

12. Significant Financial Information

Audit Report Summary

The auditor whose appointment was approved by the 2019 AGM was Mr. Supachai Phanyawattano, Certified Public Accountant (Thailand) No. 3930 or Ms. Krongkaew Limkittikul, Certified Public Accountant (Thailand) No.5874, or Mr. Natthawut Santipet, Certified Public Accountant (Thailand) No.5730 of EY Office Limited, located at No.193/136-137, 33rd Floor, Lake Rajada Office Complex, New Rajadapisek Road, Bangkok 10110 Tel. (66) 0 2264 0777 and (66) 0 2661 9190 Fax (66) 0 2264 0789-90 and (66) 0 2661 9192.

According to the Audit Report, the Company's auditor has given Qualified Opinion on the Company's financial statements as of the years 2017, 2018 and 2019, due to a limitation imposed by circumstances. In 2018, the Company's financial statements were limited by the following circumstances:-

A concession provider has ceased making payment to a subsidiary for service under the co-investor agreement made between the subsidiary and the concession provider amounting to Baht 2,518 million as the revenue sharing are still being disputed between a concession provider and the subsidiary. The subsidiary took the dispute to the Arbitration Institute. Subsequently, on 19 August 2016, a concession provider submitted a dispute proposal to the Arbitration Institute, asking the subsidiary to return the excess revenue sharing received based on the co-investor agreement and to pay opportunity costs, together amounting to approximately Baht 9,931 million. In May 2019, the subsidiary received the Arbitration Award from the Arbitration Institute, which ordered the concession provider to make full debt payment amounting to Baht 2,518 million, plus interest in the amount of Baht 877 million (calculated using an interest rate of 7.5 percent per annum, until the dispute was submitted), totaling to approximately Baht 3,395 million, together with an interest at the rate of 7.5 percent per annum until the full payment is made and ordered the subsidiary to pay for damages to the concession provider amounting to Baht 16 million together with an interest rate of 7.5 percent per annum until the full payment is made. However, the concession provider disagreed and filed a petition to revoke the Arbitration Award from the Arbitration Institute with the Central Administrative Court. The subsidiary therefore considers no further transactions that related to the Arbitration Award should recorded in the accounts. Furthermore, on 26 August 2016, the concession provider submitted a dispute proposal to the Arbitration Institute, asking the subsidiary and another subsidiary to pay costs, damages with interest and business opportunity costs in total amounting to approximately Baht 258 million. In November 2019, two subsidiaries received the Arbitration Award from the Arbitration Institute, which ordered two subsidiaries to pay costs and damages together with interests, which calculated until the date of the Arbitration Award, totaling to Baht 25 million, to the concession provider by settlement with outstanding receivable between the concession provider and the another subsidiary together with interest, which calculated until the date of Arbitration Award, totaling to Baht 25 million. However, the concession provider disagreed and currently in the process of filing a petition to revoke the Arbitration Award from the Arbitration Institute with the Central Administrative Court. The another subsidiary has already recorded the costs and damages in its financial statements. The ultimate

outcomes of the disputes that are not finalized cannot be determined at this time which may significantly affect the balance of such trade receivable. The costs and damages which may result from the above event may significantly impact on the value of the investment in the subsidiary. The auditor was unable to audit to satisfy himself as to the balances of such transactions.

The auditor also drew attention to the following matters:-

1. The Infrastructure Fund transaction, regarding the additional Optical Fiber Cable assets sales and leaseback transactions and recognition of gain from the transactions amounting to Baht 13,975 million. The transactions are highly material to the consolidated financial statements and are not regular transactions occurring in the normal course of business
2. The litigation between the Company and five financial institutions regarding circumstance that the Central Bankruptcy Court read the judgment of the Supreme Court, rejecting the rehabilitation plan. The five financial institutions filed a petition for the rights of claim of the creditors that they had prior to the rehabilitation order with the Central Intellectual Property Court. Currently, the Company entered into compromise agreements with three financial institutions whereby the Company shall pay the principal and interests totaling Baht 1,349 million together with interest following the compromise agreements until the full payment is made. As a result, the Company recorded the additional liabilities in the current year amounting to Baht 670 million. For the other two financial institutions, the Company is in the compromise process. However, the Company recorded an additional provision in the current year amounting to Baht 161 million, based on the debt amounts that the Central Intellectual Property Court ordered the Company to pay.
3. The litigation between a subsidiary and two government agencies, ordering the subsidiary to pay penalties for its failure to deliver tablets according to the agreements. During the year 2018, the Central Administrative Court issued a judgment on the case, ordering the subsidiary to pay penalties together with interest. A provision for penalties and compensation that might be incurred that the subsidiary has recorded in the past, are sufficient to the amount of the penalties according to the judgment of the Central Administrative Court. However, the subsidiary and the two government agencies filed appeals to the Supreme Administrative Court. At present, the cases are under consideration by the Supreme Administrative Court. The subsidiary's management and legal advisor are confident that no significant losses will be incurred as a result of these lawsuits and disputes.
4. The management of the subsidiary is of the opinion that the settlement of outstanding balances with an unrelated company of approximately Baht 877 million, including the Court proceedings and various disputes, are correct.

12.1 Summary of the Consolidated Financial Statements

The summary of statement of financial position, statement of comprehensive income and statement of cash flows during the past 3 years, ended 31 December is presented in the table below.

Item	Consolidated Financial Statements					
	2019		2018		2017	
	Million Baht	%	Million Baht	%	Million Baht	%
Statement of Financial Position						
Assets						
Current assets						
Cash and cash equivalents	24,008	34.36	899	1.70	3,038	6.01
Current investments – deposits with banks	27	0.04	36	0.07	49	0.10
Trade and other receivables	3,167	4.53	3,180	6.01	3,174	6.28
Revenue department receivable	159	0.23	1,047	1.98	907	1.79
Input tax pending payments	404	0.58	537	1.02	412	0.82
Prepaid project cost	1	0.00	1	0.00	0	0.00
Prepaid expenses	167	0.24	111	0.21	66	0.13
Other current assets	16	0.02	21	0.04	28	0.06
Total current assets	27,949	40.00	5,832	11.03	7,674	15.18
Non-current assets						
Restricted deposits with banks	412	0.59	478	0.90	488	0.96
Investments in associates	3,998	5.72	4,018	7.60	6,234	12.33
Investment properties	462	0.66	500	0.95	535	1.06
Property, plant, and equipment	35,302	50.52	37,487	70.88	31,098	61.52
Deferred tax assets	146	0.21	2,782	5.26	3,083	6.10
Withholding tax deducted at source	475	0.68	781	1.48	424	0.84
Advance rental payment	817	1.17	817	1.54	817	1.62
Other non-current assets	313	0.45	196	0.37	196	0.39
Total non-current assets	41,925	60.00	47,058	88.97	42,874	84.82
Total assets	69,874	100.00	52,890	100.00	50,549	100.00
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans from banks	1,604	2.30	968	1.83	3,915	7.74
Trade and other payables	2,516	3.60	3,435	6.49	4,064	8.04
Short-term loans	0	0.00	571	1.08	1,358	2.69
Current portions of the long-term liabilities	5,906	8.44	8,291	15.68	5,580	11.04
Withholding tax payable	398	0.57	39	0.07	158	0.31
Income tax payable	5,809	8.31	59	0.11	37	0.07
Undue output tax	384	0.55	403	0.76	310	0.61
Advance received from customers	583	0.83	603	1.14	532	1.05
Other current liabilities	140	0.20	20	0.04	39	0.08
Total current liabilities	17,340	24.82	14,389	27.21	15,993	31.64
Non-current liabilities						

