



บริษัท จัสมิน เทเลคอม ซิสเต็มส์ จำกัด (มหาชน)
Jasmine Telecom Systems Public Company Limited

200 หมู่ 4 ชั้น 9 จัสมิน อินเตอร์เนชั่นแนล ทาวเวอร์ ถนนแจ้งวัฒนะ ตำบลปากเกร็ด อำเภอปากเกร็ด จังหวัดนนทบุรี 11120
200 Moo 4, 9th Floor, Jasmine International Tower, Chaengwatana Road, Tambon Pakkret, Amphoe Pakkret, Nonthaburi 11120, Thailand.
Tel : +66 (0) 2100 8300 Fax : +66 (0) 2962 2523 URL : <http://www.jts.co.th> Registration No. 0107547000109

[TRANSLATION]

Our Ref. JTS/CS-008/2560

April 12, 2017

Subject : Disclosure of the Opinion of the Independent Financial Advisor on Financial Assistance to Connected Person of Jasmine Telecom Systems Public Company Limited
Attention : The President of the Stock Exchange of Thailand
Enclosure : Opinion of the Independent Financial Advisor on Financial Assistance to Connected Person of Jasmine Telecom Systems Public Company Limited

As Jasmine Telecom Systems Public Company Limited (the "Company") will organize the Annual General Meeting of Shareholders (the "AGM") to consider the agenda on ratifying the financial assistance provided to Jasmine International Public Company Limited, the related party, by Jasmine Telecom Systems Public Company Limited, on April 28, 2017 at 10.00 hrs. at Auditorium, 3rd Floor, Jasmine International Tower, No. 200, Moo 4, Chaengwatana Road, Tambon Pakkret, Amphoe Pakkret, Nonthaburi Province 11120 , the Company is pleased to disclose the Opinion of the Independent Financial Advisor on Financial Assistance to Connected Person of Jasmine Telecom Systems Public Company Limited as detailed in the Enclosure to the Company's shareholders.

Please be informed accordingly,

Sincerely yours,
Jasmine Telecom Systems Public Company Limited.

[Pleumjai Sinarkorn]
(Mr. Pleumjai Sinarkorn)
Chairman of the Board of Directors

(Translation)

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

The logo for Jasmine Telecom Systems Public Company Limited, consisting of the letters 'JTS' in a bold, purple, sans-serif font.

Jasmine Telecom Systems Public Company Limited

Presented to

The Shareholders of Jasmine Telecom Systems Public Company Limited

Prepared by

The logo for OptAsia Capital Company Limited, featuring the word 'OPTASIA' in a large, dark blue, serif font, with a red horizontal line underneath it, and the word 'CAPITAL' in a smaller, dark blue, serif font below the line.

OptAsia Capital Company Limited

10 March, 2017

10 March, 2017

Subject: Opinion of the Independent Financial Advisor on Financial Assistance to Connected Person of Jasmine Telecom Systems Public Company Limited

To: The audit committee and shareholders of Jasmine Telecom Systems Public Company Limited

Attachment:

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

Reference:

- 1) Resolution of Jasmine Telecom Systems Public Company Limited's Board of Directors' meeting No. 1/2017 held on 21 February, 2017 and related information memorandum on the Board's opinion on the financial assistance provided to a connected person and its amendment
- 2) Annual registration statement (Form 56-1) of Jasmine Telecom Systems Public Company Limited for the year ending 31 December, 2015
- 3) Annual registration statement (Form 56-1) of Jasmine International Public Company Limited for the year ending 31 December, 2015
- 4) Audited financial statements of Jasmine Telecom Systems Public Company Limited and subsidiary for the 12 months ending 31 December, 2014-31 December, 2016 and for the three months ending 31 March, 2016, six months ending 30 June, 2016, and nine months ending 30 September, 2016.
- 5) Audited financial statements of Jasmine International Public Company Limited and subsidiaries for the 12 months ending 31 December, 2014-31 December, 2016 and for the three months ending 31 March, 2016, six months ending 30 June, 2016, and nine months ending 30 September, 2016
- 6) Company registration documents and other information and documents such as evidence of funds transfer and receipt showing payment made as part of the financial assistance, details of cash and short-term investment from the period of financial assistance, details of loans between group companies, as well as interviews with the management of Jasmine Telecom Systems Public Company Limited and the management of Jasmine International Public Company Limited.

The results of the study conducted by OptAsia Capital Company Limited (independent financial advisor or OptAsia) in this report are based on information provided by the company, publicly available information, related information memorandum, the auditor's report, and financial statements of the company. Information from interviews with the management and persons related to the company are also used in preparing this report.

The independent financial advisor (IFA) certifies that they have studied and analyzed all information per professional standards and ethics, taking into consideration the benefit to the shareholders of the company. The IFA's opinion is based on the assumption that all information and documents received from the company, information from interviewing the management of the company, publicly available information, and other related information is true, complete, and correct at the time the IFA prepared this report. If such information is found to be incorrect, incomplete, or false, the opinion of the IFA given in this report may be affected. The objective of this IFA report is to give an opinion to shareholders of the company, to ratify the financial assistance given to JAS. Shareholders' decision to ratify is at their discretion. Shareholders should carefully study and consider the reasons, advantages and disadvantages, and views given on various important issues related to the transaction, which is found in the attached IFA report along with the invitation to the shareholder's meeting.

The IFA has prepared this report in Thai and translated into English for the convenience of foreign shareholders. If there are any discrepancies between the Thai version and the English version, the Thai version shall prevail.

Background of the transaction

At the Board of Directors' meeting of Jasmine Telecom Systems Public Company Limited (JTS) No. 1/2017 held on 21 February 2017, the Board resolved to propose the connected transaction involving financial assistance given by JTS to Jasmine International Public Company Limited (JAS) to shareholders of the company at the 2017 Annual General Meeting of Shareholders (AGM), which will be held on 28 April, 2017. Shareholders will be asked to ratify the 530 million Baht financial assistance given to JAS between 15 June, 2016 and 28 September, 2016. In addition, to prevent the company from losing any benefit from the loan, the company negotiated with JAS to pay interest of 3.05 million Baht, which the company received on 21 February, 2017.

The shareholding structure of the company at the time of the transaction and as of 14 November, 2016 consists of JAS and two subsidiary companies of JAS, which are considered persons under Section 258 (as defined in the Securities and Exchange Act B.E. 2535). JAS holds 32.80 percent of the company's shares while ACeS Regional Services Company Limited holds 9.06 percent and T.J.P. Engineering Company Limited holds

9.05 percent, totaling 50.91 percent of the company's issued and paid-up shares. As such, the financial assistance given to JAS by the company of 530 million Baht and the interest that JAS paid to the company of 3.05 million Baht are considered a connected transaction per the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions dated 31 August, 2008 (and later 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 BE 2546 dated 19 November 2003 (and later amendments), which will now be referred to as "the Connected Transaction Notification".

The transaction value is 56.40 percent of the company's net tangible assets based on the company's consolidated financial statement for the year ending 31 December, 2016 (as of 31 December, 2016, the net tangible assets of the company was 945.19 million Baht), which exceeds 3.00 percent of net tangible assets of the company. Consequently, the company has a duty to disclose the information on the transaction to the Stock Exchange of Thailand (SET) and seek approval from the company's shareholder in a meeting by obtaining more than three-fourths of the votes from attending shareholders, excluding the votes from shareholders with a conflict of interest. In addition, the company is required to appoint an independent financial advisor to give an opinion on the reasonableness of the transaction and the fairness of the price and transaction conditions to the shareholders of the company, as this transaction has already taken place and JAS has repaid the loan in full.

The Board of Directors' meeting of the company No. 1/2017 held on 21 February, 2017 resolved to appoint OptAsia Capital Company Limited as the IFA, who is certified by the Office of the Securities and Exchange Commission (SEC), to provide an opinion to ratify the company's financial assistance to JAS.

The IFA has prepared this report based on the information provided by the company, details from the information memorandum which the company published on the SET's website, publicly available information, the company's audited financial statements, and information and other documents related to the financial assistance provided to a connected person. In addition, the IFA also used information obtained from interviews with the management of the company and related parties, as well as forecasts and comments related to the transaction. The information was analyzed and documented in this IFA report. The opinion of the IFA in this report is based on the assumption that all information and documents received are complete and correct at the time of preparing this report. If there are any material changes to the company or the current economic environment, the opinion of the IFA given in this report may vary and the decision of the shareholders may be affected. As such, the IFA does not guarantee or accept responsibility, either directly or indirectly, for the correctness and completeness of the information provided by the company.

The opinion of the IFA in this report is intended for the audit committee and shareholders of the company. The IFA's opinion covers the reasonableness and benefits to the shareholders of the company from entering this transaction. The basis of the opinion is the current economic environment and information from the company. If there are material changes to either, the opinion given in this report may no longer prevail and the company or shareholders may be affected.

Abbreviations used in this report

The Company or JTS	Jasmine Telecom Systems Public Company Limited
JAS	Jasmine International Public Company Limited
Companies in JAS's Group	AceS Regional Services Company Limited and T.J.P. Engineering Company Limited
Directors with a conflict of interest	Mr. Pleumjai Sinarkorn, Mrs. Nonglug Pongsrihadulchai and Mrs. Nitt Visesphan
IFA or OptAsia	OptAsia Capital Company Limited
SEC	The Office of the Securities and Exchange Commission
SET	The Stock Exchange of Thailand
The connected transaction notification	The Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 dated 19 November 2003 and its amendments.
Connected person	<p>A person who may influence directors or managers of a listed company in their decision making, causing conflict between their personal interests and that of the company. Persons in this category are:</p> <ol style="list-style-type: none"> 1. Directors, managers, major shareholders, authorized persons of the company, those proposed for the positions of director, manager, or authorized person, and those related to the persons listed above. 2. Juristic persons with major shareholders or authorized persons that are the same as in 1. 3. Any person under the influence of 1 and 2. 4. Director of a juristic person with influence on the company. 5. Spouse, children, or adopted children who have not reached the legal age of directors in 4 6. Juristic person under the control of persons in 4 and 5 7. Persons who understand or have an agreement with the company that if the company had a financial transaction that

	<p>would benefit these persons, the following persons will benefit as well:</p> <p>7.1 Directors of the company</p> <p>7.2 Executives of the company</p> <p>7.3 Person with controlling interests in the company</p> <p>7.4 Directors of the party with controlling interests in the company</p> <p>7.5 Spouse, childrent, or adopted children who have not reached the legal age of persons in 7.1 to 7.4</p>
<p>Major shareholder</p>	<p>Shareholders who hold more than 10 percent of shares with voting rights, directly or indirectly in a juristic person. Shares held by related persons are included in this number.</p>
<p>Persons defined under Section 258 the Securities and Exchange Act B.E. 2535</p>	<p>Related persons to the connected party include:</p> <p>(1) Spouse</p> <p>(2) Children who have not reached the legal age</p> <p>(3) Partnership in which the connected persons in (1) and (2) are partners</p> <p>(4) Limited partnership in which connected persons in (1) and (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 in which connected persons in (1), (2), (3), or (4) hold shares in aggregate more than 30 percent.</p> <p>(6) Company limited or public company limited in which connected persons in (1), (2), (3), (4), or (5) hold shares in aggregate more than 30 percent.</p> <p>(7) Juristic person under Section 246 and 247 (per the Securities and Exchange Act) with authority to represent the juristic person</p>

Table of Contents

	Page Nos.
Summary of the opinion of the independent financial advisor	2
Background of the transaction	3
Executive summary	9
1. Characteristics and details of the transaction	
1.1. General characteristics of the transaction	13
1.2. Type and size of the transaction	14
1.3. Date of the transaction	16
1.4. Co-parties and their relation to the company	16
1.5. Conditions of the transaction	17
1.6. Source of funds used in providing financial assistance	17
1.7. Policy on connected transaction and authority of the company's directors	18
1.8. History of financial assistance or loans to connected parties and the charging of interest on the loan	20
1.9. Effect of financial assistance on the company and its financial position	21
1.10. The attendance of directors with a conflict of interest in the Board of Directors' meeting	23
1.11. Opinion of the Board of Directors on the connected transaction	23
1.12. Opinion of the Audit Committee and/or Directors with an opinion different from that in section 1.11	24
2. Reasonableness of the transaction	
2.1. Reasonableness of the transaction	25
2.2. Advantages and disadvantages of entering and not entering the transaction	26
1) Advantages of entering the transaction	
2) Disadvantages of entering the transaction	
3) Advantages of not entering the transaction	
4) Disadvantages of not entering the transaction	
5) Advantages and disadvantages of ratifying and not ratifying	
3. Opinion of the independent financial advisor on the value of the connected transaction	29
4. Summary of the opinion of the independent financial advisor	34
Attachment 1: Company information of Jasmine Telecom Systems Public Company Limited	36
Attachment 2: Company information of Jasmine International Public Company Limited	47

Executive Summary

The Board of Directors' meeting of Jasmine Telecom Systems Public Company Limited (JTS) No. 1/2017 held on 21 February, 2017 resolved to propose the ratification of the connected transaction involving financial assistance given by the company to Jasmine International Public Company Limited (JAS), a connected person, to the 2017 Annual General Meeting of Shareholders (AGM) which will be held on 28 April, 2017, to approve the loan of 530 million Baht to JAS, which occurred between 15 June, 2016 to 28 September, 2016.

