the loan to a third party is not a normal business operations of the Company and the financing cost is also higher than borrowing from the group.

According to the aforesaid reasons, OptAsia, as the Independent Financial Advisor, has an opinion that Shareholders of the Company should approve the provision of financial assistance of the Company to JAS which is a connected person. However, the decision to vote is the sole discretion of the shareholders, which shall include the consideration of advantages, disadvantages, and risk associated with the transactions as well as consideration of the attached documents submitting to the shareholders along with the invitation letter of the Extraordinary General Shareholders' meeting so as to make the most appropriate decision.

#### 4. Conclusion of the Independent Financial Advisor's Opinion

When considering the nature of the transaction, conditions, and returns from the provision of financial assistance of the Company to JAS, which is a major shareholder of the Company, the IFA has an opinion that the provision of financial assistance to JAS is the provision of financial assistance in accordance with the policy of companies in JAS's group in which there are borrowing or lending between companies in the group as usual. The interest rate is determined based on the 1-year fixed deposit interest rate of 3 commercial banks, plus 0.50 percent per year, which is 1.08 percent plus 0.50, or equal to 1.58 percent per year. But due to the size of transaction is significant and the Company has to receive an approval from a meeting of shareholders, resulting in expenses incurred. As a result, there is an additional 0.5 percent per year plus to the interest rate, or equal to 2.08 percent per year, thus, the net return after subtracting expenses is higher than the current return on investment of the Company or the return on the loan according to the policy of companies in JAS's group. In addition, JAS has the ability to repay principal and interest so far and never had the problem of default to any person. Therefore, JAS has the ability to repay principal and interest to the Company and there is very small risk for the Company to provide financial assistance to JAS.

According to the aforesaid reasons, OptAsia, as the Independent Financial Advisor, has an opinion that Shareholders of the Company should approve the provision of financial assistance of the Company to JAS. However, the decision to vote is the sole discretion of the shareholders, which shall include the consideration of advantages, disadvantages, and risk associated with the transactions as well as consideration of the attached documents submitting to the shareholders along with the invitation letter of the 2017 General Shareholders' meeting so as to make the most appropriate decision.

OptAsia Capital Company Limited as the Independent Financial Advisor hereby certifies that the opinions have prudently been provided in compliance with the professional standards and principles, with due regard to the shareholders' benefits.

Your Sincerely,  
OptAsia Capital Company Limited

**Mr. Jarin Saksirisilp**  
(Mr. Jarin Saksirisilp)  
Director

**Ms. Jariya poonyavanich**  
(Ms. Jariya poonyavanich)  
Director

**Mr. Annop Saengvanich**  
(Mr. Annop Saengvanich)  
Supervisor

Contact: OptAsia Capital Company Limited  
02-654-2929



Appendix 1

## Company Information of Jasmine Telecom Systems Public Company Limited

## 1.1. Company history and milestones

Jasmine Telecom Systems Public Company Limited (“the Company” or “JTS”) was established on 21 April 1995 with registered and paid-up capital of THB 100,000,000, from 1,000,000 common shares at par value of THB 100 per share. Then, on 18 September 2006, the Company was listed on the Stock Exchange of Thailand (SET) with registered and paid-up capital of THB 700,000,000, from 700,000,000 common shares with par value of THB 1 per share. Subsequently, the Company had a seasoned equity offering of 5,000,000 common shares (at par value of THB 1 per share) and the issuance of 1,457,300 warrants for the purchase of the company’s common shares to the Company’s directors and employees and the exercise of these warrants led to an increase in the company’s registered capital by THB 1,457,300. Currently, the company has 706,457,300 outstanding common shares with par value of THB 1 per share and paid-up capital of THB 706,457,300.

## 1.2. Nature of the business

## 1.2.1. Overview of the business

The Company is a group company of Jasmine International Public Company Limited (JAS), with JAS Group holding 50.91 percent stake in JTS. JTS is primarily involved in the telecommunications and ICT businesses. Its focus is on system integration, design and implementation of telecommunications and information technology systems. In addition, JTS sells equipment and provides customers with related services. JTS also sells, installs, and provides a telecommunications service called universal services obligations (USO). ICT related services include hosted contact center system branded “EasyConnect”, computer systems integration, and cloud computing services. The Company has business development plans to provide new services to create stable revenue and continuous growth. The details of nature of the business of the Company and its subsidiary (Cloud Computing Solutions Co., Ltd.) could be divided into three categories as follows;

1. Telecom systems integration; Telecom systems integration means the sourcing of telecommunications equipment and provision of related services such as the design, installation, and testing of the equipment on a turnkey basis to both government and private customers, including TOT Public Company Limited (TOT), CAT Telecom Public Company Limited (CAT), Provincial Electricity Authority (PEA), Metropolitan Electricity Authority (MEA), The National Broadcasting and Telecommunications Commission (NBTC), State Railway of Thailand (SRT), Government Savings Bank (GSB), Triple T Broadband Public Company Limited (TTTBB), and JasTel Network Company Limited (JasTel). In addition, the company is also working with Advanced Info Service Public Company Limited (AIS) to improve its in-building antenna system. Moreover, the Company also has specialized products to support the project business as follows;

- Equipment wise, the company provides products and services that support its turnkey security system business such as CCTV, access control system, intrusion prevention system, and fire alarm system, etc.

2. Telecom service business; the telecom service business is a total solution provider of various telecom services to corporate customers to support their non-core business. Services include system design, equipment sourcing, system installation and preventive and corrective maintenance of system or equipment. From the year 2010 to 2015, the Company has provided a telecom service called universal service obligation (USO) to projects of TTTBB and JasTel. Other services under this segment are as follows;

- Rent of contact center (hosted contact center) under the service name “EasyConnect”. The target of this service is individual customers or corporations that require a contact center to support their sales or after sales service. Renting the contact center can help save costs. In addition, hi-speed internet allows the hosted system to have good connectivity, providing customers with a quick and efficient service.

3. Computer systems integration and cloud computing business; Computer systems integration and cloud computing businesses are operated by the company’s subsidiary. This line of business includes system design, consultation service, and installation of computer and ICT systems. Service also includes the development of software applications and maintenance of computer hardware for customers in the government and private sectors.

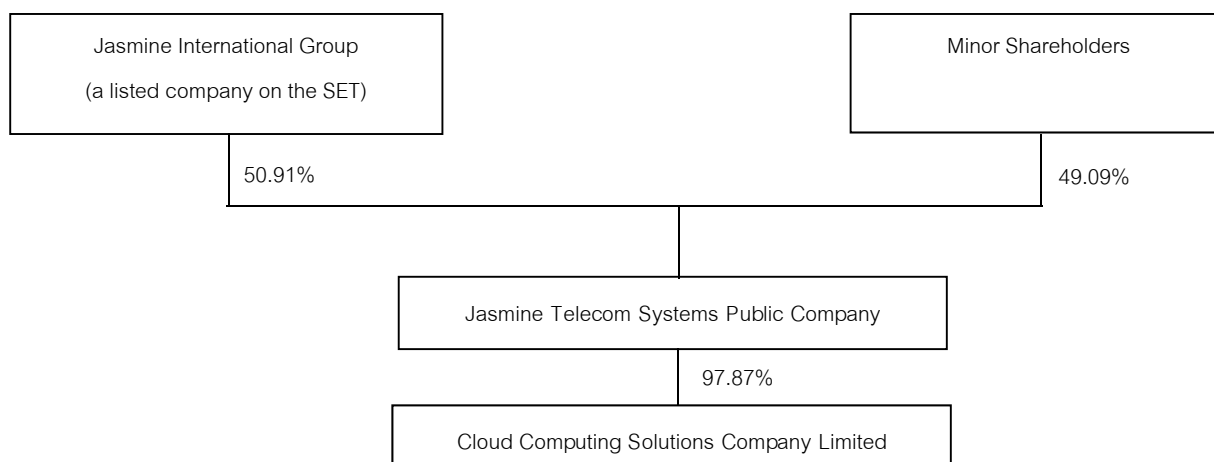
Cloud computing business involves the service of computer hardware and software leasing. This service is suitable for small and medium enterprises that do not have a budget to invest in cloud computing. There are two types of service under this category:

- Cloud infrastructure service (infrastructure-as-a-service)
- Software based service (software-as-a-service)

#### 1.2.2. Shareholding structure of the Company

The Company has one subsidiary company, Cloud Computing Solutions Company Limited (CCS), which is involved in the computer systems integration business, software development, and provides maintenance service for computer hardware and peripheral equipment. In addition, CCS offers cloud computing services. Currently, JTS holds 538,264 shares in CCS, equivalent to 97.87 percent of 550,000 shares of CCS. The Company’s shareholding structure is pictured below;

### The Company's shareholding structure



### 1.2.3. Revenue structure of the Company

In 2014 – 2016 and 9 months of 2017, the revenue structure of the Company and its subsidiary is as shown in the table below;

Type of Business	Operated by	Consolidated financial statement							
		2014		2015		2016		Jan – Sep 2017	
		THB Million	%	THB Million	%	THB Million	%	THB Million	%
Telecom Systems Integration	The Company	38.36	30.06	8.79	9.68	65.95	46.42	8.55	11.16
Telecom Service	The Company	9.19	7.20	2.24	2.47	0.67	0.47	0.00	0.00
Computer Systems Integration and Cloud Computing	CCS	62.01	48.59	59.55	65.61	58.59	41.24	51.46	67.18
Total Revenue fromo Sales and Services		109.56	85.86	70.58	77.77	125.21	88.14	60.01	78.34
Gain from exchange rate	The Company	0.00	0.00	6.80	7.49	0.97	0.68	1.93	2.52
Other income	The Company	18.05	14.14	13.38	14.74	15.88	11.18	14.66	19.14
Total Revenue		127.61	100.00	90.76	100.00	142.06	100.00	76.60	100.00

Source: The Company's information

### 1.2.4. List of the Board of Directors

- 1) List of the Board of Directors of the Company as at 31 October 2017 is given in the table below;

Name	Position
1. Mr. Pluemjai Sinarkorn	Chairman of the Board of Directors
2. Mr. Dusit Srisangaoran	Director and President
3. Mrs. Nonglug Pongsrihadulchai	Director
4. Mrs. Nitt Visesphan	Director
5. Mr. Raks Unahabhokha	Independent director and Chairman of the Audit Committee
6. Major General Sunanta Sirisumpan	Independent director and Audit Committee
7. Acting Second Lieutenant Annop Suthakavatin	Independent director and Audit Committee

Source: www.set.or.th

- 2) List of the Board of Directors of the subsidiary company, Cloud Computing Solutions Company Limited, as at 31 October 2017.