Item	Consolidated Financial Statements					
	2019		2018		2017	
	Million Baht	%	Million Baht	%	Million Baht	%
Long-term liabilities – net of current portions	28,448	40.71	17,853	33.75	18,220	36.04
Provision for long-term employee benefits	829	1.19	498	0.94	402	0.80
Provision for entry fee for laying the optical fiber cables	792	1.13	244	0.46	274	0.54
Provision for expenses and rental fee relating to subduct for optic fiber relocation	347	0.50	0	0.00	0	0.00
Provision for reversal of judgment by the Supreme Court	399	0.57	927	1.75	313	0.62
Deposit received from customers	486	0.70	588	1.11	702	1.39
Other non-current liabilities	49	0.07	16	0.03	15	0.03
Total non-current liabilities	31,350	44.87	20,125	38.05	19,927	39.42
Total liabilities	48,690	69.69	34,514	65.26	35,920	71.06
Shareholders' equity						
Issued and fully paid-up shares	4,083	5.84	3,992	7.55	3,335	6.60
Share subscription received in advance	162	0.23	564	1.07	2,919	5.78
Premium on ordinary shares	7,760	11.11	7,191	13.60	2,812	5.56
Retained earnings						
Appropriated						
Statutory reserve – the Company	478	0.68	478	0.90	465	0.92
Statutory reserve – subsidiaries	1,091	1.56	623	1.18	556	1.10
Unappropriated	6,320	9.04	4,223	7.983	3,239	6.41
Other components of shareholders' equity	258	0.37	258	0.49	258	0.51
Equity attributable to owners of the Company	20,152	28.83	17,330	32.77	13,584	26.87
Non-controlling interests of the subsidiaries	1,032	1.48	1,046	1.98	1,044	2.07
Total shareholders' equity	21,184	30.31	18,376	34.74	14,629	28.94
Total liabilities and shareholders' equity	69,874	100.00	52,890	100.00	50,549	100.00
Statement of comprehensive income						
Revenues						
Sales and service income	18,175	52.17	17,995	81.27	17,432	95.32
Other income						
Gain on sales of assets to the fund	13,975	40.11	0	0.00	0	0.00
Interest income	31	0.09	27	0.12	19	0.10
Management and maintenance income of the OFCs	263	0.76	241	1.09	227	1.24
Gain on sales of investments in associate	1,732	4.97	3,650	16.48	0	0.00
Gain on exchange	532	1.53	48	0.22	555	3.04
Others	131	0.38	182	0.82	55	0.30
Total other income	16,664	47.83	4,148	18.73	856	4.68
Total revenues	34,839	100.00	22,144	100.00	18,288	100.00
Expenses						
Cost of sales and services	11,705	33.60	11,267	50.88	11,031	60.32

Item	Consolidated Financial Statements					
	2019		2018		2017	
	Million Baht	%	Million Baht	%	Million Baht	%
Selling and servicing expenses	1,296	3.72	1,280	5.78	1,299	7.10
Administrative expenses	4,118	11.82	3,473	15.68	2,888	15.79
Doubtful accounts and bad debt	247	0.71	231	1.04	225	1.23
Loss on litigation from reversal of judgment by the Supreme Court	831	2.38	613	2.77	12	0.07
Total expenses	18,197	52.23	16,863	76.15	15,455	84.51
Profit before share of profit from investments in associates, finance cost and income tax	16,642	47.77	5,281	23.85	2,833	15.49
Share of profit from investments in associates	772	2.21	899	4.06	1,096	5.99
Profit before finance cost and income tax	17,414	49.98	6,180	27.91	3,929	21.49
Finance cost	(1,128)	(3.24)	(744)	(3.36)	(692)	(3.79)
Profit before income tax	16,286	46.74	5,436	24.55	3,237	17.70
Income tax	(9,013)	(25.87)	(506)	(2.29)	(514)	(2.81)
Profit for the year	7,273	20.87	4,930	22.26	2,722	14.89
Other comprehensive income						
Actuarial losses	(147)	(0.42)	(66)	(0.30)	-	-
Income tax effect	0	0.00	10	0.05	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods-net of income tax	(147)	(0.42)	(66)	(0.30)	-	-
Other comprehensive income for the year	(147)	(0.42)	(55)	(0.25)	-	-
Total comprehensive income for the year	7,126	20.45	4,875	22.01	2,722	14.89
Profit attributable to:						
Equity holders of the Company	7,265	20.85	4,913	22.19	2,693	14.73
Non-controlling interests of the subsidiaries	8	0.02	18	0.08	29	0.16
	7,273	20.87	4,930	22.26	2,722	14.89
Total comprehensive income attributable to:						
Equity holders of the Company	7,119	20.43	4,858	21.94	2,693	14.73
Non-controlling interests of the subsidiaries	7	0.02	17	0.08	29	0.16
	7,126	20.45	4,875	22.01	2,722	14.89
Basic earnings per share						
Profit attributable to equity holders of the Company	0.90		0.63		0.42	
Diluted earnings per share						
Profit attributable to equity holders of the Company	0.83		0.58		0.33	
Statement of cash flows						
Net cash (used in) operating activities	4,814		4,001		3,418	
Net cash from investing activities	32,147		1,900		(2,503)	
Net cash (used in) financing activities	(13,853)		(8,040)		(358)	
Net increase in cash and cash and cash equivalents	23,109		(2,139)		556	

Item	Consolidated Financial Statements					
	2019		2018		2017	
	Million Baht	%	Million Baht	%	Million Baht	%
Cash and cash equivalents at the beginning of year	899		3,038		2,482	
Cash and cash equivalents at end of year	24,008		899		3,038	

12.2 Financial Ratio

Significant financial ratios that reflect financial position and operation results of the core businesses of the Company and its subsidiaries are as follows:-

Item		Consolidated Financial Statements		
		2019	2018	2017
Liquidity Ratio				
Current Ratio	(Time)	1.61	0.41	0.48
Quick Ratio	(Time)	1.57	0.29	0.39
Cash Ratio	(Time)	0.30	0.26	0.25
Receivable Turnover	(Time)	5.73	5.66	5.63
Average Collection Period	(Day)	63	64	64
Inventory Turnover	(Time)	-	-	-
Holding Period	(Day)	-	-	-
Payable Turnover	(Time)	3.93	3.00	3.10
Average Payment Period	(Day)	92	120	118
Cash Cycle	(Day)	(29)	(56)	(55)
Profitability Ratio				
Gross Profit Margin	%	35.59	37.39	36.72
Operating Profit Margin	%	6.91	13.00	13.72
Other Profit Margin	%	47.83	18.73	4.68
Cash to Profitability Ratio	%	383.29	171.05	142.90
Net Profit Margin	%	20.85	22.19	14.73
Return on Equity	%	36.73	29.77	20.80
Efficiency Ratio				
Return on Assets	%	11.84	9.50	5.49
Return on Fixed Assets	%	33.61	26.90	21.22
Total Assets Turnover	(Time)	0.57	0.43	0.37
Financial Policy Ratio				
Debt to Equity Ratio	(Time)	2.30	1.88	2.46
Interest Coverage Ratio	(Time)	12.26	6.06	5.68
Leverage Ratio (Cash Basis)	(Time)	0.29	0.17	0.34
% Growth Ratio				
Total Assets	%	32.11	4.63	6.35
Total Liabilities	%	41.07	(3.91)	(0.95)
Sales and Service Income	%	1.00	3.23	11.61
Operating Expenses	%	13.92	13.51	6.65
Net Profit (Loss)	%	47.88	82.39	(10.27)

Management Discussion and Analysis (MD&A)

13. Management Discussion and Analysis (MD&A)

Overview

The broadband internet market in Thailand has been growing continuously due to the markedly increasing demand of internet services which was driven by the government policy to support and promote digital economy and the consumers' behavior that has been changing to rely more and more on the online transactions in their business and daily lives. In the previous year, the broadband internet market was set to heat up with AIS Group, a new operator, rivaling against the 3 major service providers, namely TRUE, TOT, and 3BB whose marketing strategy was offering their own mobile phone customers broadband internet packages bundled with other value added services.