In addition, to prevent the company from losing any benefit caused by the loan, the company negotiated with JAS to pay an interest of 3.05 million Baht on the loan. The company received the interest from JAS on 21 February, 2017.

The shareholding structure of the company at the time of the transaction and as of 14 November, 2016 consists of JAS and two subsidiary companies of JAS, which are considered persons under Section 258 (as defined in the Securities and Exchange Act B.E. 2535). JAS holds 32.80 percent of the company's shares while ACeS Regional Services Company Limited holds 9.06 percent and T.J.P. Engineering Company Limited holds 9.05 percent, totaling 50.91 percent of the company's issued and paid-up shares. As such, the financial assistance given to JAS by the company of 530 million Baht and the interest that JAS paid to the company of 3.05 million Baht are considered a connected transaction per the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions dated 31 August, 2008 (and later 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 BE 2546 dated 19 November 2003 (and later amendments), which will now be referred to as "the Connected Transaction Notification". The transaction value is 56.40 percent of the company's net tangible assets based on the company's consolidated financial statement for the year ending 31 December, 2016 (as of 31 December, 2016, the net tangible assets of the company was 945.19 million Baht), which exceeds 3.00 percent of net tangible assets of the company. Consequently, the company has a duty to disclose the information on the transaction to the Stock Exchange of Thailand (SET) and seek approval from the company's shareholder in a meeting by obtaining more than three-fourths of the votes from attending shareholders, excluding the votes from shareholders with a conflict of interest. In addition, the company is required to appoint an independent financial advisor to give an opinion on the reasonableness of the transaction and the fairness of the price and transaction conditions to the shareholders of the company, as this transaction has already taken place and JAS has repaid the loan in full.

The Board of Directors' meeting of the company No. 1/2017 held on 21 February, 2017 resolved to appoint OptAsia Capital Company Limited as the IFA, who is certified by the Office of the Securities and Exchange Commission (SEC), to provide an opinion to ratify the company's financial assistance to JAS, a connected person. OptAsia, as an independent financial advisor, to the shareholders appointed by the company has considered the advantages and disadvantages of entering the transaction and not entering the transaction and the risks of the transaction. Their findings can be summarized below.

Advantages of entering the transaction

- Enhance liquidity for a company in the same group.

The financial assistance provided to JAS will enable it to manage its cash flow efficiently. At the time of the loan, JAS had several uses for its cash including investment, share repurchase, dividend payment, and repayment of short-term loans. Therefore, the financial assistance given to JAS helped improve its liquidity while having no effect on the group business as the group's major shareholder.

Disadvantages of entering the transaction

- The transaction does not comply with the rules and regulations of the SEC and the SET, as well as principles of good corporate governance.

The financial assistance of 530 million Baht to JAS, a major shareholder, is considered a connected transaction per the Connected Transaction Notification. The transaction is valued at 56.40 percent of net tangible assets of the company, based on the company's consolidated financial statement for the year ending 31 December, 2016. Thus, the company is required to disclose information on the transaction to the SET and seek approval from shareholders from a meeting of shareholders by obtaining at least three-fourths of the votes from the shareholders attending the meeting and eligible to vote, excluding the votes from shareholders with a conflict of interest. Entering the transaction without receiving approval from the company's Board of Directors and shareholders may impact transparency and shareholders of the company, as well as being non-compliance to good corporate governance principles.

- The company received no benefit from the financial assistance at the time of the transaction

The company's policy regarding short-term loans to related parties state that interest at the fixed deposit interest rate of commercial banks plus 0.50 percent per year be referenced in charging interest on loans to related parties. From 2015 to the present, the company has provided a loan to its subsidiary, Cloud Computing Solutions Company Limited (CCS) at the rate of 2.815 to 1.660 percent (deposit interest rates were decreasing as market interest rates were experiencing a downward trend).

However, the company did not charge JAS interest which resulted in the loss of a chance to gain return on the loan. On 21 February, 2016, the Board of Directors' meeting of the company resolved to charge JAS interest on the loan at the 12 months fixed deposit interest rate, weighted from the rates at three major banks, Bangkok Bank, Krung Thai Bank, and Kasikornbank, from 15 June, 2016 to 28 September, 2016 (the period of the loan). The rate was calculated to be 1.40 percent per annum plus 0.60 percent. The total interest for the loan period of 105 days was 3.05 million Baht, which the company received on 21 February, 2017.

- The company may be faced with the risk on non-payment from JAS for the loan at the time of the transaction.

In the transaction with JAS, there was no written agreement between the parties. As a result, there is no clearly identified scope of responsibilities of the parties, such as a warranty, timeline of financial assistance, penalty in the case of default, and so on. Therefore, the company could have been at risk of not receiving repayment from JAS if JAS' cash flow from operation was inadequate. Nonetheless, JAS has made full repayment of 530 million Baht to the company at the end of September 2016. Thus, this transaction has ended prior to the 2017 AGM. The consideration and approval required from shareholders in the AGM is a ratification of the financial assistance given to JAS.

Advantages of not entering the transaction

- If the company did not provide the financial assistance to JAS, it would not be faced with the risk of a loan to a connected party. There would be no breaking of the SEC's and the SET's rules and regulations on connected transactions, nor non-compliance with the principles of good corporate governance. Though in September 2016, JAS fully repaid the loan.
- The company will have additional liquidity of 530 million Baht which can generate return for the company during the loan period, through for example continuous deposits with financial institutions or investment in interesting projects. By providing the loan, however, the company was able to generate a higher return than if depositing with a financial institution. Also, during the time of the loan, no interesting investment opportunities presented themselves.

Disadvantages of not entering the transaction

- If the company did not enter this transaction with JAS, JAS would have to consider other financial sources to use as working capital in its business operation. The cost of capital for JAS would be higher and this would conflict with the group's policy to aid other group companies during times of liquidity crisis and inadequate operating cash flow.

Advantages and disadvantages of the ratification

- On 28 September, 2016, JAS repaid the full amount of the loan of 530 million Baht to the company, resulting in the transaction's end before the 2017 AGM on 28 April, 2017. The ratification of this transaction at the 2017 AGM does not affect the company or JAS.

Nonetheless, the Board of Directors are of the opinion that the financial assistance provided by JTS to JAS, a major shareholder of the company, is a connected transaction because the two parties are connected persons. Therefore, to follow the regulations of the SEC and SET and principles of good corporate governance, the Board resolved to propose this transaction to shareholders to ratify this connected transaction.

In addition, the IFA has considered the current impact of the transaction in which the company has already received full repayment of 530 million Baht from JAS on 28 September, 2016. The IFA views that there is no risk from the financial assistance. Moreover, the company has also received interest of 3.05 million Baht from JAS on 21 February, 2017, which is higher than the interest rate calculated and deemed appropriate by the IFA. The transaction has ended prior to the 2017 AGM, which will be held on 28 April, 2017.

OptAsia, as the independent financial advisor, opines that shareholders of the company should ratify the financial assistance which has already occurred between JTS and JAS. However, the decision to vote is at the sole discretion of the shareholders. Shareholders should consider the advantages, disadvantages, and risk associated with the transaction as well as consider the attached documents submitted to the shareholders along with the invitation letter to the 2017 Annual General Meeting of Shareholders.

The details of the opinion of the independent financial advisor is summarized below.

1 Characteristic and details of the connected transaction

1.1 General characteristics of the transaction

On 10 June, 2016, the management of Jasmine International Public Company Limited (JAS) had contacted Chairman of the Board of Jasmine Telecom Systems Public Company Limited (JTS), Mr. Pluemjai Sinakorn, to ask for short-term financial assistance of 530 million Baht to use as working capital in JAS. Then, on 15 June, 2016, JTS had issued checks to JAS signed by three individuals: Mr. Pluemjai Sinakorn, Mrs. Nongluck Pongsrihadulchai, and Mrs. Nitt Visesphan. While doing this transaction, JTS understood that the nature of the financial assistance was an advance payment and therefore, had not charged interest on the loan. In addition, the company did not follow the regulations of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

Details of the financial assistance are given in the table below.

Items	Details
Lender	Jasmine Telecom Systems Public Company Limited (JTS)
Borrower	Jasmine International Public Company Limited (JAS)
Amount of loan	530 million Baht
Type of financial assistance	Loan and repayment on demand (Reference: Information memorandum submitted to the SET on 21 February, 2017)
Loan period	15 June, 2016 (start of the loan) to 28 September, 2016 (full repayment date), a total of 105 days
Interest rate charged	None
Collateral	None
Objective	To be used as working capital of JAS
Contracts made	None
Approval of the Transaction*	There was no approval on the loan as is the company's normal procedure in the period of the connected transaction. To follow the Connected Transaction Notification, the Board of Directors' meeting No. 1/2017 held on 21 February, 2017 resolved to propose this financial assistance to shareholders to ratify the loan given to JAS.

Note: *During the time of transaction, the company did not notify the entering the loan transaction to the SET. This was due to the company's understanding that it was providing only a short-term advance to its associated company (which, at that time, include the major shareholders of the company). Therefore, the company viewed that it was not required to act in compliance with the Connected Transactions Notification. The company did not charge interest on the short-term loan due to its understanding that the amount provided was in the form of an advance, which normally do not have interest charges. Therefore, the company did not charge interest from JAS on the loan. However, the company later became aware that the transaction may be a loan between connected parties, and fall under the Connected Transactions Notification criteria. Therefore, the company had a duty to convene a shareholders' meeting to obtain approval for the transaction.

The loan given to JAS by JTS, per the SEC's and SET's regulations, is considered giving financial assistance to a major shareholder because JAS holds 32.80 percent of the company's shares. In addition, two subsidiary companies under JAS are considered persons under Section 258 (as defined in the Securities and Exchange Act B.E. 2535), namely ACeS Regional Services Company Limited and T.J.P. Engineering Company Limited which hold 9.06 percent and 9.05 percent, respectively. The total number of shares held by these three companies is equal to 50.91 percent of the company's issued and paid-up shares. As such, the financial assistance given to JAS by the company is considered a connected transaction per the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions dated 31 August, 2008 (and later 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 BE 2546 dated 19 November 2003 (and later amendments), which will now be referred to as "the Connected Transaction Notification".

Though during the loan period, the company did not charge JAS with interest on the 530 million Baht loan, the company later became aware of the status of its financial assistance as a loan. To not lose benefits of the transaction, the company negotiated with JAS to pay interest on the loan at the 12 months fixed deposit interest rate, weighted from the rates at three major banks, Bangkok Bank, Krung Thai Bank, and Kasikornbank, from 15 June, 2016 to 28 September, 2016 (the period of the loan). The rate was calculated to be 1.40 percent per annum plus 0.60 percent. The total interest for the loan period of 105 days was 3.05 million Baht, which the company received on 21 February, 2017.

1.2 Type and size of the transaction

The transaction is a loan of 530 million Baht between JTS and JAS on 15 June, 2016, funded using cash and short-term investments deposited with financial institutions. JAS' objective in asking for the loan is to use the fund as working capital.