Name	Position
1. Mr. Pluemjai Sinarkorn	Director
2. Mrs. Nonglug Pongsrihadulchai	Director
3. Mrs. Nitt Visesphan	Director
4. Mrs. Pindao Rojanakul	Director
5. Mr. Dusit Srisangaoran	Director

Source: Department of Business Development, Ministry of Commerce

#### 1.2.5. Shareholding structure

- 1) The top 11 shareholders of the Company according to the latest shareholder's registration of the Company as at 9 March 2017 are as follows;

Name	Number of shares (shares)	Percentage of total issued and paid-up shares	Percentage of total voting rights
1. Jasmine International Public Company Limited	231,714,400	32.80%	32.80%
2. Mr. Kirkkrai Tribanyatkul	105,461,900	14.93%	14.93%
3. ACeS Regional Service Company Limited <sup>/1</sup>	64,027,700	9.06%	9.06%
4. T.J.P Engineering Company Limited <sup>/2</sup>	63,918,000	9.05%	9.05%
5. Mr. Soraj Asavaprappa	35,000,000	4.95%	4.95%
6. Mrs. Lalana Tharasuk	34,850,300	4.93%	4.93%
7. Mrs. Saowanit Thanomsuwan	34,790,000	4.92%	4.92%

Name	Number of shares (shares)	Percentage of total issued and paid-up shares	Percentage of total voting rights
8. Mr. Navamin Prasopnet	23,116,800	3.27%	3.27%
9. Mr. Veerayuth Eiamsudthiwat	8,250,000	1.17%	1.17%
10. Mr. Kiet Srichomkwan	3,686,200	0.52%	0.52%
11. Other shareholders	101,642,000	14.40%	14.40%
Total	706,457,300	100.00%	100.00%

Source: www.set.or.th

Note: <sup>/1</sup> ACeS Regional Services Co., Ltd. (“ARS”) is a subsidiary of JAS, whereby JAS indirect holds shares in ARS as follows: 98.04 percent of ARS shares are held by ACeS (Thailand) Co., Ltd. (“ACT”), 58.84 percent of ACT shares are held by Jasmine International Overseas Co., Ltd. (“JOIC”), and 39.82 percent of JOIC shares are held by JAS.

<sup>/2</sup> T.J.P. Engineering Co., Ltd. (“TJP”) is a subsidiary of JAS, whereby 80 percent of its share are held by JAS, and another 20 percent are held by Acumen Co., Ltd. (“ACU”) which is another subsidiary of JAS.

2) The shareholders of Cloud Computing Solutions Company Limited, as at 21 April 2017, from the shareholder’s registration of the company.

Name	Number of shares (shares)	Percentage of total issued and paid-up shares	Percentage of total voting rights
1. Jasmine Telecom Systems Public Company Limited	538,264	97.87%	97.87%
2. Mrs. Arun Burutrattanapan	8,067	1.47%	1.47%
3. Mr. Julapon Burutrattanapan	1,833	0.33%	0.33%
4. Mrs. Polpadhoo Piyawan	1,833	0.33%	0.33%
5. Miss Saijai Kitsin	3	0.00%	0.00%
Total	550,000	100.00%	100.00%

Source: Department of Business Development, Ministry of Commerce

### 1.2.6. Financial position of the company

- Statement of financial position

Statement of financial position	31 December 2014		31 December 2015		31 December 2016		30 September 2017	
(Consolidated)	THB Million	Percentage	THB Million	Percentage	THB Million	Percentage	THB Million	Percentage
<b>Assets</b>								
<b>Current assets</b>								
Cash and cash equivalents	185.17	10.58%	179.23	10.94%	322.52	25.04%	85.06	6.82%
Current investments-bank deposits	542.23	30.98%	525.86	32.10%	100.81	7.83%	335.23	26.89%
Trade and other receivables	810.42	46.30%	778.87	47.54%	789.97	61.32%	769.83	61.76%
Unbilled receivables								
Related parties	0.11	0.01%	0.02	0.00%	0.02	0.00%	0.01	0.00%
Unrelated parties	42.52	2.43%	15.61	0.95%	11.11	0.86%	7.51	0.60%
Inventory	17.14	0.98%	10.52	0.64%	8.19	0.64%	5.34	0.43%
Accounts receivable under troubled debt restructuring	47.41	2.71%	47.41	2.89%	0.00	0.00%	0.00	0.00%
Prepaid project costs	0.13	0.01%	0.44	0.03%	1.23	0.10%	0.75	0.06%
Other current assets	38.37	2.19%	25.49	1.56%	12.56	0.98%	7.31	0.59%
<b>Total current assets</b>	<b>1,683.51</b>	<b>96.18%</b>	<b>1,583.46</b>	<b>96.65%</b>	<b>1,246.41</b>	<b>96.76%</b>	<b>1,211.04</b>	<b>97.16%</b>
<b>Non-current assets</b>								
Restricted bank deposits	32.39	1.85%	31.07	1.90%	30.41	2.36%	25.56	2.05%
Property, plant, and equipment	31.68	1.81%	21.78	1.33%	9.54	0.74%	8.65	0.69%
Deferred tax assets	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Deposits	2.84	0.16%	2.01	0.12%	1.85	0.14%	1.22	0.10%
<b>Total non-current assets</b>	<b>66.91</b>	<b>3.82%</b>	<b>54.86</b>	<b>3.35%</b>	<b>41.80</b>	<b>3.24%</b>	<b>35.43</b>	<b>2.84%</b>
<b>Total assets</b>	<b>1,750.42</b>	<b>100.00%</b>	<b>1,638.32</b>	<b>100.00%</b>	<b>1,288.20</b>	<b>100.00%</b>	<b>1,246.46</b>	<b>100.00%</b>
<b>Liabilities and shareholders' equity</b>								
<b>Current liabilities</b>								
Trusteeship payable	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Trade and other payables	264.96	15.14%	231.72	14.14%	151.31	11.75%	106.46	8.54%
Accrued project cost	165.26	9.44%	163.47	9.98%	157.64	12.24%	143.85	11.54%
Current portion of long-term loans	28.97	1.65%	28.97	1.77%	0.00	0.00%	0.00	0.00%
Advances received for goods and services	2.35	0.13%	1.63	0.10%	2.89	0.22%	4.04	0.32%

Statement of financial position	31 December 2014		31 December 2015		31 December 2016		30 September 2017	
(Consolidated)	THB Million	Percentage	THB Million	Percentage	THB Million	Percentage	THB Million	Percentage
Income tax payable	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.45	0.04%
Other current liabilities	26.72	1.53%	25.57	1.56%	28.35	2.20%	27.68	2.22%
Total current liabilities	488.25	27.89%	451.35	27.55%	340.19	26.41%	282.47	22.66%
Non-current liabilities								
Long-term loans-net of current portion	138.80	7.93%	109.80	6.70%	0.00	0.00%	0.00	0.00%
Employee benefit obligations	17.63	1.01%	11.19	0.68%	10.48	0.81%	11.08	0.89%
Total non-current liabilities	156.43	8.94%	120.99	7.39%	10.48	0.81%	11.08	0.89%
Total liabilities	644.68	36.83%	572.34	34.93%	350.67	27.22%	293.55	23.55%
Shareholder's equity								
Issued and paid-up capital	706.46	40.36%	706.46	43.12%	706.46	54.84%	706.46	56.68%
Share premium	420.27	24.01%	420.27	25.65%	420.27	32.62%	420.27	33.72%
Retained earnings								
Appropriated-statutory reserve	65.19	3.72%	65.19	3.98%	70.65	5.48%	70.65	5.67%
Unappropriated	(86.96)	(4.97%)	(126.79)	(7.74%)	(260.34)	(20.21%)	(245.51)	(19.70%)
Other components of shareholder's equity	8.16	0.47%	8.16	0.50%	8.16	0.63%	8.16	0.65%
Equity attributable to owners of the Company	1,113.11	63.59%	1,073.28	65.51%	945.19	73.37%	960.02	77.02%
Non-controlling interests of the subsidiary	(7.37)	(0.42%)	(7.29)	(0.45%)	(7.66)	(0.59%)	(7.11)	(0.57%)
Total shareholder's equity	1,105.74	63.17%	1,065.98	65.07%	937.53	72.78%	952.91	76.45%
Total liabilities and shareholder's equity	1,750.42	100.00%	1,638.32	100.00%	1,288.20	100.00%	1,246.46	100.00%