For 3BB, the company emphatically expanded its Fiber Optic networks in parallel with the provision of the broadband internet service with the FTTx technology that enhances more speed efficiency. With FTTx, the company was capable of offering hi-speed broadband internet services. The company placed a high priority on maintaining its leadership in the broadband internet market through its quality service speed upgrading and the offering of its services at reasonable prices; thus, being granted the Best Fixed Internet Performance Award from nPerf, France, in 2019 as a guarantee. In addition, in order to serve the needs of the customers, 3BB continued developing a variety of value added services. It was in 2019 as well that the company entered into a Memorandum of Understanding with KT Corporation and MONO Technology Public Company Limited for the provision of IPTV service as a value added service for 3BB's broadband internet service which is expected to help lower the churn rate of 3BB subscribers. The Company also joined forces with dtac TriNet Company Limited ("DTAC") for the sharing of the existing infrastructures that are considered strengths of each company for the optimum benefit. As a result of the collaboration, 3BB could widen its customers bases by offering the sale of FTTx service through DTAC service channels. The partnership will enhance not only new business opportunities, but also additional sources of revenue for Jasmine International Group.

As at the end of the year 2019, 3BB totally had approximately 3.18 million subscribers. For this year, the company approximately had 236,000 net additional subscribers. The increase in the net additional subscribers was mainly due to an increase in the number of 3BB FTTx subscribers. In 2019, the company approximately had 875,000 FTTx net additional subscribers. As at the end of the year 2019, 3BB approximately had 1.90 million FTTx subscribers, equivalent to 60 percent of the company's total subscribers, increasing significantly, compared to the end of the year 2018 in which the FTTx subscribers was recorded at 35 percent. During the year 2019, the company continually upgraded its customers from xDSL to FTTx; it also increased the internet speed, launched a variety of packages and provided many value-added services and privileges as alternatives for the customers. As a result, the company was able not only to maintain the existing customer base, satisfy the requirement of the customers and lower the churn rate, but also to expand 3BB customer base for its future growth.

The growing number of the internet subscribers of 3BB brought about an increase in the total operating revenue for the year 2019, compared to that of the year 2018. However, owing to the rental fee of the additional OFCs which TTTBB sold to the Fund in November 2019 that caused an increase in the rental fee according to the OFCs lease agreement with JASIF during the year plus the investment in network expansion, the Company's depreciation cost of network equipment increased; whereas, its recognition of profit sharing from investments in JASIF became less as a result of the decrease in the Company's investment unit holding during the year (The Company decreased its investment unit holding in JASIF to 19 percent and recognized gain on sales of such investment in May 2019). These are the factors that caused the decrease in the operating profit for the year 2019, compared to that of the year 2018. When comparing earnings before interest after tax, income tax and depreciation to the revenue, the EBITDA margin for the year 2019 was at 40 percent. TTTBB still keeps on developing its broadband internet service along with introducing more value-added services as alternatives for the customers. It is envisioned that by this way, more value will be added to the businesses of Jasmine International Group in the future, apart from an increase in its potential growth and profitability. The Company will continue managing its cost and operating expenses to further maintain its good profitability for the maximum benefit of the Company and its shareholders.

With regard to the sale of the additional OFCs to JASIF, approved by the shareholders' meeting, the Company already sold and delivered the additional OFCs in an amount of 700,000 core km to the JASIF; the transaction was completed in November 2019. The gain on asset sales to the Fund was recorded in 4Q2019. Moreover, the Company purchased 475 million investment units of capital increase of JASIF according to the rights it was entitled to. The Company currently holds 1,520 million investment units, representing 19 percent of the total investment units of JASIF. The purchase of the investment units of JASIF resulted in the Company's receiving of return on investment in the form of dividend.

Operating Performance

In 2019, the Company and its subsidiaries generated the operating profit of Bt 1,256 mn, decreasing by 46 percent, when compared to Bt 2,339 mn in 2018. This amount, when included by the gain on asset sales to the Fund (net of income tax) of Bt 7,233 mn, the gain on sales of investments in associate (JASIF) of Bt 1,732 mn, the FX gain of the subsidiaries of Bt 532 mn, the adjustment of the provision for rental assurance of the OFCs of the Fund due to the change of the assumption (rental rate increase) of Bt 497 mn and deducted by the allowance for doubtful debts and bad debts of the subsidiary of Bt 247 mn, the provision for long-term employee benefits of Bt 165 mn (as shown under Administrative Expenses, in compliance with the Labor Protection Act, effective on 5 May 2019), the provision for loss on litigation from reversal of judgment by the Supreme Court of Bt 831 mn, in compliance with the Thai Financial Reporting Standards (TFRS) and conservatism assumption (the Company recorded an additional debts of Bt 670 mn for 3 creditors who entered into the compromise agreement with the Company and also recorded a provision for an additional debts of Bt 161 mn for 2 creditors whose compromise agreements with the Company are still under process), the record of additional liabilities from litigations of the subsidiaries of Bt 149 mn (as shown under Administrative Expenses) and deferred tax of the subsidiaries of Bt 2,593 mn; this amount included the impairment of deferred tax assets of TTTBB of Bt 2,608 mn, resulted in the record of the net profit for the year 2019 of the Company and its subsidiaries of Bt 7,265 mn, increasing by 48 percent when compared to that of Bt 4,913 mn in 2018.

Unit : Bt mn

Item	2019	2018	% change
Operating profit	1,256	2,339	(46)
FX gain (loss)	532	48	1,008
Gain on sales of assets to the Fund	13,975	-	100
Gain on sales of investments in associate	1,732	3,650	(53)
Adjustment of the provision for rental assurance of OFCs of the Fund for the rental rate growth	497	31	1,503
Loss on litigation from reversal of judgement by the Supreme Court	(831)	(613)	36
Loss on litigation	149	-	100
Provision for long-term employee benefits	165	-	100
Doubtful debts and bad debts	(247)	(231)	7
Deferred Tax	(2,593)	(311)	734
Net profit (loss)	7,265	4,913	48
EPS (Baht per share)	0.90	0.63	43

Performance breakdown by business unit

Performance breakdown by business unit in 2019 and 2018 is as follows:-

Unit : Bt mn

Company	Total Revenue		
	2019	2018	% Change
Broadband Business			
1. Triple T Broadband Public Company Limited	14,553	514	2,737
2. Triple T Internet Company Limited	17,071	16,859	1
Total	31,624	17,373	82
Telecom Network & Service Provider Business			
1. Jasmine Submarine Telecommunications Company Limited	2	20	(90)
2. Thai Long Distance Telecommunications Company Limited	5	-	100
3. JasTel Network Company Limited	676	661	2
4. Jasmine Internet Company Limited	201	208	(3)
5. Acumen Company Limited	5	4	25
6. ACeS Regional Services Company Limited	30	44	(32)
Total	919	937	(2)
System Integration Business			
1. Jasmine Telecom Systems Public Company Limited	29	19	53
2. Cloud Computing Solutions Company Limited	23	20	15
Total	52	39	33
Other Businesses			
1. Jasmine International Public Company Limited	2,098	3,649	(43)
2. Premium Asset Company Limited	145	146	(1)
3. Others ¹⁾	1	-	100
Total	2,244	3,795	(41)
Grand Total	34,839	22,144	57