The transaction is considered a connected transaction per the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions dated 31 August, 2008 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, 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 Pongsrihaddulchai, Director, and Mrs. Nitt Visesphan, Director, who are considered as directors with a conflict of interest with respect to this matter (now referred to as "Directors with a conflict of interest"). From the shareholding structure of the company, the 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 a connected transaction.
- 2) The calculation of the loan transaction size and interest yields 56.40 percent of net tangible assets of the company based on the company's audited consolidated financial statement for the year ending 31 December 2016 (as of 31 December, 2016, the net tangible assets of the company were 945.19 million Baht). The transaction size exceeds 3.00 percent of the net tangible assets of the company and is more than 100 million Baht. Over the past six months (from the date of approval by the Board), the company had not entered any connected transaction other than the financial assistance or loan.

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.

However, during the loan period, the company did not ask the Board of Directors and shareholders to consider this transaction before entering it and did not disclose information to the SET and investors. Therefore, to comply with the Notification of the Connected Transaction, the Board of Directors' meeting No.1/2017 held on 21 February, 2017 has a resolution to propose to the 2017 AGM which will be held on 28 April, 2017 to ratify the financial assistance given by the company to JAS.

The Company has already received the full payment of 530 million Baht from JAS on 28 September, 2016 and received the interest of 3.05 million Baht from JAS on 21 February, 2017.

1.3 Date of the transaction

The company provided the loan of 530 million Baht to JAS on 15 June, 2016 to use as working capital. JAS made a full repayment to the company on 28 September, 2016. The total period of the loan 105 days.

The Board of Directors' meeting (excluding directors with a conflict of interest) No.1/2017 held on 21 February, 2017 resolved to propose to shareholders in the 2017 AGM the ratification of the financial assistance given by the company to JAS.

1.4 Co-parties in the transaction and their relationship with the listed company

Lender: Jasmine Telecom Systems Public Company Limited
 Borrower: Jasmine International Public Company Limited
 Relationship: JAS is a major shareholder in JTS, directly holding 32.80 percent and indirectly holding JTS' issued and paid-up shares through ACeS Regional Services Company Limited (9.06 percent) and T.J.P. Engineering Company Limited (9.05 percent). Shares held in JTS total 50.91 percent.

The list of the company's shareholders without voting rights according to the shareholders' register, as of 9 March, 2017 are as follows:

Name list of shareholders	No. Of 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. ACeS Regional Services Company Limited ^{/1}	64,027,700	9.06	9.06
3. T.J.P. Engineering Company Limited ^{/2}	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

¹ 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.

² 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 Company Limited, and T.J.P. Engineering Company Limited are shareholders with a conflict of interest in the company who are not allowed to cast votes in the shareholders' meeting where the financial assistance or loan given to JAS by JTS will be ratified.

1.5 Conditions of the transaction

The terms of the financial assistance are that JAS must repay the company on demand. There is no written agreement between the two parties. Thus, there is no scope of responsibilities between the parties such as an interest rate charge, collateral, certain timeline of financial assistance, penalty in case of default, and so on. Therefore, the company may be at risk of not receiving the repayment and interest, or a delay in repayment. In addition, the company cannot implicate JAS in either of the above cases.

However, in the past, companies in JAS's group consisting of several companies which operate Internet broadband and other businesses. There are records of connected transactions between the companies, including the financial assistance on a regular basis to support liquidity for business operation, and there are disclosures of connected transactions in the financial statements of each company in each accounting period for the acknowledgement of shareholders of each company so far.

Thus, the financial assistance of the company to JAS is in accordance with the policy of the group in supporting the liquidity management of each company. The company provided a loan of 530 million Baht to JAS from 15 June, 2016 to 28 September, 2016, which is a total of 105 days. JAS made full repayment of the loan to the company on 28 September, 2016.

1.6 Source of funds for financial assistance

The source of funds used to provide financial assistance came from the working capital of the company. Based on the separated financial statements of the company as of 31 March, 2016, which was before providing financial assistance to JAS, the company had cash and cash equivalents of 138.34 million Baht, short-term investments and bank deposits of 533.73 million Baht. The company had no debt with financial institutions.

After providing financial assistance of 530 million Baht in mid-June 2016, the separated financial statements of the company, dated 30 June, 2016, showed that cash and cash equivalents were 38.22 million Baht and short-term investments and bank deposits were equal to 102.39 million Baht. When considering the consolidated financial statements as of 30 June, 2016, cash and cash equivalents were equal to 45.82 million Baht and short-term investments and bank deposits were equal to 102.53 million Baht. Therefore, the company still had sufficient liquidity.

1.7 Policy on connected transactions and scope of duties of the Board of Directors of the company

Annual registration form (Form 56-1) of JTS in 2015 contains the following details.

Conflict of Interest

The Board of Directors has set a policy regarding conflicts of interest on the principle that any decision in operating business activities must be done for the best interests of the company only and should avoid actions that lead to conflicts of interest. In this case, connected persons must notify the company about their relationship or involvement in such transactions and not participate in the consideration, as well as must not be authorized in approval of such transactions. In approving for the aforementioned cases, there must not be special set of conditions or restrictions unusual from the normal cases. It also requires the Internal Audit Department and Audit Committee to supervise and manage the conflicts of interest in which there has never been such a problem occurred so far.

The Audit Committee shall propose to the Board of Directors concerning the connected transaction and a conflict of interest which has been considered prudently and complied with the rules and regulations of the SET, as well as also disclosed in the annual report and Form 56-1.

Scope of duties of the Board of Directors

The Board of Directors has authority, duties and responsibilities in managing the company in accordance with the laws, objectives, and the company's regulations, as well as the legal resolutions of the meeting of shareholders with integrity and prudence in protecting the interests of the company. Important duties could be summarized as follows:

1. Convene an annual shareholders' meeting within four months after the end of the accounting year.
2. Arrange the Board of Directors' meeting at least once every three months.
3. Prepare balance sheet and income statement of the company as at the end of the accounting period of the company audited by the auditor and present to the shareholders' meeting for approval.

4. The Board of Directors may authorize one or several directors or other persons to operate things instead of the Board under the control of the Board of Directors, or may authorize such persons to have authority over a certain period of time in accordance with the agreement of the Board of Directors in which the Board of Directors revoke, change or adjust authorized persons or authority if appropriate. The Board of Directors may authorize management committee to have the authority to perform various tasks under the scope of authority of management committee in which the authorization must not be the authorization that management committee could consider and approve their transactions or persons who may have conflict of interest or other conflict of interest with the company or its subsidiaries, unless the approval based on policies and guidelines considered and approved by the Board of Directors of the company.

5. Set up target, guidelines, policies, plans, and budget of the company, supervise the administration and management of the Board of Directors in accordance with the policies assigned, except for the followings which the Board of Directors must be approved by the shareholders' meeting before implementation such as issues that the law set to be approved by the shareholders' meeting, for example, capital increase, capital decrease, issuance of debenture, sale of entire or partial business transfer to other persons or the purchase or acquisition of other companies to be part of the company, the amendment of memorandum of association or regulations, etc.

The Board of Directors is responsible for overseeing the company to comply with the law on the Securities and Exchange Commission, regulations of the Stock Exchange of Thailand, such as connected transaction and the purchase or sale of significant assets under the regulations of the Stock Exchange of Thailand or the laws relating to the business of the company.

6. Consider the managerial structure, appoint of management committee, managing director, and other committees as appropriate.

7. Follow-up operations to be in line with action plan and budget continuously.

8. Directors must not operate the business the same as and in competition with the company or be partner in a partnership or be partner as an unlimited liability in a limited partnership or be a director of a private company or other companies in the same businesses and in competition with the company no matter for their benefits or for benefits of others, unless they have informed the shareholders in the shareholders' meeting prior to the appointment.

9. Directors must notify the company without delay if there is interest, whether directly or indirectly, in an agreement made by the company or increase or decrease of shareholding proportion or debentures in the company or its subordinates.

However, during the provision of the loan, the company did not comply with the regulations specified as the policies of the company, including rules and regulations set by the SET and the SEC, which may cause damage to the company or shareholders.

1.8 History of financial assistance or intercompany loans and interest calculation

1) Financial assistance provided to and received from JTS and group companies

JTS is a company in JAS group. Historical information indicates that companies in the group have been lending to and borrowing from each other as a part of normal business activities and these transactions were disclosed in the notes to the financial statement. Most of the loans were short-term where the interest was calculated from the deposit interest rate used by commercial banks plus 0.50 percent per year. From 2015, JTS provided loans to Cloud Computing Solutions Company Limited, a subsidiary, with details as follows:

	Loan 1	Loan 2	Loan 3	Loan 4
Amount of the loan (million Baht)	69.35	7.00	4.00	117.00
Period of the loan	4 January, 2015 - present	30 March, 2016 - present	30 June, 2016 - present	29 December, 2016 - present
Collateral	None	None	None	None
Interest rate*	2.8125%	2.8125%	2.8125%	1.660%
Type of Loan	At call	At call	At call	At call

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

Between 2014 to 2016, JTS did not lend any money to JAS except for the present transaction. In addition, JTS did not borrow any money from companies in the group. Thus, there is no information available on the cost of debt.

2) Lending to and borrowing from JTS and external parties

JTS was established to conduct the telecommunication and information technology businesses, in particular the design and installation of telecommunication systems and system integration. JTS is the distributor of telecommunication equipment and provides related service. Due to its supporting role,

JTS does not have a policy to loan to external parties. It is only allowed to lend money to its subsidiary and group companies. Therefore, JTS never lent money to external parties and there is no reference interest rate for loans to external parties.

Between 2014 to 2016, JTS never borrowed money from financial institutions or external parties. As such, there is no reference interest rate available for JTS. However, its subsidiary, CCS, had borrowed funds from Bangkok Bank in July 2011 to use in its customer service system and invoicing system projects, for its customer TT&T Public Company Limited. CCS signed a loan contract with Bangkok Bank for funds of 289.68 million Baht at MLR or interest rate of 6.25 percent per annum. At the moment, CCS has no plans to repay the loan before its due as a penalty is stipulated in the contract for prepayment. While the company was providing financial assistance to JAS in June 2016, CCS has 124.28 million Baht left to pay Bangkok Bank. If the company had lent the sum lent to JAS to CCS to repay its loan, JTS group's interest would be 3.66 million Baht, which is slightly higher than what the company earned from JAS.

3) Lending to and borrowing from JAS and other group companies

Past financial statements of JAS indicate that JAS had given financial assistance to subsidiary companies such as Acumen Company Limited, JAS Mobile Broadband Company Limited, and Jasmine Smartshop Company Limited. At the same time, JAS received financial assistance from group companies such as Triple T Internet Company Limited and ACeS Regional Services Company Limited. The interest rate charged was the one year fixed deposit rate of commercial banks plus 0.50 percent per annum. This follows the group's policy on internal loans.

4) Lending to and borrowing from JAS and external parties

In the third quarter of 2016, JAS took a long-term loan 6,000 million Bath from the Siam Commercial Bank to use as working capital amongst group companies. The interest rate on the loan was MLR - 0.25 percent per annum or equivalently, 6.025 percent per annum. JAS has never lent money to any external party.

After considering past loan transactions within companies in JAS' group, the interest rate charged within the group, and the interest rate charged by financial institutions, the IFA opines that JTS, as company within JAS' group, has clear policies regarding financial assistance and the charging of interest within the group. In addition, these transactions are corroborated by the information in the company's financial statement.

1.9 Impact of the financial assistance on the financial position of the company

In the past three years, the company has had a net loss, mainly from non-cash expenses. In 2016, for example, the company had a net loss from write-off of provision for bad debt per debt restructuring contracts from TT&T Public Company Limited. The provision for bad debt was a deposit for tablet orders given to a company in a country. These expenses, however, do not affect cash in the company.

When considering the operating results from 2013 to Q3 2016, the company received repayment from project debtor while the company did not invest in additional projects or to any expansion of existing business or new business. Therefore, the company had increasing cash and short-term investments since 2013 onwards, and reached 727 million Baht at the end of 2014 which the company used such amount of money to deposit with domestic banks with low risk and could earn a return on investment. In addition, the company also used money to operate business as usual although according to the consolidated financial statement there was remaining long-term debt but the debtor of the entire long-term debt was CCS, a subsidiary of the company, which the company was a guarantor and CCS made a repayment on schedule, not in advance. And when considering the ratio of interest bearing debt to equity shareholders during 2013 to 30 September 2016, it was relatively low in a range of 0.12 – 0.17 times. Moreover, if considering the separate financial statements of the company it could be found that after providing the aforesaid financial assistance of 530 million Baht in mid-June 2016, the separate financial statements of JTS as at 30 June 2016 JTS still had cash and cash equivalent equal to 38.22 million Baht and short-term investments and bank deposits of 102.39 million Baht, which suggested that JTS still had sufficient liquidity.