### Assets

In 2016, the Company and its subsidiary had total assets of THB 1,288.20 million, composed of current assets of THB 1,246.41 million and non-current assets of THB 41.80 million, or 96.76 percent and 3.24 percent of total assets, respectively. When compared to the year 2015 and year 2014, total assets of the Company and its subsidiary were lower by THB 350.12 million and THB 462.22 million or 21.37 percent and 26.41 percent, respectively. This was mainly caused by the decrease in short-term investments-bank deposits of THB 425.05 million or 80.83 percent and THB 441.42 million or 81.41 percent, respectively, due to the Company has provided loans of THB 530.00 million to JAS in June 2016. However, the Company has been fully repaid the

loan in September 2016. During 2014-2016 the Company had net loss from operating continuously. The Company had net loss of THB 133.75 million in 2014, a net loss of THB 43.49 million in 2015, and a net loss of THB 57.81 million in 2016, as well as, paid dividend payment in 2016 of THB 70.64 million. In 2016, the Company's cash and cash equivalents increased by THB 143.29 million or 79.95 percent compared to the year 2015, and increased by THB 137.35 million or 74.18 percent compared to the year 2014. In addition, accounts receivable under troubled debt restructuring also decreased from the year 2015 and 2014 equally by THB 47.41 million or 100 percent. These receivables are due from TT&T Public Company Limited (TT&T). According to the restructuring plan, the Company and its subsidiary were supposed to receive the above sum in cash on the last working day of the first quarter of 2015. Nonetheless, on 15 March 2016, the Central Bankruptcy Court has ordered TT&T into a receivership. The Company and its subsidiary have, therefore, recorded a bad debt provision in the first quarter of 2016 (full amount). In addition, there were decreases in unbilled receivables from unrelated parties compared to the year 2015 and 2014 of THB 4.50 million or 28.83 percent and THB 31.41 million or 73.87 percent, respectively. Moreover, property, plant, and equipment decreased by THB 12.24 million or 56.20 percent and THB 22.14 million or 69.89 percent, compared to the year 2015 and 2014, respectively, mostly caused by increased depreciation of public telephones, and related equipment, including furniture, fixtures and office equipment.

As at 30 September 2017, the Company and its subsidiary had total assets of THB 1,246.46 million, composed of current assets of THB 1,211.04 million and non-current assets of THB 35.43 million, or 97.16 percent and 2.84 percent of total assets, respectively. When compared to the year 2016, total assets of the Company and its subsidiary were lower by THB 41.74 million or 3.24 percent. This was mainly caused by the decrease in cash and cash equivalents of THB 237.46 million or 73.63 percent. While, short-term investments-bank deposits increased by THB 234.42 million or 232.54 percent.

#### Liabilities

In 2016, the Company and its subsidiary had total liabilities of THB 350.67 million, composed of current liabilities of THB 340.19 million and non-current liabilities of THB 10.48 million or 26.41 percent and 0.81 percent of total liabilities and shareholder's equity, respectively. When compared to the year 2015 and 2014, total liabilities of the Company and its subsidiary have been found to decrease by THB 221.67 million and THB 294.01 million, or 38.73 percent and 45.61 percent, respectively, mainly from the reduction in long-term loans net of current portion of THB 109.80 million or 100.00 percent, and THB 138.80 million or 100.00 percent compared to the year 2015 and 2014. Moreover, trade and other receivables decreased by THB 80.41 million or 34.70 percent compared to the year 2015, and THB 113.65 million or 42.89 percent compared to the year 2014, which follows reduced sales and service cost.

As at 30 September 2017, the Company and its subsidiary had total liabilities of THB 293.55 million, composed of current liabilities of THB 282.47 million and non-current liabilities of THB 11.08 million or 22.66



percent and 0.89 percent of total assets, respectively. When compared to the year 2016, total liabilities of the Company and its subsidiary have been found to decrease by THB 57.12 million, or 16.29 percent, mainly from the reduction in trade and other payables of THB 44.85 million or 29.64 percent. Moreover, accrued project cost also decreased by THB 13.79 million or 8.75 percent.

#### Shareholder's equity

In 2016, the Company and its subsidiaries had shareholder's equity of THB 937.53 million or 72.78 percent of total assets. In comparison to the year 2015 and 2014, Shareholder's equity of the Company and its subsidiary had decreased by THB 128.45 million or 12.05 percent and THB 168.21 million or 15.21 percent, respectively, due to continuous net loss during 2014-2016, including a net loss of THB 133.75 million, THB 43.49 million, and THB 57.81 million, respectively. In addition, in 2016 the Company also paid dividend of THB 70.64 million.

As at 30 September 2017, the Company and its subsidiary had shareholder's equity of THB 952.91 million or 76.45 percent of total assets. In comparison to the year 2016, shareholder's equity of the Company and its subsidiaries had increased by THB 15.38 million or 1.64 percent, due to an increase in retained earnings-unappropriated of THB 14.83 million or 5.70 percent.

- Income Statement

Income Statement (Consolidated)	2014		2015		2016		9 Months of 2017	
	THB Million	Percentage	THB Million	Percentage	THB Million	Percentage	THB Million	Percentage
Revenue								
Sales and service income	109.55	85.85%	70.58	77.77%	125.21	88.14%	60.01	78.34%
Exchange gains	0.00	0.00%	6.80	7.50%	0.97	0.68%	1.93	2.52%
Total revenue	18.05	14.15%	13.37	14.74%	15.88	11.18%	14.67	19.14%
Total Revenue	127.61	100.00%	90.76	100.00%	142.06	100.00%	76.60	100.00%
Expenses								
Cost of sales and services	54.60	42.79%	32.39	35.69%	47.30	33.30%	28.64	37.38%
Selling and servicing expense	11.29	8.85%	3.04	3.35%	1.53	1.08%	0.00	0.00%
Administrative expenses	114.22	89.51%	85.92	94.67%	57.64	40.58%	31.32	40.89%
Exchange losses	16.58	13.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Bad debt	0.00	0.00%	0.00	0.00%	1.73	1.21%	0.00	0.00%
Doubtful accounts	0.00	0.00%	2.17	2.40%	80.03	56.33%	0.03	0.04%
Depreciation expense	37.50	29.38%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Total expenses	234.19	183.53%	123.53	136.10%	188.23	132.50%	59.99	78.32%

Income Statement (Consolidated)	2014		2015		2016		9 Months of 2017	
	THB Million	Percentage	THB Million	Percentage	THB Million	Percentage	THB Million	Percentage
Profit (loss) before finance costs and income tax expenses	(106.58)	(83.53%)	(32.77)	(36.10%)	(46.17)	(32.50%)	16.61	21.68%
Finance costs	(12.49)	(9.79%)	(10.73)	(11.82%)	(11.64)	(8.19%)	0.00	0.00%
Profit (loss) before income tax expenses	(119.08)	(93.32%)	(43.49)	(47.92%)	(57.81)	(40.69%)	16.61	21.68%
Income tax expenses	(14.67)	(11.50%)	0.00	0.00%	0.00	0.00%	(1.23)	(1.60%)
Profit (loss) for the year	(133.75)	(104.82%)	(43.49)	(47.92%)	(57.81)	(40.69%)	15.38	20.08%
Other comprehensive income	0.00	0.00%	3.73	4.11%	0.00	0.00%	0.00	0.00%
Total comprehensive income for the year	(133.75)	(104.82%)	(39.76)	(43.81%)	(57.81)	(40.69%)	15.38	20.08%

#### Revenue and cost of service

In 2016, the Company and its subsidiary had total revenue of 142.06 million, higher revenue was mainly attributed to an increase in revenue from sales and service of THB 125.21 million or 88.14 percent of total revenue which increased by THB 51.30 million or 56.52 percent and THB 14.45 million or 11.33 percent, compared to the year 2015 and 2014, respectively, which followed an increase in revenue from sales and service. At the same time, the Company and its subsidiary had cost of sales and service of THB 47.30 million, an increase of THB 14.91 million or 46.03 percent, compared to the year 2015, but a reduction of THB 7.30 million or 13.37 percent, compared to the year 2014. Thus, in 2016, gross profit of the Company and its subsidiary was equal to THB 77.91 million or gross profit margin of 62.22 percent, which increased from 2015 and 2014 where gross profit margin were equal to 54.11 percent and 50.16 percent, respectively.

For the period of 9 months in 2017, the Company and its subsidiary had total revenue of THB 76.60 million, which was revenue from sales and service of THB 60.01 million or 78.34 percent of total revenue, decreasing by THB 25.64 million or 25.08 percent, compared to the same period of the year 2016. The main reason came from a decrease in revenue from sales and service of THB 34.27 million. At the same time, for the period of 9 months in 2017, the Company and its subsidiary had cost of sales and service of THB 28.64 million, a decrease from the same period last year of THB 8.34 million or 22.55 percent which was according to a reduction in revenue from sales and service.

Expenses

In 2016, the Company and its subsidiary had total expenses of THB 140.93 million, an increase from the same period last year of THB 49.79 million or 54.63 percent. This is primarily the result of an increase in doubtful accounts of THB 77.86 million or 3,588.02 percent due to in the first quarter of 2016, provision was made for doubtful accounts to TT&T Public Company Limited (TT&T) in which the Central Bankruptcy Court had ruled to have TT&T enter receivership (strict), resulting in a provision of THB 52.04 million. And during 2016, the Company has set an allowance for doubtful accounts receivable-unrelated parties which is a deposit paid to a local company for the purchase of tablets of THB 27.99 million. Meanwhile, administrative expenses decreased from the same period last year of THB 28.28 million or 32.91 percent because of organizational restructuring, while comparing to the year 2014, expenses of the Company reduced by THB 38.66 million or 21.53 percent due to a reduction of administrative expenses of THB 56.58 million or 49.53 percent. In addition, in 2014 the Company still had exchange losses of THB 16.58 million and impairment expense of THB 37.50 million due to there were uninstalled public telephones held for sale and which cannot be sold for a long time. As a result, an impairment loss was fully recorded. While there was an increase in doubtful accounts of THB 80.03 million caused by the aforementioned reasons.

For the period of 9 months in 2017, the Company and its subsidiary had total expenses of THB 31.36 million, a decrease from the same period last year of THB 70.16 million or 69.11 percent. This was the result of the Company and its subsidiary had doubtful accounts of THB 0.03 million or 0.04 percent of total revenue, which decreased from the same period last year by THB 52.01 million. Moreover, for this period, the Company had administrative expenses of THB 31.32 million or 40.89 percent, which reduced from the same period last year by THB 14.68 million or 31.91 percent.