Note : ¹⁾ Comprising TJP, JIOC, MCS, Three BB, ACT and JASMBB

Revenue

In 2019, the total revenue of the Company and its subsidiaries was Bt 34,839 mn (including gain on asset sales to the Fund of Bt 13,975 mn, gain on sales of investments in JASIF of Bt 1,732 mn and FX gain of Bt 532 mn), compared to that of Bt 22,144 mn in 2018, increasing by 57 percent. Details are as follows:-

Unit : Bt mn

Item	2019	2018	% change
Sales and service income	18,175	17,995	1
Gain on asset sales to the Fund	13,975	-	100
Gain on sales of investments in associate	1,732	3,650	(53)
FX gain	532	48	1,008
Interest income	32	27	19
Other income	394	424	(7)
Total	34,839	22,144	57

Sales and Service Income

In 2019, the Company and its subsidiaries totally obtained the sales and service income of Bt 18,175 mn, increasing by 1 percent, compared to that of Bt 17,995 mn in 2018. For the year 2019, the contribution in sales and service income was mainly from broadband business, 94 percent of total sales and service income. Sales and service income breakdown by business unit is as follows:-

Unit : Bt mn

Type of business	2019	2018	% change
Broadband Business	17,139	16,916	1
Telecom Network & Service Provider Business	850	899	(5)
System Integration Business	43	35	23
Other Businesses	143	145	(1)
Total	18,175	17,995	1

In 2019, the income obtained from Broadband Business was Bt 17,139 mn, increasing by 1 percent, compared to that of Bt 16,916 mn in 2018, a result of an increase in the number of broadband internet subscribers. In 2019, 3BB approximately had 236,000 net additional subscribers (net of deducting bad debts in 2019 of approximately 80,000 subscribers). The increase in the net additional subscribers was mainly due to an increase in the number of FTTx subscribers. In 2019, the company approximately had 875,000 FTTx net additional subscribers, compared to the year 2018 in which it approximately had 709,000 FTTx net additional subscribers.

As at the end of the year 2019, 3BB totally had approximately 3.18 million subscribers; this number included 1.90 million FTTx subscribers, or 60 percent of the total subscribers of 3BB, increasing, compared to 35 percent recorded at the end of 2018. During the previous year, TTTBB upgraded the existing 3BB customers from xDSL to FTTx. It also upgraded its broadband internet service speeds and launched more variety of 3BB Fiber packages to provide the customers with more choices.

In 2019, the sales and service income obtained from Telecom Network & Service Provider Business was Bt 850 mn, decreasing by 5 percent, compared to that of Bt 899 mn in 2018.

In 2019, the sales and service income obtained from System Integration Business was Bt 43 mn, increasing by 23 percent, compared to that of Bt 35 mn in 2018. For Other Businesses, the sales and services income in 2019 was Bt 143 mn, decreasing by 1 percent, compared to that of Bt 145 mn in 2018.

Gains on sales of assets to the Fund

In 2019, the Company recorded the gain on sales of the additional OFCs, totaling Bt 10,441 mn (Net of income tax), which was also realized under the consolidated financial statements at Bt 7,233 mn (Net of income tax and excluding the investment unit holding proportion of JAS in JASIF which at present is 1,520 million units or 19 percent of the total investment units). TTTBB entered into the Additional Sale and Transfer Agreement with JASIF for a total of 700,000 core km, the transaction value of which was Bt 38,000 mn. This transaction was completed in November 2019.

Other income

In 2019, the Company and its subsidiaries recorded other income (excluding gain on asset sales to the Fund of Bt 13,975 mn and gain on sales of investments in JASIF of Bt 1,732 mn) of Bt 958 mn, comprising income obtained from management and maintenance of assets of Bt 264 mn, FX gain of Bt 532 mn, interest income of Bt 32 mn and others of Bt 131 mn, increasing by 92 percent, compared to that of Bt 498 mn in 2018.

Expenses

In 2019, the total expenses of the Company and its subsidiaries were Bt 18,197 mn, compared to Bt 16,863 mn in 2018, increasing by 8 percent. Details of expenses are as follows:-

Unit : Bt mn			
Item	2019	2018	% change
Operating Expenses :			
- Cost of sales and services	11,706	11,267	4
- Selling and servicing expenses	1,296	1,279	1
- Administrative expenses	4,118	3,473	19
Total Operating Expenses	17,120	16,019	7
Doubtful accounts and bad debt	247	231	7
Loss on litigation from reversal of judgement by the Supreme Court	831	613	36
Total Expenses	18,197	16,863	8

- In 2019, the operating expenses of the Company and its subsidiaries were Bt 17,120 mn in total, compared to Bt 16,019 mn in 2018, increasing by 7 percent. Details of expenses are as follows:-

- 1) The cost of sales and services in 2019 was Bt 11,706 mn, compared to that of Bt 11,267 mn in 2018, increasing by 4 percent. Such increase in the cost of sales and services was mainly due to the increase in the rental fee according to the OFCs lease agreement with JASIF which was recorded in 2019 as a result of the lease of the additional OFCs in November 2019

(this rental fee was recorded as net amount after deduction of amortization of the provision for rental assurance and adjustment of the provision for rental assurance of OFCs of JASIF due to the change of the assumption of the increase in rental rate) and the depreciation of network equipment which increased as a result of network expansion of TTTBB. The gross margin for the year 2019 was at 36 percent, compared to that of 37 percent in the year 2018.

- 2) The selling and servicing expenses and administrative expenses in 2019 were Bt 5,414 mn, compared to Bt 4,752 mn in 2018, increasing by 14 percent. During the year 2019, the Company and its subsidiaries recorded a provision for long-term employee benefits of Bt 165 mn, to comply with the Labor Protection Act, effective on 5 May 2019 and additional liabilities from litigations of the subsidiaries of Bt 149 mn under Administrative Expenses.
- In 2019, the subsidiaries recorded an allowance for doubtful accounts and bad debts of Bt 247 mn, most of which were mainly the items of TTTI that had the policy on setting up the provision for doubtful debts of 3 months overdue receivables.
 - In 2019, the Company recorded a provision for loss on litigation from reversal of judgment by the Supreme Court of Bt 831 mn, in compliance with the Thai Financial Reporting Standards (TFRS) and conservatism assumption; to this regard, the Company recorded an additional liabilities, amounting Bt 670 mn, for 3 creditors who entered into the compromise agreement with the Company and also recorded a provision for an additional liabilities of Bt 161 mn for 2 creditors whose compromise agreements with the Company are still under process.

Financial Expenses

In 2019, the financial expenses of the Company and its subsidiaries were Bt 1,128 mn, increasing by 52 percent, when compared to Bt 744 mn in 2018 due to the bank fee and interest payment of short term loan from bank (Bridge Loan) incurred due to the short-term loan the Company had made with financial institution for the additional subscription of investment units in JASIF in 4Q2019 according to the rights to which it was entitled.

Net profit (loss)

In 2019, the Company and its subsidiaries reported the total net profit of Bt 7,265 mn (including gain on asset sales to the Fund and gain on sales of investments in JASIF), compared to that of Bt 4,913 mn in 2018. In 2019, Broadband Business generated the net profit of Bt 6,300 mn, increasing by Bt 4,753 mn from the year 2018; Telecom Network & Service Provider Business had the net loss of Bt 40 mn, compared to the net profit of Bt 1,176 mn in 2018, its net loss; thus, increased by Bt 1,216 mn from the year 2018; System Integration Business generated the net profit of Bt 10 mn, decreasing by Bt 9 mn from the year 2018; For Other Businesses, the net profit for the year 2019 was Bt 17,785 mn, increasing by Bt 9,149 mn from that of the year 2018. After the elimination of the intercompany transaction, the Company and its subsidiaries recorded the net profit for the year 2019 at Bt 7,265 mn. Comparing with the total revenue (excluding gain on asset sales to the Fund and gain on sales of investments in JASIF), the net profit margin for the year 2019 was 38 percent.