As a result, the financial assistance to JAS in 2nd quarter of 2016 has no impact on liquidity and the financial status of the company. The company has received a full repayment from JAS at the end of 3rd quarter of 2016, resulting in recovery of cash position of the company to the level similar to the previous one.

Summary of the key separate financial statements of the company

Unit: Million Baht

	2013	2014	2015	31 March, 2016	30 June, 2016	30 September, 2016
Total Revenue	278.08	69.99	40.87	6.41	19.34	55.99
Non-cash Expenses *	(15.13)	(195.71)	(2.17)	(30.21)	(34.73)	(35.27)
Net Profit (Loss)	5.52	(300.02)	(42.02)	(36.69)	(49.13)	(31.70)
Cash and cash equivalents	228.85	176.11	170.28	138.34	38.22	551.94

Short-term investments and bank deposits	81.57	542.08	525.71	533.73	102.39	102.39
Interest bearing debt (loan) **	-	-	-	-	-	-
Total Liabilities	375.35	290.26	230.08	206.57	210.91	207.64
Ratio of interest bearing debt to equity shareholders (time)	-	-	-	-	-	-

Summary of the key consolidated financial statements of the company

Unit: Million Baht

	2013	2014	2015	31 March, 2016	30 June, 2016	30 September, 2016
Total Revenue	348.82	127.61	90.76	19.43	49.32	102.24
Non-cash Expenses *	15.13	37.50	2.17	53.89	53.76	53.76
Net Profit (Loss)	12.15	(133.75)	(43.49)	(58.19)	(64.38)	(42.98)
Cash and cash equivalents	241.62	185.17	179.23	143.93	45.82	558.50
Short-term investments and bank deposits	81.80	542.23	525.86	533.88	102.53	102.52
Interest bearing debt (loan) **	182.28	167.77	138.77	131.53	124.28	117.04
Total Liabilities ***	751.70	644.68	572.34	536.16	536.90	522.83
Ratio of interest bearing debt to equity shareholders (time)	0.15	0.15	0.13	0.13	0.12	0.11

* Major non-cash expenses, including loss on impairment of investments in subsidiaries, doubtful accounts and losses recorded as a provision of reversed judgment of the Supreme Court.

** Debtor of the entire long-term loans is a subsidiary company, CCS, which is guaranteed by JTS, and in the past CCS made repayment on schedule.

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

More details about the financial analysis of JTS's financial statement are in Appendix 1.

1.10 Attendance and voting in the Board of Directors' meeting that includes directors with a conflict of interest

In the Board of Directors' meeting No. 1/2017 which was convened on 21 February, 2017 to consider and approve the financial assistance (or the loan) which was provided 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 directors with a conflict of interest with respect to this matter

(referred to as directors with a conflict of interest). Therefore, the directors with a conflict of interest did not attend the meeting nor cast votes on such agenda item which proposed that the meeting ratify the loan given to JAS.

1.11 Opinion of the Board of Directors on the transaction

The Board of Directors of the company (excluding directors with a conflict of interest) are of the opinion that the financial assistance provided to JAS, per the regulations of the SEC and SET, is a connected transaction. The company did not follow the guidelines in the Connected Transaction Notification which may damage the company. However, entering this transaction did not yield such a result because the company received full payment on the loan on 28 September, 2016 and interest of 3.05 million Baht on the loan from JAS, thereafter. The interest received from JAS is higher than the interest the company could receive by depositing the sum of money with financial institutions normally used by the company, in the same period.

In addition, the company did not have any expenses from giving the loan to JAS as the sum of money was the company's working capital. Moreover, the company's business activities were unaffected by the loan. Nonetheless, to follow the Connected Transaction Notification, the Board of Directors of the company (excluding directors with a conflict of interest) unanimously agreed with the financial assistance or loan given to JAS and resolved to propose to the company's shareholders in the 2017 AGM, to ratify the financial assistance given to JAS.

1.12 Opinion of the Audit Committee and/or Directors with an opinion that is different from Section 1.11

All three members of the Audit Committee view that while providing financial assistance to JAS, JTS did not comply with the procedure of the SEC and the SET on the size of connected transactions that require disclosure to the SET and the approval of shareholders prior to the transaction. Not following the correct procedure could result in damage to the company and shareholders of the company. However, this transaction was completed when JAS repaid the loan on 28 September, 2016. Afterwards, JAS also paid interest. Thus, the company was able to earn a higher return on its money from lending to JAS as opposed to investing this sum of money. Also, this transaction did not affect the company's business activities or investment plans.

The Audit Committee, therefore, shares the opinion of the Board and ratifies this connected transaction involving financial assistance to JAS by JTS. Furthermore, the Audit Committee has suggested to the managing director to update the authority index and propose to the Board for consideration. The Audit Committee also emphasized that the company should follow the regulations of the SEC and SET to prevent future mistakes.

2. Reasonableness of the transaction and advantages and disadvantages of the transaction
--

2.1 Reasonableness of the transaction

JAS has received financial assistance from JTS in an amount of 530 million Baht which has been recorded in the financial statements as at 30 June 2016 under the main item of "Trade and other payables", and sub-item of "Advances from subsidiaries". The amount of money was used as working capital of JAS and its subsidiaries. Previously, since JAS did not borrow money from financial institutions, sometimes if JAS determined that cash flow is insufficient, it will ask short-term loans from companies in the group to have sufficient cash flow for operations. During June 2016 that JAS requested for financial assistance as such, JAS needed working capital due to payment of significant cash flow for several transactions. If considering cash flows during six months ended 30 June 2016, it was found that there was net cash used of THB 1,378.75 million, mainly due to financing activities of THB 12,244.42 million. Details of major transactions are as follows:

- Share repurchases of 6,000 million Baht in accordance with the resolution of the 2016 Annual General Shareholders' Meeting held on 29 April, 2016 which has approved a share repurchase program for cash management of 1,200 million shares, representing 16.82 percent of the issued and paid-up shares (Par value of 0.50 Baht per share) with a purchase price of 5 Baht, totaling 6,000 million Baht (excluding expenses of trading shares) in which the company will repurchase shares from shareholders from 1-10 June, 2016.
- The 2015 annual dividend payment approved by the 2016 AGM held on 29 April, 2016. The book closing date was on 1 March, 2016 and the dividend payment date was on 27 May, 2016 with dividend of 0.30 Baht per share, totaling 2,139.99 million Baht.
- The repayment of short-term loans of 3,922.00 million Baht which was a repayment to the company in the group, Triple T Broadband Public Company Limited (TTTBB) since in 2015 the company received a short-term loan from TTTBB to purchase investment units of Jasmine Broadband Internet Infrastructure Fund (JASIF) of 18,331.50 million Baht, accounting for 33.33 percent of the total investment units.

Cash and cash equivalents of JAS at the beginning of period was equal to 1,380.00 million Baht. On 30 June, 2016, JAS had cash and cash equivalents at the end of period equal to 1.25 million Baht, so if JAS has not received financial assistance from JTS of 530 million Baht, it could cause a shortage of liquidity in JAS.

According to the reviewed separate financial statements of the company in the third quarter of 2016 ending on 30 September, 2016 of JAS, it was found that JAS has made a full repayment. Thus, the loan

transaction between JTS and JAS ended prior to the 2017 AGM. Therefore, the consideration and approval of this shareholders meeting shall be carried out to consider and approve the financial assistance which has been provided.

When considering the source of funds of JTS used to provide financial assistance to JAS came from the working capital of JTS which based on the separate financial statements of the Company as at 31 March, 2016, which was before providing financial assistance to JAS. The company had cash and cash equivalents of 138.34 million Baht, short-term investments and bank deposits of 533.73 million Baht and JTS did not have obligation to repay loans from financial institutions, including at that time JTS also did not require money to invest in the business.

After providing financial assistance to JAS in mid-June 2016, the financial statements of JTS (as of 30 June, 2016) indicated that the company had 38.22 million Baht in cash and cash equivalents and 102.39 million Baht in short-term investments and bank deposits. This demonstrates that JTS's financial assistance to JAS had no impact on its liquidity.

2.2 Comparison of advantages and disadvantages of entering and not entering the transaction

1) Advantages and Disadvantages to the company in providing financial assistance to JAS (during the Transaction).

Advantage of entering the transaction

- Enhance liquidity for a company in the same group.

The financial assistance provided to JAS will enable it to manage its cash flow efficiently. At the time of the loan, JAS had several uses for its cash including investment, share repurchase, dividend payment, and repayment of short-term loans. Therefore, the financial assistance given to JAS helped improve its liquidity while having no effect on the group business as the group's major shareholder.

Disadvantages of entering the transaction

- The transaction does not comply with the rules and regulations of the SEC and the SET, as well as principles of good corporate governance.

The financial assistance of 530 million Baht to JAS, a major shareholder, is considered a connected transaction per the Connected Transaction Notification. The transaction is valued at 56.40 percent of net tangible assets of the company, based on the company's consolidated financial statement for the year ending 31 December, 2016. Thus, the company is required to disclose information on the transaction to the SET and seek approval from shareholders from a meeting of shareholders by

obtaining at least three-fourths of the votes from the shareholders attending the meeting and eligible to vote, excluding the votes from shareholders with a conflict of interest. Entering the transaction without receiving approval from the company's Board of Directors and shareholders may impact transparency and shareholders of the company, as well as being non-compliance to good corporate governance principles.

- The company received no benefit from the loan at the time of the transaction

The company's policy regarding short-term loans to related parties state that interest at the fixed deposit interest rate of commercial banks plus 0.50 percent per year be referenced in charging interest on loans to related parties. From 2015 to the present, the company has provided a loan to its subsidiary, Cloud Computing Solutions Company Limited (CCS) at the rate of 2.815 to 1.660 percent (deposit interest rates were decreasing as market interest rates were experiencing a downward trend). However, the company did not charge JAS interest which resulted in the loss of a chance to gain return on the loan. On 21 February, 2016, the Board of Directors' meeting of the company resolved to charge JAS interest on the loan at the 12 months fixed deposit interest rate, weighted from the rates at three major banks, Bangkok Bank, Krung Thai Bank, and Kasikornbank, from 15 June, 2016 to 28 September, 2016 (the period of the loan). The rate was calculated to be 1.40 percent per annum plus 0.60 percent. The total interest for the loan period of 105 days was 3.05 million Baht, which the company received on 21 February, 2017.

- The company may be faced with the risk on non-payment from JAS for the loan at the time of the transaction

In the transaction with JAS, there was no written agreement between the parties. As a result, there is no clearly identified scope of responsibilities of the parties, such as a warranty, timeline of financial assistance, penalty in the case of default, and so on. Therefore, the company could have been at risk of not receiving repayment from JAS if JAS' cash flow from operation was inadequate. Nonetheless, JAS has made full repayment of 530 million Baht to the company at the end of September 2016. Thus, this transaction has ended prior to the 2017 AGM. The consideration and approval required from shareholders in the AGM is a ratification of the financial assistance given to JAS.

- 2) Advantages and disadvantages for the company in not providing financial assistance to JAS.

Advantages of not entering the transaction

- If the company did not provide the financial assistance to JAS, it would not be faced with the risk of a loan to a connected party. There would be no breaking of the SEC's and the SET's rules and regulations

on connected transactions, nor non-compliance with the principles of good corporate governance. Though in September 2016, JAS fully repaid the loan.

- The company will have additional liquidity of 530 million Baht which can generate return for the company during the loan period, through for example continuous deposits with financial institutions or investment in interesting projects. By providing the loan, however, the company was able to generate a higher return than if depositing with a financial institution. Also, during the time of the loan, no interesting investment opportunities presented themselves.

Disadvantage of not entering the transaction

- If the company did not enter this transaction with JAS, JAS would have to consider other financial sources to use as working capital in its business operation. The cost of capital for JAS would be higher and this would conflict with the group's policy to aid other group companies during times of liquidity crisis and inadequate operating cash flow.

Advantages and disadvantages of ratification

- On 28 September, 2016, JAS repaid the full amount of the loan of 530 million Baht to the company, resulting in the transaction's end before the 2017 AGM on 28 April, 2017. The ratification of this transaction at the 2017 AGM does not affect the company or JAS.