Net profit

In 2016, the Company and its subsidiary had total loss of THB 57.81 million, increased from the same period last year by THB 14.32 million, or 32.92 percent. When compared to the year 2014, the Company's net loss decreased by THB 75.94 million, or 56.78 percent in accordance with the operating results aforesaid above.

For the period of 9 months in 2017, the Company and its subsidiary had net profit of THB 15.38 million or 20.08 percent, increased from the same period in 2016 by THB 58.37 million, or 135.81 percent in accordance with the better operating results in the period aforesaid.

- Cash flow statement

Cash flow statement (consolidated) Unit: THB million	31 December 2014	31 December 2015	31 December 2016	9 months of 2017
Cash flow from (used in) operating activities	390.91	(0.80)	(77.32)	(12.08)
Cash flow from (used in) investing activities	(407.70)	23.86	430.02	(225.38)
Cash flow from (used in) financing activities	(39.67)	(29.00)	(209.41)	0
Increase (decrease) in cash and cash equivalents	(56.45)	(5.94)	143.29	(237.46)
Beginning cash	241.62	185.17	179.23	322.52
Cash at the end of the period	185.17	179.23	332.52	85.06

For the period of 9 months in 2017, the Company and its subsidiary had beginning cash and cash equivalent of THB 322.52 million. Net cash flow used in operating activities was equal to THB 12.08 million while net cash flow used in investing activities was equal to THB 225.38 million. Thus, at the end of the period, the Company had cash and cash equivalent of THB 85.06 million.

In 2016, the Company and its subsidiary had beginning cash and cash equivalent of THB 179.23 million. Net cash flow used in operating activities was equal to THB 77.32 million while net cash flow from investing activities was equal to THB 430.02 million. Net cash flow used in financing activities was equal to THB 209.41 million. Thus, at the end of the period, the Company had cash and cash equivalent of THB 332.52 million.

In 2015, the Company had beginning cash and cash equivalent of THB 185.17 million. The Company used net cash flow of THB 0.80 million in operating activities while net cash flow from investing activities was equal to THB 23.86 million. Net cash flow used in financing activities was equal to THB 29.00 million. At the end of the period, the Company, therefore, had cash and cash equivalent of THB 179.23 million.

Appendix 2

## Company Information of Jasmine International Public Company Limited

## 1.1. Nature of the business

## 1.1.1. Overview of the business

Jasmine International Public Company Limited (JAS) engages in investment, as a holding company, through its own subsidiaries only. The investment is mostly in telecom business, information technology systems, and other relevant businesses having products and services that benefit companies in the group by utilizing the potential of the network, experienced staff. Businesses of JAS are categorized as follows;

1. Broadband Business; this business group comprises service providers of high-speed Internet, high-speed connectivity, digital networks, Internet, software and applications and nation-wide WiFi.
2. Telecom Network & Service Provider Business; this business group comprises network service providers of; for instances, marine services and submarine optical fiber maintenance service on the eastern and the western coast lines; international private leased-circuit; international internet gateway, national internet exchange, co-location service, and satellite communication.
3. System Integration Business; this business group comprises telecom system integrator, computer system and peripherals distributor, telecommunications service provider and cloud computing service provider.
4. Other Business; comprises real estate business by renting space in an office building, Jasmine International Tower, and provision of related services.

## 1.1.2. Shareholding structure of the company

JAS engages in investment, as a holding company, through its own subsidiaries only. The investment is mostly in telecom business, information technology systems, and other relevant businesses. The company aims to encourage the subsidiaries to increase their competitiveness, keep close-knitted collaboration and synergize all resources so as to achieve maximum efficiency in developing new products, suitable for the era of rapid technological changes. Businesses of JAS are categorized into 4 main groups as follows;

1. Broadband Business
  - Triple T Broadband PCL. is a licensee with network and provides high-speed connectivity for Broadband Internet service.
  - Triple T Internet Co. Ltd, an Internet service provider (ISP) that provides Internet services and applications to mass and corporate customers.

- In Cloud Co., Ltd. that provides software development, distribution, and service provision of general software, including software system that supports value added services for broadband business.
2. Telecom Network & Service Provider Business
- Jasmine Submarine Telecommunications Co., Ltd. that provides marine services and submarine optical fiber maintenance service on the eastern coast lines of Thailand.
  - Thai Long Distance Telecommunications Co., Ltd. that provides marine services and submarine optical fiber maintenance service on the western coast lines of Thailand.
  - JasTel Network Co., Ltd. that provides International Private Leased-Circuit (IPLC), a circuit of high stability with many routes linking to overseas lands such as the southern route to Malaysia and Singapore and the northeastern route to Laos, Vietnam and China. The leased circuit service continues without disruption despite the cable problem because the company has prepared alternative routes for back-up. JasTel has high-capacity bandwidth that accommodates huge volumes of data delivery. Its automatic control system is 24 hour monitored. JasTel also offers Internet Protocol Virtual Private Network (IP-VPN) service, internet service both leased line and Wifi, managed network service locally and internationally via networks of optic fiber and copper cable, and Co-Location Service that is a space rental service for an installation of Internet server and router for customers who are operators / internet service providers of telecommunication network as well as corporate clients. Other services include maintenance service for submarine cable, submarine and terrestrial cable installation, as well as off-shore services.
  - Jasmine Internet Co., Ltd. that provides a variety of Internet services to both individual and corporate clients. Its services include broadband Internet (ADSL), data center, BranchConnex via ADSL and General Packet Radio Service (GPRS), WiFi, VoIP, EDI, and international calling card. Besides, Ji-NET also provides consultancy, design and sourcing for IP solutions.
  - Acumen Co., Ltd. operates business of wireless communication services in a form of Very Small Aperture Terminal (VSAT) in which the services cover nationwide. The company focuses on customers in areas where wired communication services can not reach, customers who operate oil exploration and production, as well as government agencies and state-owned enterprises that require services. In addition, the company is also a distributor of networking equipment of Mikrotik from Latvia and monitoring tools for optical fiber of Anritsu from Japan.
  - ACeS Regional Services Co., Ltd. that offers calling service via Internet and international calling cards called "CyberVoice" that are 2-way calling cards, uniquely different from common

international calling cards in that customers can use them to make and receive their calls everywhere across the world. As this is a new service innovation, the company is; thus, the first to provide it in Thailand. The company is also a provider of satellite phone service under “Asia Cellular Satellite (ACeS)” project. The service area covers Thailand and several Asian countries. Users can use either a mobile or fixed handset, and pay by either a post-paid or pre-paid method. A mobile handset is small and has dual mode of operations, either a satellite mode or a GSM900 mode with roaming service with the GSM900 operator in Thailand. A fixed handset or “ACeS Contax” is for users who want to use the service from a fixed indoor location in a remote area inaccessible to other communications services. The company is also a provider of user terminals.