Financial Position

Assets

As at 31 December 2019, the Company and its subsidiaries had total assets of Bt 69,874 mn, compared to Bt 52,890 mn in 2018, increasing by 32 percent. The total assets of the Company and its subsidiaries comprised:-

Item	31 December 2019		31 December 2018	
	Bt mn	% of Total Assets	Bt mn	% of Total Assets
Current assets	27,949	40	5,832	11
PP&E, net	35,764	51	37,987	72
Other non-current assets	6,160	9	9,071	17

As at 31 December 2019, the Company and its subsidiaries had current assets of Bt 27,949 mn, representing 40 percent of total assets, compared to Bt 5,832 mn at the end of 2018, increasing by Bt 22,117 mn or 379 percent. The increase was because:-

- Cash and cash deposits with banks increased by Bt 23,109 mn from the year 2018. During the year 2019, the Company and its subsidiaries had net cash from operation of Bt 4,814 mn, cash from investing activities of Bt 38,900 mn (mainly due to the cash received from sales of assets to the Fund - net of expenses related to assets sales transactions of Bt 36,248 mn and cash received from sales of investments in JASIF of 248 million units in May 2019 of Bt 2,517 mn), cash received from long-term loans from banks of the subsidiary of Bt 2,032 mn, cash received from increase in share capital and cash received in advance from share subscription, totaling Bt 258 mn; the aforesaid items when offset with cash used in an investment in equipment for network expansion of the subsidiaries of Bt 2,478 mn, cash payment for the purchase of investment in associate (JASIF) of Bt 4,275 mn (the Company purchased 475 million investment units of capital increase of JASIF according to the rights which it was entitled at the price of Bt 9 per unit, or 19 percent of the total investment units), repayment of short-term and long-term loans from banks, supplier credit for equipment, account payable from compromise agreement, liabilities under finance lease agreements and interest expense, totaling Bt 11,394 mn (this number included the repayment of long-term loan the subsidiary of Bt 2,065 mn). Also, during this year, the Company and its subsidiaries paid dividend of approximately Bt 4,749 mn to their shareholders;
- Prepaid expenses increased by Bt 56 mn from the year 2018

The above-mentioned increasing current assets offset with decreasing current assets of Bt 1,048 mn, a result of the decrease in revenue department receivable of Bt 888 mn, the decrease in input tax pending payments of Bt 133 mn, the decrease in trade and other receivables of Bt 13 mn, the decrease in current investments of Bt 9 mn and the decrease in other current assets of Bt 4 mn, resulted in the net increase of the current assets of the Company and its subsidiaries, amounting Bt 22,117 mn.

Trade and other receivables included receivable for service under a co-investor agreement made between JSTC and TOT of Bt 2,518 mn. Currently, there are still disputes in revenue sharing payment. In May 2019, JSTC received the Arbitration Award from the Arbitration Institute, which ordered TOT to

make full debt payment, totaling Bt 3,395 mn, together with an interest at the rate of 7.5 percent per annum until the full payment is made and ordered JSTC to pay for damages to TOT amounting Bt 16 mn together with an interest at the rate of 7.5 percent per annum until the full payment is made. Subsequently, in July 2019, TOT filed a petition to revoke the Arbitration Award from the Arbitration Institute with the Central Administrative Court. At present, the case is being considered by the Central Administrative Court. The Company had considered setting up the allowance for doubtful debts for the remaining receivables which were mainly from trade receivables of TTTI. To this regard, the Company considered setting up the allowance for doubtful debts of 3 months overdue receivables.

Property, plant and equipment-net was recorded at Bt 35,764 mn or 51 percent of the total assets, decreasing by Bt 2,223 mn or 6 percent, compared to that recorded at the end of the year 2018. During the year 2019, TTTBB completely sold and delivered the additional OFCs in an amount of 700,000 core km to JASIF in November 2019, the book value of which was approximately Bt 2,470 mn. During the past year, TTTBB invested expanding its Fiber Optic network to cover all service areas nationwide in parallel with upgrading broadband internet networks and developing more value-added services. With regard to equipment purchase, the Company used short-term working capital facilities such as Letter of Credit (L/C) and Trust Receipt (T/R) for purchasing equipment from abroad and Domestic Letter of Credit (DL/C) and Promissory Note (P/N) for domestic equipment purchase; furthermore, it also used supplier credit facilities by entering into agreements to purchase equipment with suppliers under the supply agreements obliged to make payment within 1-3 years. In 2019, the amount paid to the supplier credit for equipment according to this supply agreement was Bt 5,138 mn. In 2020, the amount to be paid according to this agreement is approximately of Bt 1,626 mn which was recorded in the current portion of accounts payable for equipment.

At the end of 2019, other non-current assets were recorded at Bt 6,160 mn, decreasing by Bt 2,911 mn or 32 percent from the year 2018. This was mainly due to the decrease in deferred tax assets of Bt 2,637 mn; this amount included the impairment of deferred tax assets of TTTBB of Bt 2,608 mn, the decrease in withholding tax deducted at source of Bt 305 mn, the decrease in restricted deposits with banks of Bt 66 mn, the decrease in the investment in associates (JASIF), recorded under the equity method in the consolidated financial statements, of Bt 20 mn. During the year 2019, the Company disposed the investment units in JASIF, totalling 248 million units (after the disposal, the Company's unitholding decreased from 23.51 percent to 19 percent of the total the investment units). Moreover, the Company purchased 475 million investment units of capital increase of JASIF according to the rights which it was entitled to. At present, the Company holds a total of 1,520 million investment units, representing 19 percent of the total investment units; whereas, other non-current assets such as advance rental payment and other non-current assets, increased by Bt 118 mn from the year 2018.

Liabilities

As at 31 December 2019, the Company and its subsidiaries had total liabilities of Bt 48,690 mn, compared to Bt 34,514 mn in 2018, increasing by 41 percent. Details of the total liabilities are as follows:-

Item	31 December 2019		31 December 2018	
	Bt mn	% of total liabilities	Bt mn	% of total liabilities
Current liabilities (excluding current portions of the long-term liabilities and provision for rental assurance)	11,434	23	6,098	18
Long term liabilities	7,991	16	13,721	40
Provision for rental assurance	26,362	54	12,423	36
Other Non-current liabilities	2,902	6	2,272	7
Total liabilities	48,690	100	34,514	100

Current liabilities (excluding current portions of long-term liabilities and provision for rental assurance) at the end of 2019 were Bt 11,434 mn, increasing by Bt 5,336 mn, compared to Bt 6,098 mn at the end of 2018. The increase was mainly because:-

- Income tax payable increased by Bt 5,750 mn due to the record of income tax payable from gain on sales of assets to the Fund of TTTBB
- Short-term loan from banks increased by Bt 636 mn due to the purchase of equipment from suppliers of the subsidiaries.
- Withholding tax payable increased by Bt 359 mn
- Other current liabilities increased by Bt 120 mn

The above-mentioned increasing current liabilities offset with decreasing current liabilities from normal operation such as trade and other payables which decreased by Bt 918 mn from normal business operation, short-term loan which decreased by Bt 571 mn as a result of the Company's completion of the full payment during the year 2019, advance received from customers which decreased by Bt 20 mn and undue output tax which decreased by Bt 19 mn, resulted in the net increase in the current liabilities of the Company and its subsidiaries, amounting Bt 5,336 mn.