Nonetheless, the Board of Directors are of the opinion that the financial assistance provided by JTS to JAS, a major shareholder of the company, is a connected transaction because the two parties are closely connected. Therefore, to follow the regulations of the SEC and SET and principles of good corporate governance, the Board resolved to propose this transaction to shareholders to ratify this connected transaction.

3. Opinion of the independent financial advisor on the reasonableness of the value of connected transactions

The IFA has considered the appropriateness of the value of the transaction between JTS and JAS by considering the value of the financial assistance and returns that JTS should receive from interest rate on the loan. The IFA bases its opinion on the date the transaction took place till its end which is between June and September 2016. A summary of the IFA's opinion is given below.

- Amount and terms of the financial assistance.

The amount of loan was 530 million Baht, in line with JAS' working capital needs. There was no written agreement between the parties during the transaction period. Thus, there is no scope of responsibilities between the parties such as an interest rate charge, collateral, certain timeline of financial assistance, penalty in case of default, and so on. Therefore, the company may be at risk of not receiving the repayment and interest. The loan to JAS did not affect the liquidity of JTS because the source of funds was remaining cash. However, if JAS were to default, the financial position of JTS would be affected. On 28 September, 2016, the company received payment on the 530 million Baht loan from JAS. But, the connected transaction involving financial assistance between JTS and JAS did not comply with the SEC's and SET's regulation on the size of the connected transaction requiring disclosure to SET and the approval of shareholders, prior to entering the transaction. This could damage the company and its shareholders.

The company has updated the authority index to make it appropriate to its operation and in compliance with the SET's and SEC's regulations. This issue will be further proposed to a Board of Director's meeting for approval, with details as follows.

Authority Index

No.	Approval Issues	Board of Directors	Chairman of the Board of Directors	Managing Director
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 200 million Baht	Not more than 100 million Baht
4	Approval of expenses of purchasing, hiring, rent, or leasing related to its operations.	Unlimited	Not more than 30 million Baht	Not more than 5 million Baht
5	Connected Transaction			
5.1	Items on property or services that do not have general trading conditions.	Not more than 20 million Baht or 3% of NTA, whichever is higher	Not more than 1 million Baht or 3% of NTA, whichever is higher	
5.2	Items on real estate property lease or rental, not more than three years, and no general trading conditions.	Not more than 20 million Baht or 3% of NTA, whichever is higher	Not more than 1 million Baht 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 20 million Baht or 3% of NTA, whichever is higher	Not more than 1 million Baht 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 100 million Baht 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

Previously, the authority index covered only four topics, from 1-4. Then, the management added topic 5 to follow the regulations of the SEC and SET. Apart from this, when a connected transaction occurs as in topic 5, done by the Chairman, the company will organize a Board of Directors' meeting to keep them informed.

- Rate of Return

During the period of financial assistance, JTS did not charge JAS interest. Therefore, the company lost benefit from giving financial assistance as it did not receive any interest. To not lose benefit, the IFA has considered that at the time of the transaction the company could have charged interest in the three following ways.

(1) Interest calculated from loan policy between related companies of JTS which is the 12 months average of fixed deposit rates from three major financial institutions (Bangkok Bank, Krung Thai Bank, and Kasikornbank), plus 0.50 percent per year. The details of the calculation of the average 12 months fixed deposit rate is shown below.

One-year fixed deposit interest rate (percent) as of 15 June 2016			
Bangkok Bank	Kasikorn Bank	Krungthai Bank	Average
1.50%	1.30%	1.40%	1.40%

Source: Bank of Thailand

Therefore, from this method, the interest rate is 1.90 percent

(2) Interest calculated on the opportunity cost of the investment that JTS has invested during the period of financial assistance, ie, the interest rate charged by JTS on the investment in short-term promissory notes of the financial institution and deposit in savings account in a period of 105 days. The details of calculation are as follows:

Financial Institution	Amount withdrawn (THB)	Interest Rate received (percentage)
Short-term promissory notes of financial institutions		
1. Bangkok Bank	70,000,000.00	1.825%
2. Government Housing Bank	41,541,895.90	1.750%
3. Tisco Bank	70,081,451.23	1.800%
4. Land and Houses Bank	40,000,000.00	1.900%

	100,000,000.00	2.000%
	100,000,000.00	2.250%
5. ICBC Bank (Thai)	15,145,184.17	1.000%
	80,198,542.48	1.650%
Deposit in savings account	13,032,926.22	0.375%
Average interest rate		1.85%

Therefore, from this method, the interest rate is 1.85 percent

(3) Interest calculated based on average return on JTS' investments, calculated from the return which will be received using remaining liquidity to invest in short-term promissory notes with financial institutions from March to June 2016. The details of calculation are as follows:

Financial Institution	March 2016		June 2016	
	Amount of money (THB)	Interest rate (percentage)	Amount of money (THB)	Interest rate (percentage)
2. Bangkok Bank	100,000,000.00	1.825%		
2. Government Housing Bank	41,541,895.90	1.750%		
3. Tisco Bank	70,081,451.23	1.800%	100,488,707.34	1.800%
4. Land and Houses Bank	40,000,000.00	1.900%		
	100,000,000.00	2.000%		
	100,000,000.00	2.250%		
5. ICBC Bank (Thai)	15,145,184.17	1.000%		
	80,198,542.48	1.650%		
6. Kasikorn Bank	190,038.15	1.000%	117,671.77	1.000%
	1,715,541.74	1.100%	1,787,908.12	1.100%
Average Calculated Interest Rate	1.91%		1.79%	

Therefore, from this method, the interest rate is in the range of 1.79 – 1.91 percent

Based on the three methods above, the interest rate will be in the range of 1.79 - 1.91 percent. When considering details as section 1.8 on past loans and calculation of interest rate, whether a subsidiary of JTS or JAS borrows funds from financial institutions, the interest rate will be higher than that JTS charged JAS.

However, the IFA views that the interest rate charged by financial institutions should not be used to compare the rate JTS charged JAS as in the latter case, the loan was made between connected parties.

Apart from this, within the group, there is a clear policy on providing financial assistance among group companies which is a procedure that is followed and disclosed in the financial statement of each company. As such, the IFA views that the appropriate interest rate should be the one indicated in the company's policy and the calculation of interest rate using the three methods above, it is clear that the method referencing the company's policy yields the highest return. For the reason cited above, the IFA has an opinion that the value and terms of financial assistance and the return on financial assistance to JAS which has already occurred was not appropriate at the time of the transaction because the regulations of the SEC and SET were not followed.

However, if considering the current situation in which JAS has made a full repayment of financial assistance to JTS on 28 September, 2016, removing risk of not receiving the repayment from JAS. In addition, to prevent the company from losing any benefit due to the loan transaction, the company negotiated with JAS to pay interest at the fixed deposit interest rate of 12 months weighted average of three major financial institutions (Bangkok Bank, Krung Thai Bank, and Kasikornbank) at the period on which the Loan is granted (i.e. the duration of the loan between June to September 2016) which will be calculated at 1.40 percent per annum plus 0.60 percent. The interest calculated from the date on which the Loan is granted (15 June, 2016) to the date on which the Loan is fully repaid (28 September 2016) which is a total of 105 days, is a total of 3.05 million Baht which was received by the Company on 21 February, 2017. The interest rate received by the Company is higher than the appropriate interest rate calculated by the IFA. Therefore, in considering the appropriateness of the financial assistance or loan, it could not only consider appropriateness at the time of transaction, but also consider the current situation. Therefore, the IFA has an opinion that the transaction is appropriate at the current situation.

4. Conclusion of the Independent Financial Advisor's Opinion

When considering the issues mentioned above, the IFA has an opinion that the financial assistance to JAS is an appropriate transaction of interim financial assistance in terms of necessity at the time of the transaction since at that time JAS has spent a large amount of cash flow and did not have loans from financial institution. If JAS did not receive financial assistance from the company, there may be a shortage of liquidity that affected the operation of JAS as a major shareholder which may affect the overall picture of the group. However, if considering in terms of amount and terms of financial assistance of 530 million Baht, JTS did not comply with the procedures set by the SEC and the SET regarding the size of the transaction that should be disclosed to the SET and presented to the shareholders' meeting for approval before entering the transaction. Moreover, at the time of the transaction, the company did not have a written agreement between the parties. As a result, there is no scope of responsibilities of the parties clearly identified, therefore, the company may have potential risk of not receiving the repayment from JAS. Furthermore, at that time, there was no interest charged from the financial assistance so JTS lost the benefits of financial assistance. As a result, the IFA has considered that the amount and terms of the financial assistance, as well as the return from the provision of financial assistance are not appropriate at the time of the transaction.

However, the IFA has considered the present impact of the transaction in which the Company has already received full repayment of 530 million Baht from JAS on 28 September, 2016 and therefore, there is no risk from the financial assistance. Moreover, the Company has also received interest of 3.05 million Bath from JAS on 21 February, 2017 which is higher than an appropriate interest rate calculated by the IFA, causing the loan transaction to end prior to the 2017 Annual General Shareholders' Meeting which will be held on 28 April, 2017.

For the reasons cited above, OptAsia, as the Independent Financial Advisor, has an opinion that shareholders of the company should approve the ratification of financial assistance of the company to JAS which has already occurred. 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 to the 2017 AGM to make their decision.

OptAsia Capital Company Limited as the Independent Financial Advisor hereby certifies that the opinion is provided in compliance with the professional standards and ethics, with regard to the utmost benefits to the shareholders.

Your Sincerely,
OptAsia Capital Company Limited

(Mr. Jarin Saksirisilp)

(Ms. Jariya Poonyavanich)

(Mr. Jarin Saksirisilp)

(Ms. Jariya Poonyavanich)

Director

Director

(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 100,000,000 Baht, from 1,000,000 common shares at par value of 100 Baht per share. Then, on 18 September, 2006, the company was listed on the Stock Exchange of Thailand (SET) with registered capital of 700,000,000 Baht, from 700,000,000 common shares with par value of 1 Baht per share. Subsequently, the Company had a seasoned equity offering of 5,000,000 common shares (at par value of 1 Baht 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 1,457,300 Baht. Currently, the company has 706,457,300 outstanding common shares with par value of one Baht per share and paid-up capital of 706,457,300 Baht.

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 service obligation (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, and so on.

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.

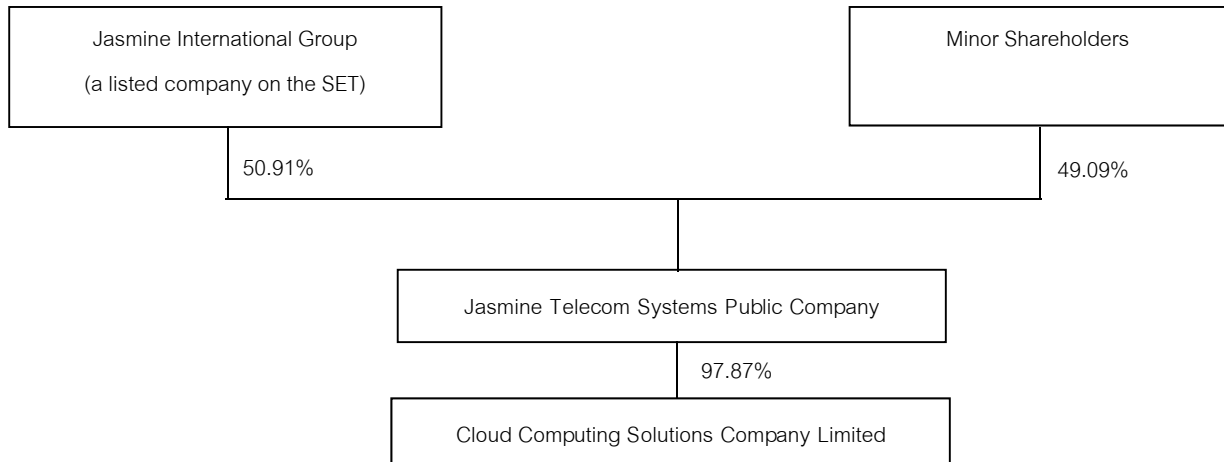
Cloud computing business involves the service of computer hardware and software leasing. This service is suitable for small and medium enterprises that do not have a budget to invest in cloud computing. There are two types of service under this category:

- 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 the years 2014 - 2016, 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	
		THB million	%	THB million	%	THB million	%
Telecom Systems Integration	The company	38.36	30.06	8.79	9.68	65.95	46.42
Telecom Service	The company	9.19	7.21	2.24	2.47	0.67	0.47
Computer Systems Integration and Cloud Computing	CCS	62.01	48.59	59.55	65.61	58.59	41.24
Total sales and service revenue		109.56	85.86	70.58	77.77	125.21	88.14
Gain from exchange rate	The company	0.00	0.00	6.80	7.49	0.97	0.68
Other income	The company	18.05	14.14	13.38	14.74	15.88	11.18
Total revenue		127.61	100.00	90.76	100.00	142.06	100.00

Source: Company information

1.2.4. List of the Board of Directors

- 1) List of the Board of Directors of the Company as of 24 February 2017 is given in the table below:

Name	Position
1. Mr. Pluemjai Sinarkorn	President
2. Mr. Dusit Srisangaoran	Director
3. Mrs. Nonglug Pongsrihadulchai	Director
4. Mr. 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 of 24 February 2017:

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

Source: Department of Business Development, Ministry of Commerce

1.2.5. Shareholding structure

- 1) The top 11 shareholders of the company, as of 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. Krirkrai Tribunyatkul	109,961,900	15.14%	15.14%
3. ACeS Regional Service Company Limited ^{/1}	64,027,700	9.06%	9.06%
4. T.J.P. Engineering Company Limited	63,918,000	9.05%	9.05%
5. Mr. Sorachai Asawaphrapha	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. Virayuth Eamsuthiwat	8,250,000	1.17%	1.17%
10. Mr. Kriet Srichomkwan	3,686,200	0.52%	0.52%
11. Other shareholders	100,142,000	14.18%	14.18%
Total	706,457,300	100.00%	100.00%

Source: www.set.or.th

Note: ^{/1} 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"), 58.85 percent of ACT shares are held by Jasmine International Overseas Co., Ltd. ("JOIC"), and 39.82 percent of JOIC shares are held by JAS.