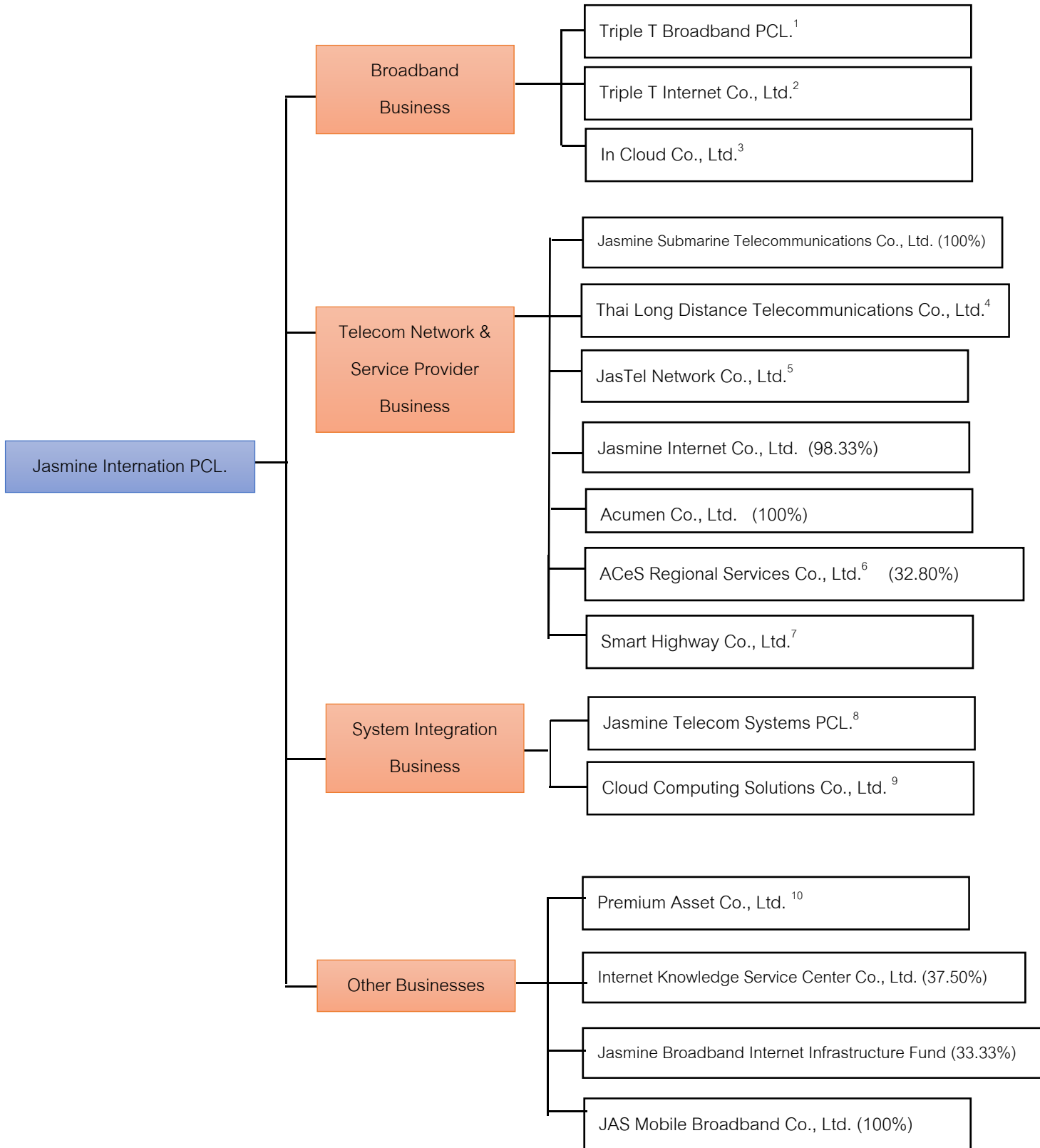
### 3. System Integration Business

- Jasmine Telecom Systems PCL., a company that engages in telecommunications business as a System Integrator, proficient in providing the service of equipment sourcing, system design and system and network installation for both the governmental or private sections.
- Cloud Computing Solutions Co., Ltd., a provider of cloud computing with full service from the Infrastructure-as-a-Service stage which is a hardware resource rent on the Internet; all the way through to the Software-as-a-Service stage, which is a business software rent on the Internet. The company also engages in consultancy, design, and installation of computer and IT systems, including application software development and maintenance service for the customers in both the government and the private sector.

### 4. Other Businesses

- Premium Asset Co., Ltd. that engages in space rental and related services for Jasmine International Tower. The company emphasizes providing services that suit the lessees' space usability. Strengths lie in modern styled office building of Jasmine International Tower, the building' s safe- from- flood- disaster location, an advantage of being a hub of telecommunications and data backup systems.
- Internet Knowledge Service Center Co., Ltd, a holding company, holding shares in KSC Commercial Internet Co., Ltd. that is an internet service provider (ISP).
- Jasmine Broadband Internet Infrastructure Fund, a mutual fund established to mobilize funds from general and institutional investors for investment in not only telecommunications infrastructure business that possesses potential for return on investment to the Fund, but also in other assets, securities, and/or instruments as allowed by the security law and enable the Fund to pay the return to the unit holders in a long run.
- JAS Mobile Broadband Co., Ltd., that engages in mobile phone business.

Shareholding Structure of Jasmine International Group





**Note:**

1. 99.20% held by Acumen Co., Ltd.
2. 99.99% held by Triple T Broadband PCL.
3. 100% held by Triple T Broadband PCL.
4. 90% held by Jasmine Submarine Telecommunications Co., Ltd.
5. 100% held by Jasmine Submarine Telecommunications Co., Ltd.
6. 98.04% held by ACeS (Thailand) Company Limited (58.84% of ACeS (Thailand) Company Limited shares are held by Jasmine International Overseas Co., Ltd. ("JOIC"), and 39.82% of JOIC shares are held by JAS).
7. 67.40% held by Acumen Co., Ltd
8. 32.80% held by Jasmine Internation PCL., 9.06% held by ACeS Regional Services Co., Ltd. and 9.05% held by T.J.P. Engineering Company Limited, making the total of 50.91%
9. 97.87% held by Jasmine Telecom Systems PCL.
10. 53.85% held by Acumen Co., Ltd and 46.15% held by Jasmine Submarine Telecommunications Co., Ltd.

### 1.1.3. Revenue Structure of JAS

In 2014 – 2016 and 9 months of 2017, revenue of JAS, its subsidiaries, and associated companies could be classified as follows;

Product Line / Business Group	2014		2015		2016		Jan – Sep 2017	
	THB Million	Percentage	THB Million	Percentage	THB Million	Percentage	THB Million	Percentage
<u>The Company and subsidiaries</u>								
1. Broadband Business	11,003	88.65%	31,946	95.57%	16,953	93.40%	12,848	93.66%
2. Telecom Network & Service Provider Business	1,113	8.97%	1,181	3.54%	967	5.33%	722	5.27%
3. System Integration Business	98	0.79%	45	0.13%	59	0.33%	36	0.27%
4. Other Businesses	197	1.59%	255	0.76%	172	0.94%	111	0.80%
Total revenue of the Company and its subsidiaries	12,411	100.00%	33,427	100.00%	18,151	100.00%	13,717	100.00%
<u>Associated Companies</u>								
Other Businesses	0.2	100.00%	796.9	100.00%	1,019.21	100.00%	823.10	100.00%
Total revenue of the Associated Companies	0.2	100.00%	796.9	100.00%	1,019.21	100.00%	823.10	100.00%

Source: Information from JAS

### 1.1.4. List of the Board of Directors

- 1) List of the Board of Directors as at 14 November 2017 is as follows;

Name	Position
1. Mr. Sudhitham Chirathivat	Independent Director and Chairman of the Board of Directors
2. Dr. Vichit Yamboonruang	Independent Director and Chairman of Audit Committee

Name	Position
3. Dr. Yodhin Anavil	Independent Director, Audit Committee, and Chairman of Remuneration and Nomination Committee
4. Mrs. Chantra Purnariksha	Independent Director and Audit Committee
5. Mr. Pete Bodharamik	Director and Chief Executive Officer
6. Mr. Somboon Patcharasopak	Director, Remuneration and Nomination Committee, and Chairman of Risk Management Committee
7. Mr. Subhoj Sunyabhisithkul	Director
8. Mr. Terasak Jerauswapong	Director and Risk Management Committee
9. Mr. Pleumjai Sinarkorn	Director and Remuneration and Nomination Committee
10. Mr. Yordchai Asawathongchai <sup>/1</sup>	Director
11. Ms. Saijai Kitsin	Director, Managing Director, Secretary to the Board of Directors, and Corporate Secretary

Source: Information from JAS

Note: <sup>/1</sup> Held the director position instead of Dr. Soraj Asavaprapha since 19 September 2016

2) Board of Directors of the Subsidiaries that Operate the Company's Core Businesses, including

2.1) Triple T Broadband PCL. as at 14 November 2017 is as follows;

Name	Position
1. Mr. Pete Bodharamik	Chairman of the Board of Directors
2. Mr. Subhoj Sunyabhisithkul	Director and President
3. Ms. Saijai Kitsin	Director
4. Mrs. Nonglug Pongsrihadulchai	Director
5. Ms. Chongrak Rojanavipat	Director
6. Mr. Anupong Bodharamik	Director
7. Mr. Vasu Prasannate	Director
8. Mr. Sitta Suviratvitayakit	Director

Source: Department of Business Development, Ministry of Commerce

2.2) Triple T Internet Co., Ltd. as at 14 November 2017 is as follows;

Name	Name
1. Mr. Pete Bodharamik	Chairman of the Board of Directors
2. Mr. Subhoj Sunyabhisithkul	Director and President
3. Ms. Saijai Kitsin	Director
4. Mrs. Nonglug Pongsrihadulchai	Director

Source: Department of Business Development, Ministry of Commerce

2.3) Jasmine Submarine Telecommunications Co., Ltd. as at 14 November 2017 is as follows;

Name	Name
1. Mr. Therasak Jeeraassawapong	Director and President
2. Mr. Somboon Patcharasopak	Director
3. Mr. Subhoj Sunyabhisithkul	Director
4. Mr. Pete Bodharamik	Director
5. Ms. Saijai Kitsin	Director

Source: Department of Business Development, Ministry of Commerce

2.4) Acumen Co., Ltd as at 14 November 2017 is as follows;

Name	Position
1. Mr. Therasak Jeeraassawapong	Director
2. Mr. Somboon Patcharasopak	Director
3. Mr. Subhoj Sunyabhisithkul	Director
4. Mr. Pete Bodharamik	Director

Source: Department of Business Development, Ministry of Commerce

3) The top 10 largest shareholders of the Company as at the latest closing date of the Company's share register book (25 August 2017) are as follows;

Name of Shareholder	Number of Shares (share)	Percentage of total issued and paid-up shares	Percentage of total voting rights
1. Mr. Pete Bodharamik	4,295,246,452	66.13%	66.13%
2. RAFFLES NOMINEES (PTE) LIMITED	222,147,771	3.42%	3.42%
3. Thai NVDR Co., Ltd.	184,256,565	2.84%	2.84%
4. Mrs. Jarunee Chinwongvorakul,	63,989,800	0.99%	0.99%
5. Mr. Thidchuan Nanawarathorn	51,000,000	0.79%	0.79%
6. Mr. Pitharn Ongkosit	50,528,300	0.78%	0.78%
7. Mrs. Thanya Toojinda	39,000,000	0.60%	0.60%
8. Phatra Asset Management Company Limited	35,979,000	0.55%	0.55%
9. Mr. Anthawat Sirisithongchai	33,300,000	0.51%	0.51%
10. Other Shareholders <sup>2</sup>	1,519,408,174	23.39%	23.39%
Total	6,494,856,062	100.00%	100.00%

4) List of Shareholders of the subsidiaries of JAS that operate core businesses, including

4.1) Triple T Broadband PCL. as at 25 April 2017 is as follows;

Name of Shareholder	Number of Shares (share)	Percentage of total issued and paid-up shares	Percentage of total voting rights
1. Acumen Co., Ltd.	1,239,992,570	99.1994%	99.1994%
2. TT&T PCL.	9,999,930	0.8000%	0.8000%
3. Ms. Nattayumanee Sangsuwan	1,250	0.0001%	0.0001%
4. Mrs.Nitt Visesphan	1,250	0.0001%	0.0001%
5. Mrs. Cheunkamol Treesutthacheep	1,250	0.0001%	0.0001%
6. Mrs. Uraiporn Charoenchit	1,250	0.0001%	0.0001%
7. Ms. Somphoj Sukcharoen	1,250	0.0001%	0.0001%
8. Ms. Ananya Buapuen	1,250	0.0001%	0.0001%
Total	1,250,000,000	100.0000%	100.0000%