Long-term liabilities at the end of 2019 was Bt 7,991 mn, decreasing by Bt 5,729 mn from the end of the year 2018 due to the repayment of account payable for equipment, liabilities under finance lease agreements, long-term loans from banks, long-term liabilities of the Company and its subsidiaries, amounting Bt 7,991 mn which included accounts payable from compromise agreements which the Company previously recorded in the provision for reversal of judgement by the Supreme Court. During the year 2019, the Company entered into the compromise agreements with 3 creditors; thus, recording the additional debts in accounts payable from compromise agreements (Previously, this item was recorded under the provision for reversal of judgement by the Supreme Court).

According to the conditions stated in the long-term loan agreement, the Company was required to maintain certain financial ratio, such as Debt Service Coverage Ratio and Net Debt to EBITDA and so on. At the end of 2019, the Company was able to maintain the financial ratio as required by the conditions in the agreement.

Provision for rental assurance, set up for liabilities according to the conditions stated in the Rental Assurance Agreement with JASIF for 20 percent of the total OFCs at the end of 2019, was Bt 26,362 mn, increasing by Bt 13,939 mn due to the provision set up for the Rental Assurance on Additional OFCs Agreement, compared to Bt 12,423 mn in 2018. During the year 2019, the amortization of such provision of TTTBB was Bt 1,658 mn. During the year 2019 as well that there was an adjustment of the provision for rental assurance due to the change of the assumption of inflation rate and Government Bond Yield which had an impact on the increase in rental rate and discount rate, totaling Bt 16 mn. This item was shown being offset under cost of the rental fee of the OFCs paid to JASIF.

Other non-current liabilities at the end of 2019 were Bt 2,902 mn, increasing by Bt 630 mn from the year 2018, mainly due to the record of the provision for the entry fee for laying the optical fiber cables which increased by Bt 548 mn, the provision for expenses and rental fee relating to subduct for optic fiber cables relocation which increased by Bt 347 mn – a result of the sale of additional OFCs to JASIF, the provision for long-term employee benefits which increased by Bt 330 mn, in compliance with the Labor Protection Act, effective on 5 May 2019 and other non-current liabilities which increased by Bt 33 mn; whereas, the provision for reversal of judgement by the Supreme Court decreased by Bt 527 mn due to the Company's entering into the compromise agreements with 3 creditors; thus, recording the additional debts in accounts payable from compromise agreements. For 2 creditors whose compromise agreements with the Company are still under process, the Company still records the provision for an additional debts under the provision for reversal of judgement by the Supreme Court, and deposit received from customers which decreased by Bt 101 mn.

In addition to the liabilities as shown in the statement of financial position, the Company and its subsidiaries had commitments and contingent liabilities in the future relating to investment in telecommunications equipment and operating expenses. The purchase of equipment commitments and the operating lease and service agreements commitments were related to the normal business of the Company and its subsidiaries in line with terms in the agreements between the subsidiaries and JASIF. With regard to the disputes over the Company's rehabilitation plan, the Company considered recording allowance for debts adequately and appropriately in the current circumstances according to its financial statements. (As shown in details in Notes to the Financial Statements, Item 34).

Shareholders' Equity

At the end of 2019, the shareholders' equity of the Company and its subsidiaries was Bt 21,184 mn, increasing by Bt 2,808 mn from the year 2018. The shareholders' equity of the Company and its subsidiaries comprised:-

- The issued and fully paid-up capital of Bt 4,083 mn, increasing by Bt 90 mn from the end of the year 2018 due to the newly issued shares from the conversion of JAS-W3. The Company registered the increase in its share capital of 180.4 million ordinary shares with the Ministry of Commerce during the year 2019 (for the conversion of JAS-W3 in December 2018, March, June and September 2019).
- The share subscription received in advance of Bt 162 mn from the conversion of 37.8 million units of JAS-W3 in December 2019 (equivalent to 45 million ordinary shares at the conversion price of Bt 3.605 per share).

- The premium on ordinary shares of Bt 7,761 mn, increasing by Bt 570 mn from the year 2018 due to the record of difference between the conversion price of JAS-W3 and the par value of Bt 0.50 per share (which in December 2018 was Bt 3.167 per share and it was of Bt 3.105 per share in March, June and September 2019) of the newly issued shares obtained from the conversion of JAS-W3. The Company had registered the increase in its share capital (180.4 million ordinary shares) with the Ministry of Commerce during the year 2019.
- The appropriated and unappropriated retained earnings of Bt 7,888 mn, increasing by Bt 2,564 mn from the year 2018; this amount comprised statutory reserve of Bt 1,569 mn (during the year, the Company appropriated the statutory reserve of Bt 467 mn) and unappropriated retained earnings of Bt 6,320 mn. The net profit during the year 2019 of the Company and its subsidiaries was of Bt 7,265 mn. In 2019, the Company paid dividend to its shareholders, totaling Bt 4,728 mn. Moreover, the Company and its subsidiaries recorded the loss on provision for long-term employee benefits in the comprehensive income (net of income tax), amounting Bt 147 mn

At present, the Company has fully paid-up capital of 8,210.4 million shares (this included the registered capital which increased due to the conversion of JAS-W3 in December 2019 of 45 million ordinary shares) and 1,257.2 million unexercised warrants. On the exercise date in December 2019, the exercise ratio of JAS-W3 was at 1 unit of warrant to 1.192 ordinary share (1 : 1.192) and the exercise price was at Bt 3.605 per share.

Capital Structure

As at 31 December 2019, the Company and its subsidiaries had the total liabilities of Bt 48,690 mn, or 70 percent of total assets. It had the total shareholders' equity of Bt 21,184 mn, or 30 percent of total assets. Debt to Equity ratio was at 2.30 times

Such liabilities included liabilities arising from the record of the provision for rental assurance on additional OFCs for 20 percent of Bt 26,362 mn (which was the record of the provision for liabilities according to Thai Accounting Standards) and other liabilities relating to JASIF; for instances, the provision for entry fee for laying the optical fiber cables and the provision for expenses and rental fee relating to subduct for optic fiber cables relocation, amounting Bt 1,139 mn. Debt to Equity ratio, excluding such items was at 1.00 time.

Liquidity

As at 31 December 2019, the Company and its subsidiaries had cash and cash equivalent of Bt 24,008 mn, increasing by Bt 23,109 mn from the year 2018. The summary of net cash generated and used is as follows: -

Net cash from operating activities	4,814	Bt mn
Net cash from investing activities	32,147	Bt mn
Net cash used in financing activities	(13,853)	Bt mn
Net increase in cash and cash equivalents	23,109	Bt mn

- Net cash from operating activities of Bt 4,814 mn was the net amount of the operating profit of the Company and its subsidiaries of Bt 6,890 mn, the payment of OFCs rental fee to JASIF in relation to the provision for rental assurance of Bt 1,674 mn, the payment of income tax and operating expenses which were normal business items.
- Net cash from investing activities of Bt 32,147 mn was the net amount of cash received from sales of assets to the Fund - net of expenses related to assets sales transactions of Bt 36,248 mn, cash received from sales of investments in JASIF of the Company in 2019 of Bt 2,517 mn, cash payment for the purchase of investment in associate (JASIF) of Bt 4,275 mn and cash payment for equipment payment of Bt 2,478 mn.
- Net cash used in financing activities of Bt 13,853 mn was the net amount of cash received from the capital increase due to the conversion of JAS-W3 in 2019 of Bt 258 mn. However, the Company and its subsidiaries had made net payment of interest, short-term and long-term loans of Bt 3,862 mn, repayment of supplier credit for equipment of Bt 5,138 mn, repayment of liabilities under finance lease agreements of Bt 347 mn and dividend payment to the Company and its subsidiaries shareholders of Bt 4,749 mn.