^{/2} 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 of 24 April, 2017, from the shareholder's registration of the company.

Name	Number of shares held (shares)	Percentage of total issued and paid up shares (shares)	Percentage of total voting rights
1. Jasmine Telecom Systems Public Company Limited	538,264	97.87%	97.87%
2. Mrs. Arun Burtrattanapan	8,067	1.47%	1.47%
3. Mr. Julapon Burtrattanapan	1,833	0.33%	0.33%
4. Mrs. Polphatu Burtrattanapan	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 (Consolidated)	31 December 2014		31 December 2015		31 December 2016	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Assets						
Current assets						
Cash and cash equivalents	185.17	10.58%	179.23	10.94%	322.52	25.04%
Current investments-bank deposits	542.23	30.98%	525.86	32.10%	100.81	7.83%
Trade and other receivables	810.42	46.30%	778.87	47.54%	789.97	61.32%
Unbilled receivables						
Related parties	0.11	0.01%	0.02	0.00%	0.02	0.00%
Unrelated parties	42.52	2.43%	15.61	0.95%	11.11	0.86%
Inventory	17.14	0.98%	10.52	0.64%	8.19	0.64%
Accounts receivable under troubled debt restructuring	47.41	2.71%	47.41	2.89%	0.00	0.00%
Prepaid project costs	0.13	0.01%	0.44	0.03%	1.23	0.10%
Other current assets	38.37	2.19%	25.49	1.56%	12.56	0.98%
Total current assets	1,683.51	96.18%	1,583.46	96.65%	1,246.41	96.76%
Non-current assets						
Restricted bank deposits	32.39	1.85%	31.07	1.90%	30.41	2.36%
Property, plant, and equipment	31.68	1.81%	21.78	1.33%	9.54	0.74%
Deposits	2.84	0.16%	2.01	0.12%	1.85	0.14%
Total non-current assets	66.91	3.82%	54.86	3.35%	41.80	3.24%
Total assets	1,750.42	100.00%	1,638.32	100.00%	1,288.20	100.00%
Liabilities and shareholders' equity						
Current liabilities						
Trade and other payables	264.96	15.14%	231.72	14.14%	151.31	11.75%
Accrued project cost	165.26	9.44%	163.47	9.98%	157.64	12.24%
Current portion of long-term loans	28.97	1.65%	28.97	1.77%	0.00	0.00%
Advances received for goods and services	2.35	0.13%	1.63	0.10%	2.89	0.22%
Other current liabilities	26.72	1.53%	25.57	1.56%	28.35	2.20%
Total current liabilities	488.25	27.89%	451.35	27.55%	340.19	26.41%
Non-current liabilities						
Long-term loans-net of current portion	138.80	7.93%	109.80	6.70%	0.00	0.00%
Employee benefit obligations	17.63	1.01%	11.19	0.68%	10.48	0.81%

Statement of financial position (Consolidated)	31 December 2014		31 December 2015		31 December 2016	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Total non-current liabilities	156.43	8.94%	120.99	7.39%	10.48	0.81%
Total liabilities	644.68	36.83%	572.34	34.93%	350.67	27.22%
Shareholder's equity						
Issued and paid-up capital	706.46	40.36%	706.46	43.12%	706.46	54.84%
Share premium	420.27	24.01%	420.27	25.65%	420.27	32.62%
Retained earnings						
Appropriated-statutory reserve	65.19	3.72%	65.19	3.98%	70.65	5.48%
Unappropriated	(86.96)	(4.97%)	(126.79)	(7.74%)	(260.34)	(20.21%)
Other components of shareholder's equity	8.16	0.47%	8.16	0.50%	8.16	0.63%
Equity attributable to owners of the company	1,113.11	63.59%	1,073.28	65.51%	945.19	73.37%
Non-controlling interests of the subsidiary	(7.37)	(0.42%)	(7.29)	(0.45%)	(7.66)	(0.59%)
Total shareholder's equity	1,105.74	63.17%	1,065.98	65.07%	937.53	72.78%
Total liabilities and shareholder's equity	1,750.42	100.00%	1,638.32	100.00%	1,288.20	100.00%

Assets

In 2016, the company and its subsidiaries had total assets of 1,288.20 million Baht, composed of current assets of 1,246.41 million Baht and non-current assets of 41.80 million Baht, or 96.79 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 subsidiaries were lower by 350.12 million Baht and 462.21 million Baht or 21.37 percent and 26.41 percent, respectively. This was mainly caused by the decrease in short-term investments and bank deposits of 425.06 million Baht or 80.83 percent and 441.42 million Baht or 81.41 percent, respectively. This was due to the company's loaning of 530.00 million Baht to JAS in June 2016. However, JAS fully repaid the loan to the company in September 2016. Between 2014-2016, the company had continued net loss from operation. The company had net loss of 133.75 million Baht in 2014, a net loss of 39.76 million Baht in 2015, and a net loss of 57.81 million Baht in 2016. In 2016, the company made dividend payment of 70.64 million Baht. In 2016, the company's cash and cash equivalents increased by 143.29 million Baht or 79.95 percent compared to the year 2015, and increased by 137.35 million Baht 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 47.41 million Baht or 100 percent. These receivables are due from TT&T Public Company Limited (TT&T). According to the restructuring plan, the company and its subsidiaries 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 subsidiaries 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 4.49 million Baht or 28.80 percent and 31.41 million Baht or 73.87 percent, respectively. Moreover, property, plant, and equipment decreased by 12.24 million Baht or 56.20 percent and 22.14 million Baht or 69.88 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.

Liabilities

In 2016, the company and its subsidiaries had total liabilities of 350.67 million BAHT, composed of current liabilities of 340.19 million Baht and non-current liabilities of 10.48 million Baht 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 subsidiaries have been found to decrease by 221.67 million Baht and 294.01 million Baht, or 38.73 percent and 45.61 percent, respectively, mainly from the reduction in long-term loans net of current portion of 109.80 million Baht or 100 percent, and 138.80 million Baht or 100.00 percent compared to the year 2015 and 2014. Moreover, trade and other receivables decreased by 80.41 million Baht or 34.70 percent compared to the year 2015, and 113.65 million Baht or 42.89 percent compared to the year 2014, which follows reduced sales and service cost.

Shareholder's equity

In 2016, the company and its subsidiaries had shareholder's equity of 937.53 million Baht or 72.78 percent of total liabilities and shareholder's equity. In comparison to the year 2015 and 2014, shareholder's equity of the company and its subsidiaries had decreased by 128.45 million Baht or 12.05 percent and 168.21 million Baht or 15.21 percent, respectively, due to continuous net loss during 2014-2016, including a net loss of 133.75 million Baht, 39.76 million Baht, and 57.81 million Baht, respectively. In addition, the Company also paid dividend of 70.64 million Baht.

- Income Statement

Income Statement (Consolidated)	2014		2015		2016	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Revenue						
Sales and service income	109.56	85.85%	70.58	77.77%	125.21	88.14%
Exchange gains	0.00	0.00%	6.80	7.50%	0.97	0.68%
Other income	18.05	14.15%	13.37	14.74%	15.88	11.18%

Income Statement (Consolidated)	2014		2015		2016	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Total revenue	127.61	100.00%	90.76	100.00%	142.06	100.00%
Expenses						
Cost of sales and services	54.60	42.79%	32.39	35.69%	47.30	33.30%
Selling and servicing expense	11.29	8.85%	3.04	3.35%	1.53	1.08%
Administrative expenses	114.22	89.51%	85.92	94.67%	57.64	40.58%
Exchange losses	16.58	13.00%	0.00	0.00%	0.00	0.00%
Bad debt	0.00	0.00%	0.00	0.00%	1.73	1.21%
Doubtful accounts	0.00	0.00%	2.17	2.40%	80.03	56.33%
Depreciation expense	37.50	29.38%	0.00	0.00%	0.00	0.00%
Total expenses	234.19	183.53%	123.53	136.10%	188.23	132.50%
Profit (loss) before finance costs and income tax expenses	(106.58)	(83.53%)	(32.77)	(36.10%)	(46.17)	(32.50%)
Finance costs	(12.49)	(9.79%)	(10.73)	(11.82%)	(11.64)	(8.19%)
Profit (loss) before income tax expenses	(119.08)	(93.32%)	(43.49)	(47.92%)	(57.81)	(40.69%)
Income tax expenses	(14.67)	(11.50%)	0.00	0.00%	0.00	0.00%
Profit (loss) for the year	(133.75)	(104.82%)	(43.49)	(47.92%)	(57.81)	(40.69%)
Other comprehensive income	0.00	0.00%	3.73	4.11%	0.00	0.00%
Total comprehensive income for the year	(133.75)	(104.82%)	(39.76)	(43.81%)	(57.81)	(40.69%)

Revenue and cost of service

In 2016, the Company and its subsidiaries had total revenue of 142.06 million Baht, higher revenue was mainly attributed to an increase in revenue from sales and service of 125.21 million Baht or 88.14 percent of total revenue which increased by 51.30 million Baht or 56.52 percent and 14.45 million Baht 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 subsidiaries had cost of sales and service of 47.30 million Baht, an increase of 14.91 million Baht or 46.05 percent, compared to the year 2015, but a reduction of 7.30 million Baht or 13.37 percent, compared to the year 2014. Thus, in 2016, gross profit of the company and its subsidiaries was equal to 77.91 million Baht 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.

Expenses

In 2016, the company and its subsidiaries had total expenses of 140.93 million Baht, an increase from the same period last year by 49.79 million Baht or 54.63 percent. This is primarily the result of an increase in

doubtful accounts of 77.86 million Baht or 3,588.02 percent in the first quarter of 2016, as provision was made for doubtful accounts for loans 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 52.04 million Baht. And during 2016, the company has set an allowance for doubtful accounts receivable-unrelated parties which is the deposit for the purchase of tablet paid to the company in the country of 27.99 million Baht. Meanwhile, administrative expenses decreased from the same period last year of 28.28 million Baht or 32.91 percent because of organizational restructuring, while comparing to the year 2014, expenses of the company reduced by 38.66 million Baht or 21.53 percent due to a reduction of administrative expenses by 56.58 million Baht or 49.53 percent. In addition, in 2014 the company still had exchange losses of 16.58 million Baht and depreciation expense of 37.50 million Baht because of uninstalled public telephones held for sale and which cannot be sold for a long time. As a result, an impairment loss was fully recorded. At the same time, there was an increase in doubtful accounts of 80.03 million Baht.