Source: Department of Business Development, Ministry of Commerce

4.2) Triple T Internet Co., Ltd. as at 25 April 2017 is as follows;

Name of Shareholder	Number of Shares (share)	Percentage of total issued and paid-up shares	Percentage of total voting rights
1. Triple T Broadband PCL.	9,999,300	99.993%	99.993%
2. Mrs. Rangsee Vanaseth	100	0.001%	0.001%
3. Mr. Pacha Thammarongtham	100	0.001%	0.001%
4. Mrs. Uraiporn Charoenchit	100	0.001%	0.001%
5. Mr. Chatchai Anawan	100	0.001%	0.001%
6. Mrs. Nitt Visesphan	100	0.001%	0.001%
7. Mrs. Cheunkamol Treesutthacheep	100	0.001%	0.001%
8. Ms. Somphoj Sukcharoen	100	0.001%	0.001%
Total	10,000,000	100.00%	100.00%

Source: Department of Business Development, Ministry of Commerce

4.3) Jasmine Submarine Telecommunications Co., Ltd. as at 9 May 2017 is as follows;

Name of Shareholder	Number of Shares (share)	Percentage of total issued and paid-up shares	Percentage of total voting rights
1. Jasmine International PCL.	15,499,994	100.00%	100.00%
2. Mr. Anupong Bodharamik	1	0.00%	0.00%
3. Mr. Somboon Patcharasopak	2	0.00%	0.00%
4. Mr. Songrit Kusumrosananan	1	0.00%	0.00%
5. Ms. Saijai Kitsin	1	0.00%	0.00%
6. Mrs. Uraiporn Charoenchit	1	0.00%	0.00%
Total	15,500,000	100.00%	100.00%

Source: Department of Business Development, Ministry of Commerce

4.4) Acumen Co., Ltd. as at 14 April 2017 is as follows;

Name of Shareholder	Number of Shares (share)	Percentage of total issued and paid-up shares	Percentage of total voting rights
1. Jasmine International PCL.	7,599,994	100.00%	100.00%
2. Mrs. Chutiwan Channet	1	0.00%	0.00%
3. Mr. Anupong Bodharamik	1	0.00%	0.00%
4. Mr. Somboon Patcharasopak	1	0.00%	0.00%
5. Mr. Songrit Kusumrosananan	1	0.00%	0.00%
6. Ms. Saijai Kitsin	2	0.00%	0.00%
Total	15,500,000	100.00%	100.00%

Source: Department of Business Development, Ministry of Commerce

1.1.5 Financial position of the company

● Statement of financial position

Statement of financial position (Consolidated)	31 December 2014		31 December 2015		31 December 2016		30 September 2017	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%
<b>Assets</b>								
<u>Current Assets</u>								
Cash and cash equivalents	1,500.91	6.53%	7,879.72	15.51%	2,481.80	5.21%	1,341.66	2.77%
Current investments-bank deposits	894.06	3.89%	1,195.29	2.35%	376.73	0.79%	466.45	0.96%
Trade and other receivables	3,169.30	13.79%	3,088.27	6.08%	3,020.26	6.35%	3,259.64	6.72%
Unbilled receivables	62.63	0.27%	33.24	0.07%	13.15	0.03%	0.00	0.00%
Short-term loans to related parties	0.00	0.00%	3,850.00	7.58%	0.00	0.00%	0.00	0.00%
Inventories	27.37	0.12%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Tax receivable	0.00	0.00%	12.67	0.02%	675.17	1.42%	898.71	1.85%
Withholding tax deducted at source	74.47	0.32%	147.82	0.29%	119.51	0.25%	0.00	0.00%
Input tax pending payments	407.63	1.77%	656.81	1.29%	620.19	1.30%	481.48	0.99%
Prepaid expenses	245.50	1.07%	41.98	0.08%	53.23	0.11%	91.18	0.19%
Other current assets	30.05	0.13%	33.40	0.07%	29.77	0.06%	24.21	0.05%
<b>Total current assets</b>	<b>6,411.93</b>	<b>27.90%</b>	<b>16,939.19</b>	<b>33.35%</b>	<b>7,389.81</b>	<b>15.53%</b>	<b>6,563.32</b>	<b>13.54%</b>
Non-current assets held for sale	2,797.54	12.17%	87.50	0.17%	0.00	0.00%	0.00	0.00%
	9,209.47	40.07%	17,026.69	33.52%	7,389.81	15.53%	6,563.32	13.54%
<u>Non-current assets</u>								
Restricted bank deposits	307.71	1.34%	477.77	0.94%	472.73	0.99%	483.63	1.00%
Accounts receivable under troubled debt restructuring	54.03	0.24%	54.03	0.11%	0.00	0.00%	0.00	0.00%
Investments in subsidiaries	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Investments in associates	23.57	0.10%	8,770.44	17.27%	6,849.77	14.39%	6,382.88	13.16%
Investment property	585.56	2.55%	543.06	1.07%	515.21	1.08%	539.46	1.11%

Statement of financial position (Consolidated)	31 December 2014		31 December 2015		31 December 2016		30 September 2017	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%
Property, plant, and equipment	12,501.71	54.40%	18,957.71	37.32%	27,976.17	58.78%	29,924.04	61.72%
Computer software	5.08	0.02%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Deferred tax assets	208.56	0.91%	3,366.45	6.63%	3,396.57	7.14%	3,256.46	6.72%
Withholding income tax	0.00	0.00%	0.00	0.00%	0.00	0.00%	324.60	0.67%
Advance rental payment	0.00	0.00%	816.51	1.61%	816.51	1.72%	816.51	1.68%
Deposit guarantee on application for spectrum licensing	0.00	0.00%	644.00	1.27%	0.00	0.00%	0.00	0.00%
Other non-current assets	86.12	0.37%	138.92	0.27%	177.36	0.37%	193.50	0.40%
<b>Total non-current assets</b>	<b>13,772.34</b>	<b>59.93%</b>	<b>33,768.88</b>	<b>66.48%</b>	<b>40,204.31</b>	<b>84.47%</b>	<b>41,921.08</b>	<b>86.46%</b>
<b>Total assets</b>	<b>22,981.81</b>	<b>100.00%</b>	<b>50,795.57</b>	<b>100.00%</b>	<b>47,594.12</b>	<b>100.00%</b>	<b>48,484.40</b>	<b>100.00%</b>
Liabilities and shareholders' equity								
<u>Current liabilities</u>								
Short-term loans from banks	2,457.99	10.70%	1,518.73	2.99%	2,229.12	4.68%	3,542.44	7.31%
Trade and other payables	2,950.26	12.84%	3,753.22	7.39%	3,949.94	8.30%	3,872.43	7.99%
Accrued project costs	168.05	0.73%	166.05	0.33%	160.22	0.34%	146.42	0.30%
Short-term loan from related party	0.00	0.00%	0.00	0.00%	0.00	0.00%	1,190.00	2.45%
Current portions of the long-term liabilities								
Long-term loans from banks	1,054.23	4.59%	119.97	0.24%	1,410.14	2.96%	969.91	2.00%
Liabilities under finance lease agreements	36.40	0.16%	44.84	0.09%	51.35	0.11%	59.43	0.12%
Provision for rental assurance	0.00	0.00%	1,576.65	3.10%	1,753.70	3.68%	1,774.44	3.66%
Accounts payable for equipment	372.87	1.62%	0.00	0.00%	766.11	1.61%	2,032.82	4.19%
Liabilities under the previous rehabilitation plan	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Withholding income tax payable	46.35	0.20%	63.66	0.13%	147.89	0.31%	176.45	0.36%

Statement of financial position (Consolidated)	31 December 2014		31 December 2015		31 December 2016		30 September 2017	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%
Income tax payable	273.50	1.19%	4,650.05	9.15%	256.25	0.54%	25.96	0.05%
Undue output tax	420.47	1.83%	405.84	0.80%	472.11	0.99%	495.22	1.02%
Advance received from customers	468.84	2.04%	529.62	1.04%	467.98	0.98%	433.90	0.89%
Money received in advance for assets to be delivered in the future	0.00	0.00%	5,131.21	10.10%	0.00	0.00%	0.00	0.00%
Provision for reversal of judgement by the Supreme Court	276.83	1.20%	289.05	0.57%	301.22	0.63%	0.00	0.00%
Other current liabilities	33.67	0.15%	30.12	0.06%	24.26	0.05%	60.43	0.12%
<b>Total current liabilities</b>	<b>8,559.46</b>	<b>37.24%</b>	<b>18,278.99</b>	<b>35.99%</b>	<b>11,990.29</b>	<b>25.19%</b>	<b>14,779.84</b>	<b>30.48%</b>
<u>Non-current liabilities</u>								
Long-term liabilities - net of current portions								
Long-term loans from banks	1,161.13	5.05%	695.52	1.37%	5,121.79	10.76%	4,480.88	9.24%
Liabilities under finance lease agreements	71.21	0.31%	89.28	0.18%	72.94	0.15%	89.30	0.18%
Provision for rental assurance	0.00	0.00%	13,889.40	27.34%	13,763.19	28.92%	12,965.39	26.74%
Accounts payable for equipment	0.00	0.00%	0.00	0.00%	4,519.85	9.50%	2,577.74	5.32%
Provision for long-term employee benefits	253.92	1.10%	354.57	0.70%	377.96	0.79%	396.38	0.82%
Provision for entry fee for laying the optical fiber cables	0.00	0.00%	470.78	0.93%	461.03	0.97%	349.06	0.72%
Provision for reversal of judgement by the Supreme Court	0.00	0.00%	0.00	0.00%	0.00	0.00%	310.41	0.64%
Deposit received from customers	0.00	0.00%	0.00	0.00%	0.00	0.00%	731.71	1.51%
Other non-current liabilities	9.36	0.04%	6.82	0.01%	19.70	0.04%	14.80	0.03%
<b>Total non-current liabilities</b>	<b>1,495.62</b>	<b>6.51%</b>	<b>15,506.37</b>	<b>30.53%</b>	<b>24,336.46</b>	<b>51.13%</b>	<b>21,915.66</b>	<b>45.20%</b>