JAS DIRECTORS, EXECUTIVES, AUTHORIZED PERSONS AND CORPORATE SECRETARY

1. Information of JAS Directors, Executives, Authorized Persons (if any) Chief Financial Officer, Chief Accountant and Corporate Secretary

1.1 Background and Personal Information of JAS Directors, Executives, Authorized Persons, Chief Financial Officer, Chief Accountant and Corporate Secretary

Directors

Mr. Sudhitham Chirathivat : Independent Director and Chairman of the Board of Directors

Age : 72 years

Registration Date : 3 February 2010

Securities Holding Ratio¹ : JAS 0.018% JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : MBA Operation Research, Iona University, New York, USA.

Training for Director Course : Thai Institute of Directors Association (IOD)
2003 Director Certification Program (DCP)

Work Experience During the Period of 5 Years :

- Position in Jasmine International Public Company Limited

2010-Present Independent Director and Chairman of the Board of Directors

- Position in Other Listed Companies

2018-Present Chairman, Grand Canal Land Public Company Limited

2014- Present Independent Director and Member of Audit Committee,
Chairman of Risk Management Committee and Member of
Nomination and Remuneration Committee, TV Thunder PCL.

2004-2019 Director, Vice Chairman and

Chairman of the Executive Director, Robinson PCL.

2002-Present Director and Executive Director,
Central Pattana PCL. and Central Plaza Hotel PCL.

- Position in Other Companies (Non-listed Companies)

2002-Present Director and Chairman of Advisory Committee,
Central Group Co., Ltd.

Chairman of Executive Committee, Earth Care Co., Ltd.

Executive Director, The Vintage Club Co., Ltd.

Remarks : ¹ Shareholding ratio as at 31 December 2019, including the number of shares held by the spouse and minor children

² Person, approved by the Company's directors, to be the director and the authorized person in the subsidiaries that operate the Company's core businesses

³ Authorized signatory director

Dr. Vichit Yamboonruang : Independent Director and Chairman of Audit Committee

Age : 78 years

Registration Date : 4 June 1999

Securities Holding Ratio¹ : JAS 0.001% JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Ph.D. Public & International Affairs,
University of Pittsburgh, Pennsylvania, USA.

Training for Director Course : Thai Institute of Directors Association (IOD)
2017 Board that Make a Difference (BMD)
2007 Chartered Director Class (CDC)
2004 Audit Committee Program (ACP)
2004 The Role of Chairman Program (RCP)
2004 Director Certification Program (DCP)
2004 Director Accreditation Program (DAP)

Work Experience During the Period of 5 Years :

- **Position in Jasmine International Public Company Limited**
1999-Present Independent Director and Chairman of Audit Committee
- **Position in Other Listed Companies**
2012-Present Independent Director and Chairman of Audit Committee,
Sherwood Corporation (Thailand) PCL.
2011-Present Chairman of the Board of Directors and Independent Director,
Ekarat Engineering PCL.
2006-Present Independent Director and Chairman, Wiik PCL.
- **Position in Other Companies (Non-listed Companies)**
2016-Present Chairman, VCK Solution Co., Ltd.
2014-Present Independent Director and Chairman of Audit Committee,
BMP Energy PCL.

Remarks : ¹ Shareholding ratio as at 31 December 2019, including the number of shares held by the spouse and minor children
² Person, approved by the Company's directors, to be the director and the authorized person in the subsidiaries that operate the Company's core businesses
³ Authorized signatory director

Dr. Yodhin Anavil : Independent Director, Member of Audit Committee and Chairman of Remuneration and Nomination Committee

Age : 70 years

Registration Date : 28 September 2006

Securities Holding Ratio¹ : JAS 0.035% JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Ph.D. Electric Engineer, University of Cincinnati, Ohio, USA.

Training for Director Course :

- Thai Institute of Directors Association (IOD)
- 2009 Financial Statement Demystified for Directors (FDD)
- 2008 Role of the Compensation Committee (RCC)
- 2008 Chartered Director Class (CDC)
- 2008 Audit Committee Program (ACP)
- 2008 Director Certification Program (DCP)
- 2006 Director Accreditation Program (DAP)

Work Experience During the Period of 5 Years :

- **Position in Jasmine International Public Company Limited**

2011-Present Chairman of Remuneration and Nomination Committee
 2008-Present Member of Remuneration and Nomination Committee
 2006-Present Independent Director and Member of Audit Committee

- **Position in Other Listed Companies**

2014-Present Independent Director and Chairman of Remuneration and Nomination Committee, Muangthai Capital PCL.
 2011-2019 Independent Director, Audit Committee, Chairman of Corporate Governance Committee, Robinson PCL.
 2010-2015 Advisor to Director Committee, D.T.C. Industries PCL

- **Position in Other Companies (Non-listed Companies)**

1992-Present Executive Director, The Vintage Club Co., Ltd.

Remarks : ¹ Shareholding ratio as at 31 December 2019, including the number of shares held by the spouse and minor children

² Person, approved by the Company's directors, to be the director and the authorized person in the subsidiaries that operate the Company's core businesses

³ Authorized signatory director

Mrs. Chantra Purnariksha : Independent Director and Member of Audit Committee

Age : 73 years

Registration Date : 20 December 2011

Securities Holding Ratio¹ : JAS -None- JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : M.A. Diplomacy and Comparative Economics,
University of Kentucky, USA.

Training for Director Course : Thai Institute of Directors Association (IOD)
2005 Director Accreditation Program (DAP)

Work Experience During the Period of 5 Years :

- **Position in Jasmine International Public Company Limited**
2011-Present Independent Director and Member of Audit Committee
- **Position in Other Listed Companies**
2013-2016 President / CEO, Saha Pathana Inter-Holding PCL.
2012-2016 Director, Saha Pathana Inter-Holding PCL.
2011-Present Independent Director, Phatra Leasing PCL.
- **Position in Other Companies (Non-listed Companies)**
2015- Present Advisor to the Board of Directors, Muang Thai Insurance PCL.
1975-Present Director, S.P. Enterprise Co., Ltd.

Remarks : ¹ Shareholding ratio as at 31 December 2019, including the number of shares held by the spouse and minor children

² Person, approved by the Company's directors, to be the director and the authorized person in the subsidiaries that operate the Company's core businesses

³ Authorized signatory director

Ms. Saijai Kitsin² : Director³, Acting Chief Executive Officer,
Director and President and Chairman of Executive Committee

Age : 57 years

Registration Date : 8 May 2008

Securities Holding Ratio¹ : JAS 0.021% JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : MS. (Accounting), Chulalongkorn University

Training for Director Course : Thai Institute of Directors Association (IOD)
2005 Audit Committee Program (ACP)
2005 Finance for Non-Finance Director (FND)
2004 Director Certification Program (DCP)
2004 Director Accreditation Program (DAP)

Work Experience During the Period of 5 Years :

- **Position in Jasmine International Public Company Limited**

Nov.2019-Present	Chairman of Executive Committee
Sep.2019-Present	Acting Chief Executive Officer
2017-Present	Director and President
2008-Nov.2019	Corporate Secretary
2008-Present	Director
2008-Jan.2017	Executive Vice President