Net profit

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

- Cash flow statement

Cash flow statement (consolidated) Unit: Million Baht	31 December 2014	31 December 2015	30 June 2016
Cash flow from (used in) operating activities	390.91	(0.80)	(77.32)
Cash flow from (used in) investing activities	(407.70)	23.86	430.02
Cash flow from (used in) financing activities	(39.67)	(29.00)	(209.41)
Increase (decrease) in cash and cash equivalents	(56.45)	(5.94)	143.29
Beginning cash	241.62	185.17	179.23
Cash at the end of the period	185.17	179.23	332.52

In 2016, the company and its subsidiaries had beginning cash and cash equivalent of 179.23 million Baht. Net cash used in operating activities was equal to 77.32 million Baht while cash received from investing activities was equal to 430.02 million Baht. Net cash used in financing activities was equal to 209.41 million Baht. Thus, at the end of the period, the company had cash and cash equivalent of 332.52 million Baht.

In 2015, the company had beginning cash and cash equivalent of 185.17 million Baht. The company used 0.80 million Baht in operating activities while net cash from investing activities was equal to 23.86 million

Baht. Net cash used in financing activities was equal to 29.00 million Baht. At the end of the period, the company, therefore, had cash and cash equivalent of 179.23 million Baht.

Appendix 2

Jasmine International Public Company Limited

1.1. Nature of the business

1.1.1. Overview of the business

The company 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 and experienced staff. Businesses of Jasmine International Group 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; data center 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

The Company 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 Jasmine International Group are categorized into 4 main groups as follows;

1. Broadband Business

- Triple T Broadband PCL. that 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.

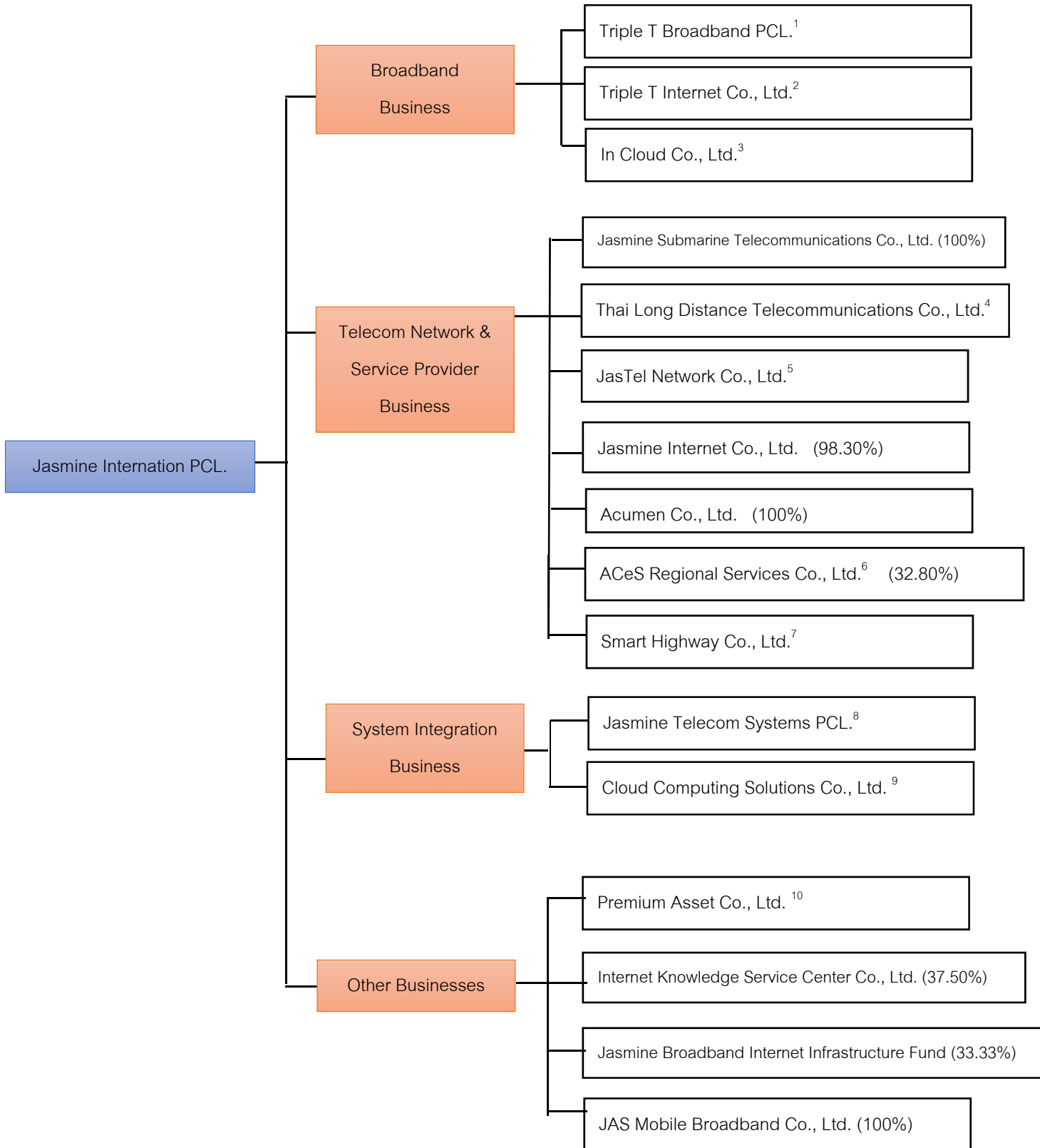
- In Cloud Co., Ltd. that provides software development, distribution, and service provision of general software, including software system that supports value added services for Broadband Business
2. Telecom Network & Service Provider Business
- Jasmine Submarine Telecommunications Co., Ltd. that provides 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, 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 /service providers of telecommunication network as well as Internet and corporate clients. Other services include maintenance service for submarine cable, submarine as well as terrestrial cable installation, and 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; for instances, online services via GPRS/Enhanced Data rates for Global Evolution (EDGE) /Code Division Multiple Access (CDMA) systems, IP camera service and WiFi Hotspots, etc. to its customers.
 - Acumen Co., Ltd., that emphasizes providing WiFi Hotspot service, especially in the areas of tourist destinations, communities, schools, and department stores. Each spot provides high-speed bandwidth, which enables WiFi users to enjoy fast Internet connectivity. Those who use smart phone, in particular, will appreciate more conveniences the service provides. Besides WiFi Hotspot service, the company offers wireless communication services such as satellite communications called VSAT (Very Small Aperture Terminal) country-wide.

- 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
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 the Company

In 2013 -2015, revenue of the company, its subsidiaries and associated companies is classified as follows:

Business segments	2014		2015		2016	
	Million Baht	Percent (%)	Million Baht	Percent (%)	Million Baht	Percent (%)
The company and its subsidiaries						
1. Broadband Business	11,003	88.65	31,946	95.57	16,953	93.40
2. Telecom Network & Service Provider Business	1,113	8.97	1,181	3.54	967	5.33
3. System Integration Business	98	0.79	45	0.13	59	0.33
4. Other Businesses	197	1.59	255	0.76	172	0.94
Total revenue for the company and its subsidiaries	12,411	100.00	33,427	100.00	18,151	100.00
Associated companies						
Other businesses	0.20	100.00	796.9	100.00	1,019.21	100.00
Total revenue of associated companies	0.20	100.00	796.9	100.00	1,019.21	100.00

Source: Company information.

1.1.4. List of the Board of Directors

3) List of the Board of Directors as at 24 February 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
3. Dr.Yodhin Anavil	Independent Director and Audit Committee
4. Mrs.Chantra Purnariksha	Independent Director and Audit Committee

Name	Position
5. Mr.Pete Bodharamik	Director, Chief Executive Officer, and Managing Director
6. Mr.Somboon Patcharasopak	Director
7. Mr.Subhoj Sunyabhisithkul	Director
8. Mr.Terasak Jerauswapong	Director
9. Mr.Pleumjai Sinarkorn	Director
10. Mr.Yordchai Asawathongchai ¹	Director
11. Ms.Saijai Kitsin	Director, Executive Vice President, Secretary to the Board of Directors and Corporate Secretary

Source: Company information.

Note: ¹Took the place of Dr. Sorachai Asawaphrapha from 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 24 February 2017 is as follows;

Name	Position
1. Mr.Pete Bodharamik	Director
2. Mr.Subhoj Sunyabhisithkul	Director
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

Source: Department of Business Development, Ministry of Commerce

2.2) Triple T Internet Co., Ltd. as at 24 February 2017 is as follows;

Name	Position
1. Mr.Pete Bodharamik	Director
2. Mr.Subhoj Sunyabhisithkul	Director
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 24 February 2017 is as follows;

Name	Position
1. Mr.Terasak Jeeraassawapong	Director

Name	Position
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 24 February 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) Major shareholders of the company as of the closing date of the company's share register book (24 February 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	72.35%	72.35%
2. Jasmine Internation PCL ¹	1,200,000,000		
3. Thai NVDR Company Limited	234,509,588	3.95%	3.95%
4. Mr.Krirkrai Tribunyatkul	63,498,100	1.07%	1.07%
5. HSBC (SINGAPORE) NOMINEES PTE LTD	59,658,800	1.00%	1.00%
6. Mr.Thitchuan Nanawarathorn	54,000,000	0.91%	0.91%
7. Mr.Vichan Vachiraphong	40,000,000	0.67%	0.67%
8. CHASE NOMINEES LIMITED	36,207,200	0.61%	0.61%
9. Other Shareholders ²	1,153,836,975	19.43%	19.43%
Total	5,936,836,975	100.00%	100.00%

Note: ¹ On 29 April 2016, the 2016 Annual General Meeting of Shareholders has approved a share repurchase program for financial management of 1,200 million shares. Later, on 23 December 2016, the Company has already registered the decrease in the amount of share repurchased by withdrawing the number of treasury shares.

² the said calculation excluded treasury shares of 1,200 million shares.

4) Information of shareholders of the registered in the core companies

2.1) Triple T Broadband PCL. as at 24 February 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 Public Company Limited	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

2.2) Triple T Internet Co., Ltd. as at 24 February 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

2.3) Jasmine Submarine Telecommunications Co., Ltd. as at 24 February 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

2.4) Acumen Co., Ltd. as at 24 February 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	
	THB million	Percentage	THB million	THB million	Percentage	THB million
Assets						
<u>Current Assets</u>						
Cash and cash equivalents	1,500.91	6.53%	7,879.72	15.51%	2,481.80	5.21%
Current investments-bank deposits	894.06	3.89%	1,195.29	2.35%	376.73	0.79%
Trade and other receivables	3,169.30	13.79%	3,088.27	6.08%	3,020.26	6.35%
Unbilled receivables	62.63	0.27%	33.24	0.07%	13.15	0.03%
Short-term loans to related parties	0.00	0.00%	3,850.00	7.58%	0.00	0.00%
Inventories	27.37	0.12%	0.00	0.00%	0.00	0.00%
Prepaid project costs	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%
Withholding tax deducted at source	74.47	0.32%	147.82	0.29%	119.51	0.25%
Input tax pending payments	407.63	1.77%	656.81	1.29%	620.19	1.30%
Prepaid expenses	245.50	1.07%	41.98	0.08%	53.23	0.11%
Other current assets	30.05	0.13%	33.40	0.07%	29.77	0.06%
Total current assets	6,411.93	27.90%	16,939.19	33.35%	7,389.81	15.53%
Non-current assets held for sale	2,797.54	12.17%	87.50	0.17%	0.00	0.00%
	9,209.47	40.07%	17,026.69	33.52%	7,389.81	15.53%
<u>Non-current assets</u>						0.00%
Restricted bank deposits	307.71	1.34%	477.77	0.94%	472.73	0.99%
Accounts receivable under troubled debt restructuring	54.03	0.24%	54.03	0.11%	0.00	0.00%
Investments in subsidiaries	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%
Investment property	585.56	2.55%	543.06	1.07%	515.21	1.08%
Property, plant, and equipment	12,501.71	54.40%	18,957.71	37.32%	27,976.17	58.78%
Computer software	5.08	0.02%	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%
Advance rental payment	0.00	0.00%	816.51	1.61%	816.51	1.72%
Deposit guarantee on application for spectrum licensing	0.00	0.00%	644.00	1.27%	0.00	0.00%
Other non-current assets	86.12	0.37%	138.92	0.27%	177.36	0.37%