Statement of financial position (Consolidated)	31 December 2014		31 December 2015		31 December 2016		30 September 2017	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%
Total liabilities	10,055.07	43.75%	33,785.37	66.51%	36,326.75	76.33%	36,695.50	75.69%
<u>Shareholders' equity</u>								
Issued and fully paid-up share capital	3,568.70	15.53%	3,566.74	7.02%	2,968.48	6.24%	3,247.43	6.70%
Share subscription received in advance	0.00	0.00%	0.25	0.00%	1,264.23	2.66%	686.20	1.42%
Premium (discount) on ordinary shares	(224.55)	(0.98%)	302.92	0.60%	314.81	0.66%	2,213.89	4.57%
Retained earnings								
Appropriated								
Statutory reserve - the Company	331.11	1.44%	356.87	0.70%	464.60	0.98%	464.60	0.96%
Statutory reserve - subsidiaries	518.61	2.26%	534.81	1.05%	547.35	1.15%	555.94	1.15%
Treasury share reserve	991.66	4.31%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Unappropriated	7,434.16	32.35%	10,861.92	21.38%	4,418.42	9.28%	3,322.83	6.85%
Other components of shareholders' equity	258.18	1.12%	258.18	0.51%	258.18	0.54%	258.18	0.53%
Equity attributable to owners of the Company	12,877.86	56.04%	15,881.68	31.27%	10,236.06	21.51%	10,749.07	22.17%
Less: Treasury shares	(991.66)	(4.31%)	0.00	0.00%	0.00	0.00%	0.00	0.00%
Equity attributable to owners of the Company - net	11,886.20	51.72%	15,881.68	31.27%	10,236.06	21.51%	10,749.07	22.17%
Non-controlling interests of the subsidiaries	1,040.53	4.53%	1,128.52	2.22%	1,031.30	2.17%	1,039.84	2.14%
Total shareholders' equity	12,926.73	56.25%	17,010.20	33.49%	11,267.36	23.67%	11,788.91	24.31%
Total liabilities and shareholders' equity	22,981.81	100.00%	50,795.57	100.00%	47,594.12	100.00%	48,484.40	100.00%

#### Assets

In 2016, the Company and its subsidiaries had total assets of THB 47,594.12 million, consisting of current assets of THB 7,389.81 million and non-current assets of THB 40,204.31 million, representing 15.53 percent and 84.47 of total assets, respectively. When comparing to the year 2015, total assets of JAS and its subsidiaries decreased by THB 3,201.45 million or 6.30 percent, mainly due to a decrease in cash and cash

equivalents of THB 5,397.92 million, or 68.50 percent due to the cash outflow from the repurchase of treasury shares of JAS in an amount of THB 6,000 million, which is in accordance with the resolutions of the 2016 Annual General meeting of shareholders held on 29 April 2016 in approving a share repurchase program for financial management of 1,200 million shares (par value of THB 0.50 per share). The bidding price is equal to THB 5.00 per share and the maximum amount of shares repurchase is not more than THB 6,000 million. The Company has offered share repurchase program during 1-10 June 2016 and the period of the sale of treasury shares during 14-16 December 2016. In addition, there was a decrease in short-term loans to related parties by THB 3,850 million or 100 percent due to Triple T Broadband Public Company Limited (TTTBB) which is a subsidiary, has received a repayment of loans from JASIF during the first quarter of 2016. Moreover, there was also a decrease in investments in associated companies of THB 1,920.67 million or 21.90 percent due to JASIF has paid dividend to JAS during the year 2016 and a decrease in current investments - deposits with financial institutions of THB 818.56 million or 68.48 percent and a deposit for spectrum license auction of THB 644.00 million, or 100 percent, while there was an increase in property, plant and equipment of THB 9,018.46 million, or 47.57 percent, which mostly came from an increase in the assets of subsidiaries from the network expansion of TTTBB.

When comparing to the year 2014, total assets of JAS and its subsidiaries had increased by THB 24,612.31 million or 107.09 percent, mainly due to an increase in property, plant and equipment of THB 15,474.46 million or 123.78 percent, which was mainly driven by the investment in network expansion of TTTBB and an increase in investments in associated companies of 6,826.20 million due to the Company has acquired investment units of JASIF in a proportion of 33.33 percent and an increase in cash and cash equivalents of THB 980.89 million or 65.35 percent.

As at 30 September 2017, JAS and its subsidiaries had total assets of THB 48,484.40 million, consisting of current assets of THB 6,563.32 million and non-current assets of THB 41,921.08 million, representing 13.54 percent and 86.46 of total assets, respectively. When comparing to the year 2016, total assets of JAS and its subsidiaries increased by THB 890.28 million or 1.87 percent, mainly due to an increase in property, plant, and equipment of THB 1,947.87 million or 6.96 percent. However, JAS and its subsidiaries had a decrease in cash and cash equivalents of THB 1,140.14 million, or 45.94 percent due mainly to JAS has paid an interim dividend from the retained earnings as at 30 June 2017 to shareholders holding ordinary shares of 6,494,856,062 shares at the rate of THB 0.20 per share on 8 September 2017, representing a total dividend of THB 1,298.97 million.

#### Liabilities

In 2016, JAS and its subsidiaries had total liabilities of THB 36,326.75 million, consisting of current liabilities of THB 11,990.29 million and non-current liabilities of THB 24,336.46 million, representing 25.19 percent and 51.13 of total assets, respectively. When comparing with the year 2015, total liabilities of JAS and its subsidiaries increased by THB 2,541.39 million, or 7.52 percent, mainly came from an increase in net long-

term liabilities in part of account payable for equipments of THB 4,519.85 million due to the subsidiary has entered into an agreement to purchase equipments from an unrelated party, as well as an increase in net long-term liabilities from bank loans of THB 4,426.26 million for the business operation of JAS and its subsidiaries. In addition, there also was an increase in current portions of long-term loans from financial institutions of THB 1,290.17 million, or 1,075.43 percent, an increase in short-term loans from financial institutions of THB 710.39 million or 46.78 percent, and an increase in accounts payable of equipments of THB 766.11 million, or 100.00 percent. Meanwhile, there was a decrease in income tax payable of THB 4,393.79 million, or 94.49 percent from income tax payable of the profit from the sale of assets of TTTBB to JASIF and a reduction of money received in advance for the assets to be delivered in the future of THB 5,131.21 million from recognized gain on sale of assets (OFC) to JASIF.

When comparing to the year 2014, total liabilities of the Company and its subsidiaries increased by THB 26,271.68 million, or 261.28 percent, mainly came from net long-term liabilities in part of provision for rental assurance of THB 13,763.19 million, which was due to debt provision in accordance with an agreement of provision for rental assurance of OFC with JASIF and an increase in accounts payable of equipment of THB 4,519.85 million due to the subsidiary has entered into an agreement to purchase equipment from an unrelated party, an increase in the net long-term liabilities in part of long-term loans from financial institutions of THB 3,960.66 million.

As at 30 September 2017, JAS and its subsidiaries had total liabilities of THB 36,695.50 million, consisting of current liabilities of THB 14,779.84 million and non-current liabilities of THB 21,915.66 million, representing 30.48 percent and 45.20 of total assets, respectively. When comparing with the year 2016, total liabilities of JAS and its subsidiaries increased by THB 368.74 million, or 1.02 percent, mainly came from an increase in short-term loans from banks of THB 1,313.32 million or 58.92 percent and an increase in short-term loan from unrelated party of THB 1,190.00 million, with an interest rate of 8.0 percent per annum, and without collateral. However, long-term liabilities in part of account payable for equipments of JAS and its subsidiaries had decreased by THB 1,942.11 million or 42.97 percent. When combined with the Company's accounts payable for equipments which have due date within one year of THB 2,032.82 million, JAS and its subsidiaries had net accounts payable for equipment of THB 4,610.56 million or decreased by 12.78 percent compared to the previous year.

#### Shareholder's equity

In 2016, JAS and its subsidiaries had shareholder's equity of THB 11,267.36 million or 23.67 percent of total assets, when comparing to the year 2015 and 2014, shareholders' equity of JAS and its subsidiaries decreased by THB 5,742.84 million and THB 1,659.37 million, or 33.76 percent and 12.84 percent, respectively, due to the Company, in 2016, has repurchased shares of THB 6,000 million (1,200 million shares at par value of THB 0.50 per share) and on 23 December 2016, the Company has already registered the decrease in the

amount of share repurchased by withdrawing the number of treasury shares, as well as there was dividend payment to shareholders of THB 3,944.37 million, while net profit in 2016 was equal to THB 2,991.78 million.