Statement of financial position (Consolidated)	31 December 2014		31 December 2015		31 December 2016	
	THB million	Percentage	THB million	THB million	Percentage	THB million
Total non-current assets	13,772.34	59.93%	33,768.88	66.48%	40,204.31	84.47%
Total assets	22,981.81	100.00%	50,795.57	100.00%	47,594.12	100.00%
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%
Trade and other payables	2,950.26	12.84%	3,753.22	7.39%	3,949.94	8.30%
Accrued project costs	168.05	0.73%	166.05	0.33%	160.22	0.34%
Short-term loan from related party	0.00	0.00%	0.00	0.00%	0.00	0.00%
Current portions of the long-term liabilities						0.00%
Long-term loans from banks	1,054.23	4.59%	119.97	0.24%	1,410.14	2.96%
Liabilities under finance lease agreements	36.40	0.16%	44.84	0.09%	51.35	0.11%
Provision for rental assurance	0.00	0.00%	1,576.65	3.10%	1,753.70	3.68%
Accounts payable for equipment	372.87	1.62%	0.00	0.00%	766.11	1.61%
Liabilities under the previous rehabilitation plan	0.00	0.00%	0.00	0.00%	0.00	0.00%
Withholding tax payable	46.35	0.20%	63.66	0.13%	147.89	0.31%
Income tax payable	273.50	1.19%	4,650.05	9.15%	256.25	0.54%
Undue output tax	420.47	1.83%	405.84	0.80%	472.11	0.99%
Advance received from customers	468.84	2.04%	529.62	1.04%	467.98	0.98%
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%
Provision for reversal of judgement by the Supreme Court	276.83	1.20%	289.05	0.57%	301.22	0.63%
Other current liabilities	33.67	0.15%	30.12	0.06%	24.26	0.05%
Total current liabilities	8,559.46	37.24%	18,278.99	35.99%	11,990.29	25.19%
<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%
Liabilities under finance lease agreements	71.21	0.31%	89.28	0.18%	72.94	0.15%
Provision for rental assurance	0.00	0.00%	13,889.40	27.34%	13,763.19	28.92%
Accounts payable for equipment	0.00	0.00%	0.00	0.00%	4,519.85	9.50%
Provision for long-term employee benefits	253.92	1.10%	354.57	0.70%	377.96	0.79%
Provision for entry fee for laying the optical fiber cables	0.00	0.00%	470.78	0.93%	461.03	0.97%

Statement of financial position (Consolidated)	31 December 2014		31 December 2015		31 December 2016	
	THB million	Percentage	THB million	THB million	Percentage	THB million
Other non-current liabilities	9.36	0.04%	6.82	0.01%	19.70	0.04%
Total non-current liabilities	1,495.62	6.51%	15,506.37	30.53%	24,336.46	51.13%
Total liabilities	10,055.07	43.75%	33,785.37	66.51%	36,326.75	76.33%
Shareholders' equity						
Issued and fully paid-up share capital	3,568.70	15.53%	3,566.74	7.02%	2,968.48	6.24%
Share subscription received in advance	0.00	0.00%	0.25	0.00%	1,264.23	2.66%
Premium (discount) on ordinary shares	(224.55)	(0.98%)	302.92	0.60%	314.81	0.66%
Retained earnings						
Appropriated						
Statutory reserve - the Company	331.11	1.44%	356.87	0.70%	464.60	0.98%
Statutory reserve - subsidiaries	518.61	2.26%	534.81	1.05%	547.35	1.15%
Treasury share reserve	991.66	4.31%	0.00	0.00%	0.00	0.00%
Unappropriated	7,434.16	32.35%	10,861.92	21.38%	4,418.42	9.28%
Other components of shareholders' equity	258.18	1.12%	258.18	0.51%	258.18	0.54%
Equity attributable to owners of the Company	12,877.86	56.04%	15,881.68	31.27%	10,236.06	21.51%
Less: Treasury shares	(991.66)	(4.31%)	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%
Non-controlling interests of the subsidiaries	1,040.53	4.53%	1,128.52	2.22%	1,031.30	2.17%
Total shareholders' equity	12,926.73	56.25%	17,010.20	33.49%	11,267.36	23.67%
Total liabilities and shareholders' equity	22,981.81	100.00%	50,795.57	100.00%	47,594.12	100.00%

Assets

In 2016, the company and its subsidiaries had total assets of 47,594.12 million Baht, consisting of current assets of 7,389.81 million Baht and non-current assets of 40,204.31 million Baht, representing 15.53 percent and 84.47 of total assets, respectively. When comparing to the year 2015, total assets of the Company and its subsidiaries decreased by 3,201.45 million Baht or 6.30 percent, mainly due to a decrease in cash and cash equivalents of 5,397.92 million Baht, or 68.50 percent due to the cash outflow from the repurchase of treasury shares of the Company in an amount of 6,000 million Baht, 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 0.50 Baht per share). The bidding price is equal to 5.00 Baht per share and the maximum amount of shares repurchase is not more than 6,000 million Baht. 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 3,850 million Baht 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 1,920.67 million Baht or 21.90 percent due to dividend payment to JAS during the year 2016 and a decrease in current investments - deposits with financial institutions of 818.56 million Baht or 68.48 percent and a deposit for spectrum license auction of 644.00 million Baht, or 100 percent, while there was an increase in property, plant and equipment of 9,018.46 million Baht, 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 the Company and its subsidiaries had increased by 24,612.31 million Baht or 107.09 percent, mainly due to an increase in property, plant and equipment of 15,474.46 million Baht 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 Baht 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 980.89 million Baht or 65.35 percent.

Liabilities

In 2016, the company and its subsidiaries had total liabilities of 36,326.75 million Baht, consisting of current liabilities of 11,990.29 million Baht and non-current liabilities of 24,336.46 million Baht, representing 33.01 percent and 51.13 of total assets, respectively. When comparing with the year 2015, total liabilities of the Company and its subsidiaries increased by 2,541.39 million Baht, or 7.52 percent, mainly from an increase in net long-term liabilities in part of account payable for equipments of 4,519.85 million Baht 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 4,426.26 million Baht for the business operation of the Company and its subsidiaries. In addition, there also was an increase in current portions of long-term loans from financial institutions of 1,290.17 million Baht, or 1,075.43 percent, an increase in short-term loans from financial institutions of 710.39 million Baht or 46.78 percent, and an increase in accounts payable of equipments of 766.11 million Baht, or 100 percent. Meanwhile, there was a decrease in income tax payable of 4,393.79 million Baht, or 94.49 percent from income tax payable of the profit from the sale of assets to TTTBB's Fund and a reduction of money received in advance for the assets to be delivered in the future of 5,131.21 million Baht 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 26,271.68 million Baht, or 261.28 percent, mainly from net long-term liabilities in part of provision for rental assurance of 13,763.19 million Baht, 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 4,519.85 million Baht 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 3,960.66 million Baht.

Shareholder's equity

In 2016, the company and its subsidiaries had shareholder's equity of 11,267.36 million Baht or 23.67 percent of total assets, compared to the year 2015 and 2014, shareholders' equity of the company and its subsidiaries decreased by 5,742.84 million Baht and 1,659.37 million Baht, or 33.76 percent and 12.84 percent, respectively, due to the company, in 2016, has repurchased shares of 6,000 million Baht (1,200 million shares at par value of 0.50 Baht 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 dividend payment to shareholders of 3,944.37 million Baht, while net profit in 2016 was equal to 2,991.78 million Baht.

- Income Statement

Income Statement (Consolidated)	2014		2015		2016	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
<u>Revenue</u>						
Sales and service income	12,268.49	98.85%	13,982.68	41.83%	15,619.26	86.05%
Other income						
Gains on sales of assets to the fund	0.00	0.00%	18,859.33	56.42%	2,159.90	11.90%
Interest income	57.67	0.46%	274.02	0.82%	70.39	0.39%
Income from management and maintenance of assets	0.00	0.00%	154.14	0.46%	205.52	1.13%
Others	84.89	0.68%	156.97	0.47%	95.77	0.53%
Total other income	142.55	1.15%	19,444.46	58.17%	2,531.58	13.95%
Total revenues	12,411.05	100.00%	33,427.14	100.00%	18,150.84	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%
Selling and servicing expenses	853.05	6.87%	1,000.20	2.99%	1,156.38	6.37%
Administrative expenses	2,035.98	16.40%	2,346.94	7.02%	2,769.40	15.26%
Exchange losses	32.78	0.26%	127.36	0.38%	105.21	0.58%
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%
Losses on impairment of assets	37.50	0.30%	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%

Income Statement (Consolidated)	2014		2015		2016	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Loss on recording provision for reversal of judgement by the Supreme Court	276.83	2.23%	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%
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%
Shares of profit from investments in associates	0.15	0.00%	796.86	2.38%	1,019.21	5.62%
Profit before finance cost and income tax	4,299.11	34.64%	22,120.02	66.17%	4,249.35	23.41%
Finance cost	(296.88)	(2.39%)	(197.44)	(0.59%)	(395.05)	(2.18%)
Profit before income tax	4,002.22	32.25%	21,922.58	65.58%	3,854.31	21.23%
Income tax	(759.70)	(6.12%)	(6,022.84)	(18.02%)	(862.53)	(4.75%)
Profit for the year	3,242.53	26.13%	15,899.74	47.57%	2,991.78	16.48%
Other comprehensive income	0.00	0.00%	(60.53)	(0.18%)	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%

Revenue

In 2016, the company and its subsidiaries had total revenue of 18,150.84 million Baht, mainly came from revenue from sales and services of 15,619.26 million Baht, or 86.05 percent. When comparing to the year 2015, the total revenue declined by 15,276.30 million Baht, or 45.70 percent, mainly due to a decrease in gain on sale of assets to the fund of 16,699.43 million Baht. While revenue from sales and services increased by 1,636.59 million Baht, mainly came from the expansion of customer base of TTTBB in which in 2016, a number of customers of TTTBB increased by 430,000 people. When comparing to the year 2014, total revenues of the company and its subsidiaries increased by 5,739.80 million Baht, or 50.97 percent due to the increase in revenues from sales and services, and gains on asset sales to the fund of 3,350.77 million Baht and 2,159.90 million Baht, respectively.

Cost of sales and services

In 2016, the Company and its subsidiaries had cost of sales and services of 9,711.22 million Baht, increased by 1,304.71 million Baht and 4,997.99 million Baht 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 1,156.38 million Baht, increased from the year 2015 and 2014 by 156.18 million Baht and 303.32 million Baht, or 115.61 percent and 35.56 percent,

respectively, as well as administrative expenses of 2,769.40 million Baht, which increased from the year 2015 and 2014 by 422.46 million Baht and 733.42 million Baht 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 644 million Baht. 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 199 million Baht (interest calculated until 30 June 2016). As a result, in order to end dispute, Jas Mobile has made a payment of claim damages of 197 million Baht (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 114.86 million Baht and 175.15 million Baht or 51.51 percent and 107.63 percent, respectively.

Net profit

In 2016, the Company and its subsidiaries had total comprehensive income for the year of 2,991.78 million Baht, decreased from the year 2015 and 2014 by 12,847.42 million Baht and 250.75 million Baht 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.

- Cash flow statement

Cash flow statement (consolidated) Unit: THB million	31 December 2014	31 December 2015	31 December 2016
Cash flow from (used in) operating activities	6,809.30	(2,707.72)	(2,480.14)
Cash flow from (used in) investing activities	(2,761.28)	28,389.80	2,845.68
Cash flow from (used in) financing activities	(5,544.18)	(19,303.27)	(5,763.46)
Increase (decrease) in cash and cash equivalents	(1,496.16)	6,378.81	(5,397.92)
Beginning cash	2,997.08	1,500.91	7,879.72
Cash at the end of the period	1,500.91	7,879.72	2,481.80

In 2016, the Company had beginning cash and cash equivalent of 7,879.72 million Baht. Net cash used in operating activities was equal to THB 2,480.14 million while cash received from investing activities was

equal to 2,845.68 million Baht. Net cash used in financing activities was equal to 5,763.46 million Baht. Thus, at the end of the period, the company had cash and cash equivalent of 2,481.80 million Baht.

In 2015, the Company had beginning cash and cash equivalent of 1,500.91 million Baht. The company used 2,707.72 million Baht in operating activities while net cash from investing activities was equal to 28,389.80 million Baht. Net cash used in financing activities was equal to 19,303.27 million Baht. At the end of the period, the company, therefore, had cash and cash equivalent of 7,879.72 million Baht.