As at 30 September 2017, JAS and its subsidiaries had shareholder's equity of THB 11,788.91 million or 24.31 percent of total assets, when comparing to the year 2016, shareholders' equity of JAS and its subsidiaries increased by THB 521.54 million or 4.63 percent since JAS has registered the capital increase with the Ministry of Commerce on 9 January 2017. In March 2017, there was the exercise of warrants of 106.1 million units by allocating as newly ordinary shares of 116.8 million shares which JAS has registered with the Ministry of Commerce on 10 April 2017. Later, in June 2017, there was the exercise of warrants of 106.5 million units by allocating as newly ordinary shares of 117.2 million shares which JAS has registered with the Ministry of Commerce on 6 July 2017. In addition, in September 2017, there was the exercise of warrants of 159.7 million units by allocating as newly ordinary shares of 175.8 million shares which JAS has registered with the Ministry of Commerce on 6 October 2017. According to this reason, JAS has presented the conversion of warrants into shares in an amount of THB 686.2 million as "share subscription received in advance" in part of shareholders' equity as at 30 September 2017

● Income Statement

Income Statement (Consolidated)	2014		2015		2016		9 Months of 2017	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%
<u>Revenue</u>								
Sales and service income	12,268.49	98.85%	13,982.68	41.83%	15,619.26	86.05%	13,055.35	95.18%
Other income								
Gains on sales of assets to the fund	0.00	0.00%	18,859.33	56.42%	2,159.90	11.90%	0.00	0.00%
Interest income	57.67	0.46%	274.02	0.82%	70.39	0.39%	14.35	0.10%
Income from management and maintenance of assets	0.00	0.00%	154.14	0.46%	205.52	1.13%	167.37	1.22%
Exchange gains	0.00	0.00%	0.00	0.00%	0.00	0.00%	441.34	3.22%
Others	84.89	0.68%	156.97	0.47%	95.77	0.53%	38.78	0.28%
Total other income	142.55	1.15%	19,444.46	58.17%	2,531.58	13.95%	661.84	4.82%
Total revenues	12,411.05	100.00%	33,427.14	100.00%	18,150.84	100.00%	13,717.19	100.00%
<u>Expenses</u>								
Cost of sales and services	4,713.23	37.98%	8,406.51	25.15%	9,711.22	53.50%	8,748.13	63.77%
Selling and servicing expenses	853.05	6.87%	1,000.20	2.99%	1,156.38	6.37%	938.83	6.84%

Income Statement (Consolidated)	2014		2015		2016		9 Months of 2017	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%
Administrative expenses	2,035.98	16.40%	2,346.94	7.02%	2,769.40	15.26%	2,068.80	15.08%
Exchange losses	32.78	0.26%	127.36	0.38%	105.21	0.58%	0.00	0.00%
Losses on non-compliance with the conditions for the implementation before receiving spectrum licensing	0.00	0.00%	0.00	0.00%	840.66	4.63%	0.00	0.00%
Losses on impairment of assets	37.50	0.30%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Doubtful accounts and bad debt	162.71	1.31%	222.97	0.67%	337.84	1.86%	176.07	1.28%
Loss on recording provision for reversal of judgement by the Supreme Court	276.83	2.23%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Total expenses	8,112.09	65.36%	12,103.98	36.21%	14,920.70	82.20%	11,931.82	86.98%
Profit before share of profit from investments in associates, finance cost and income tax	4,298.96	34.64%	21,323.16	63.79%	3,230.14	17.80%	1,785.38	13.02%
Shares of profit from investments in associates	0.15	0.00%	796.86	2.38%	1,019.21	5.62%	823.10	6.00%
Profit before finance cost and income tax	4,299.11	34.64%	22,120.02	66.17%	4,249.35	23.41%	2,608.47	19.02%
Finance cost	(296.88)	(2.39%)	(197.44)	(0.59%)	(395.05)	(2.18%)	(501.11)	(3.65%)
Profit before income tax	4,002.22	32.25%	21,922.58	65.58%	3,854.31	21.23%	2,107.36	15.36%
Income tax	(759.70)	(6.12%)	(6,022.84)	(18.02%)	(862.53)	(4.75%)	(305.80)	(2.23%)
Profit for the year	3,242.53	26.13%	15,899.74	47.57%	2,991.78	16.48%	1,801.56	13.13%
Other comprehensive income	0.00	0.00%	(60.53)	(0.18%)	0.00	0.00%	0.00	0.00%
Total comprehensive income for the year	3,242.53	26.13%	15,839.20	47.38%	2,991.78	16.48%	1,801.56	13.13%

### Revenue

In 2016, JAS and its subsidiaries had total revenue of THB 18,150.84 million, mainly came from revenue from sales and services of THB 15,619.26 million, or 86.05 percent. When comparing to the year 2015, the total revenue declined by THB 15,276.30 million, or 45.70 percent, mainly due to a decrease in gain on sale of assets to the fund of THB 16,699.43 million. While revenue from sales and services increased by THB 1,636.59 million,

mainly came from the expansion of customer base of TTTBB in which in 2016, a number of customers of TTTBB increased by 432,000 people. When comparing to the year 2014, total revenues of JAS and its subsidiaries increased by THB 5,739.80 million, or 46.25 percent due to the increase in revenues from sales and services, and gains on asset sales to the fund of THB 3,350.77 million and THB 2,159.90 million, respectively.

For the period of 9 months in 2017, JAS and its subsidiaries had total revenue of THB 13,717.19 million, mainly came from revenue from sales and services of THB 13,055.35 million, or 95.18 percent of total revenue. When comparing to the same period of the year 2016, the total revenue increased by THB 649.67 million, or 4.97 percent, mainly due to an increase in revenue from sales and services of THB 1,530.19 million since as at 30 September 2017, the number of customers using the services of TTTBB increased in a net amount of 92,111 people, mainly due to the increase of customers of FTTx with a net increase of 59,033 people.

#### Cost of sales and services

In 2016, JAS and its subsidiaries had cost of sales and services of THB 9,711.22 million, increased by THB 1,304.71 million and THB 4,997.99 million or 15.52 percent and 106.04 percent comparing to the year 2015 and 2014, respectively, which was in line with an increase in revenue from sales and services. While, in 2016, the Company had cost of sales and services of THB 1,156.38 million, increased from the year 2015 and 2014 by THB 156.18 million and THB 303.32 million, or 15.61 percent and 35.56 percent, respectively, as well as administrative expenses of THB 2,769.40 million, which increased from the year 2015 and 2014 by THB 422.46 million and THB 733.42 million or 18.00 percent and 36.02 percent, respectively. In addition, in 2016 there was losses on non-compliance with the conditions for the implementation before receiving spectrum licensing due to in October 2015 JAS Mobile Broadband Co., Ltd. ("Jas Mobile") has submitted a bid to apply for a spectrum license for International mobile telecommunication in the frequency band 900 MHz ("License Agreement") at the Office of the National Broadcasting and Telecommunications Commission ("NBTC") in which according to the conditions, the applicant must comply with application procedures set by NBTC and pay a guarantee for the application of THB 644 million. Subsequently, JAS, the auction winner, could not pay the first installment in accordance with the agreement, therefore, NBTC asked for claim damages in addition to the forfeited deposit of THB 199 million (interest calculated until 30 June 2016). As a result, in order to end dispute, Jas Mobile has made a payment of claim damages of THB 197 million (interest calculated until 28 June 2016) to NBTC in June 2016. In addition, there was doubtful accounts which increased from the year 2015 and 2014 by THB 114.86 million and THB 175.15 million or 51.51 percent and 107.63 percent, respectively.

For the period of 9 months in 2017, JAS and its subsidiaries had cost of sales and services of THB 8,748.13 million or 63.77 percent of total revenue which increased from the same period in 2016 by THB 1,755.12 million or 25.10 percent. Moreover, JAS and its subsidiaries had selling and servicing expenses of THB 938.83 million or 6.84 percent of total revenue which increased from the same period last year by THB 171.76 million or 22.39 percent which was in line with an increase in revenue from sales and services.

Net profit

In 2016, JAS and its subsidiaries had total comprehensive income for the year of THB 2,991.78 million, decreased from the year 2015 and 2014 by THB 12,907.96 million and THB 250.75 million or 81.18 percent and 7.73 percent, respectively due to in 2015 there was relatively high gains on the sale of assets to JASIF

For the period of 9 months in 2017, JAS and its subsidiaries had total comprehensive income for the year of THB 1,801.56 million, decreased from the same period in the year 2016 by THB 263.26 million or 12.75 percent.

● Cash flow statement

Cash flow statement (consolidated) Unit: THB Million	31 December 2014	31 December 2015	31 December 2016	30 September 2017
Cash flow from (used in) operating activities	6,809.30	(2,721.43)	(2,480.14)	2,711.05
Cash flow from (used in) investing activities	(2,761.28)	28,403.51	2,845.68	(2,245.34)
Cash flow from (used in) financing activities	(5,544.18)	(19,303.27)	(5,763.46)	(1,605.85)
Increase (decrease) in cash and cash equivalents	(1,496.16)	6,378.81	(5,397.92)	(1,140.14)
Beginning cash	2,997.08	1,500.91	7,879.72	2,481.80
Cash at the end of the period	1,500.91	7,879.72	2,481.80	1,341.66

For the period of 9 months in 2017, JAS and its subsidiaries had beginning cash and cash equivalent of THB 2,481.80 million. Net cash flow from operating activities was equal to THB 2,711.05 million while net cash flow used in investing activities was equal to THB 2,245.34 million. Net cash flow used in financing activities was equal to THB 1,140.14 million. Thus, at the end of the period, the Company had cash and cash equivalent of THB 1,341.66 million.

In 2016, JAS and its subsidiaries had beginning cash and cash equivalent of THB 7,879.72 million. Net cash flow used in operating activities was equal to THB 2,480.14 million while net cash flow received from investing activities was equal to THB 2,845.68 million. Net cash flow used in financing activities was equal to THB 5,763.46 million. Thus, at the end of the period, the Company had cash and cash equivalent of THB 2,481.80 million.

In 2015, JAS and its subsidiaries had beginning cash and cash equivalent of THB 1,500.91 million. The Company used net cash flow of THB 2,721.43 million in operating activities while net cash flow from investing activities was equal to THB 28,403.51 million. Net cash flow used in financing activities was equal to THB 19,303.27 million. At the end of the period, the Company, therefore, had cash and cash equivalent of THB 7,879.72 million.