- **Position in Other Listed Companies**

-None-

- **Position in Other Companies (Non-listed Companies)**

2016-Present	Executive Director, Triple T Internet Co., Ltd.
2015-Present	Director, Premium Asset Co., Ltd. and Three BB TV Co., Ltd.
2011-Present	Director, In Cloud Co., Ltd.
2007-Present	Director, Triple T Internet Co., Ltd. Executive Director, Triple T Broadband PCL.
2006-Present	Director, Triple T Broadband PCL.
1992-Present	Director and Executive, Jasmine International Group

Remarks : ¹ Shareholding ratio as at 31 December 2019, including the number of shares held by the spouse and minor children

² Person, approved by the Company's directors, to be the director and the authorized person in the subsidiaries that operate the Company's core businesses

³ Authorized signatory director

Mr. Subhoj Sunyabhisithkul² : Director³ and Member of Executive Committee

Age : 51 years

Registration Date : 4 June 1999

Securities Holding Ratio : JAS -None- JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Bachelor of Electrical Engineering, Chulalongkorn University

Training for Director Course : Thai Institute of Directors Association (IOD)
2004 Director Certification Program (DCP)

Work Experience During the Period of 5 Years :

- **Position in Jasmine International Public Company Limited**

Nov.2019-Present	Member of Executive Committee
1999-Present	Director
- **Position in Other Listed Companies**

-None-
- **Position in Other Companies (Non-listed Companies)**

2019-Present	President, JasTel Network Co., Ltd. and In Cloud Co., Ltd.
2008-Present	President, Triple T Internet Co., Ltd.
2007-Present	Director, President and Executive Director, Triple T Broadband PCL. Director and Executive Director, Triple T Internet Co., Ltd
1997-Present	Director, Jasmine International Group
1988-Present	Executive, Jasmine International Group

Remarks : ¹ Shareholding ratio as at 31 December 2019, including the number of shares held by the spouse and minor children
² Person, approved by the Company's directors, to be the director and the authorized person in the subsidiaries that operate the Company's core businesses
³ Authorized signatory director

Mr. Terasak Jerauswapong² : Director³ and Member of Risk Management Committee

Age : 58 years

Registration Date : 22 June 2000

Securities Holding Ratio¹ : JAS 0.068% JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Bachelor of Electrical Engineering (Telecommunications),
King Mongkut's Institute of Technology, Ladkrabang

Training for Director Course : Thai Institute of Directors Association (IOD)
2004 Director Certification Program (DCP)
2004 Director Accreditation Program (DAP)

Work Experience During the Period of 5 Years :

- **Position in Jasmine International Public Company Limited**

2004-Present	Member of Risk Management Committee
1999-Present	Director
- **Position in Other Listed Companies**

-None-
- **Position in Other Companies (Non-listed Companies)**

1996-Present	President, Jasmine Submarine Telecommunications Co., Ltd.
1990-Present	Director, Jasmine International Group
1988-Present	Executive, Jasmine International Group

Remarks : ¹ Shareholding ratio as at 31 December 2019, including the number of shares held by the spouse and minor children

² Person, approved by the Company's directors, to be the director and the authorized person in the subsidiaries that operate the Company's core businesses

³ Authorized signatory director

Mr. Pleumjai Sinarkorn : Director³ and Member of Remuneration and Nomination Committee

Age : 86 years

Registration Date : 20 November 2008

Securities Holding Ratio¹ : JAS 0.013% JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : - Ph.D. (Innovative Management),
Suan Sunandha Rajabhat University
- MBA, Suan Sunandha Rajabhat University

Training for Director Course : Thai Institute of Directors Association (IOD)
2008 DCP Refresher Course
2007 Role of the Compensation Committee (RCC)
2004 Director Certification Program (DCP)

Work Experience During the Period of 5 Years :

- **Position in Jasmine International Public Company Limited**
 - 2011-Present Member of Remuneration and Nomination Committee
 - 2008-Present Director
- **Position in Other Listed Companies**
 - 2016-Present Chairman of the Board of Directors,
Jasmine Telecom Systems PCL.
 - 2014-Present Chairman of Remuneration Committee,
Jasmine Telecom Systems PCL.
 - 2004-Present Director and Member of Remuneration Committee,
Jasmine Telecom Systems PCL.
- **Position in Other Companies (Non-listed Companies)**
 - 2010-present Director, Cloud Computing Solutions Co., Ltd.
 - 2009-present Advisor, JasTel Network Co., Ltd.

Remarks : ¹ Shareholding ratio as at 31 December 2019, including the number of shares held by the spouse and minor children

² Person, approved by the Company's directors, to be the director and the authorized person in the subsidiaries that operate the Company's core businesses

³ Authorized signatory director

Mr. Yordchai Asawathongchai : Director³, Member of Risk Management Committee, Member of Executive Committee, Corporate Secretary and Secretary to the Board of Directors

Age : 46 years

Registration Date : 27 September 2016

Securities Holding Ratio¹ : JAS -None- JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Bachelor of Engineering (Electrical Engineering), Chiang Mai University

Training for Director Course : Thai Institute of Directors Association (IOD)
 2017 Director Certification Program (DCP)
 2020 Company Secretary Program (CSP)
 2020 Effective Minutes Taking (EMT)

Work Experience During the Period of 5 Years :

- **Position in Jasmine International Public Company Limited**

Nov. 2019-Present	Member of Executive Committee, Corporate Secretary and Secretary to the Board of Directors
2018-Present	Member of Risk Management Committee
2016-Present	Director
- **Position in Other Listed Companies**

-None-
- **Position in Other Companies (Non-listed Companies)**

2019-Present	Head of Operation Group, Triple T Broadband PCL.
2016-Present	Director and Executive Director, Triple T Broadband PCL. Executive Director, Triple T Internet Co., Ltd.
2016-2019	Chief Operation Officer 2, Triple T Broadband PCL.
2010-2016	Head of Contact Center Department, Triple T Broadband PCL.

Remarks : ¹ Shareholding ratio as at 31 December 2019, including the number of shares held by the spouse and minor children

² Person, approved by the Company's directors, to be the director and the authorized person in the subsidiaries that operate the Company's core businesses

³ Authorized signatory director

Executives

Mrs. Chuenkamol Treesuttacheep : Chief Financial Officer, Finance and Strategic Department

Age : 49 years

Registration Date : 12 October 2011

Securities Holding Ratio¹ : JAS -None- JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : MBA Finance, National Institute of Development Administration

Training Course : Year 2019

- Essence of TFRS for NPAs in Concise CPD Hours for Accountants 7.30 hours
- Understanding Fundamental of TFRS9 for Financial CPD Hours for Accountants 6 hours
Institution and Non-Financial Institutions Batch 4/19

Work Experience During the Period of 5 Years :

2012-Present	Member of Risk Management Committee, Jasmine International PCL.
2011-Present	Chief Financial Officer, Finance Department, Jasmine International PCL.
2005-Present	Executive, Jasmine International Group

Ms. Sinenart Jongpakpaisal : Vice President, Accounting Department and Chief Accountant, being assigned to be directly responsible for accounting oversight due to her qualifications and requirements of bookkeepers as required by the Notification of the Department of Business Development

Age : 57 years

Registration Date : 18 May 2010

Securities Holding Ratio¹ : JAS -None- JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Master of Science Accounting, Thammasat University

Training Course : Year 2019

- Accounting Profession and Compliance with Law CPD Hours for Accountants 7 hours
No.8/2019 : Financial Statement Error Correction
and Financial Statement Submission through
DBD e-Filing System Version 2 Batch 2

Remarks : ¹ Shareholding ratio as at 31 December 2019, including the number of shares held by the spouse and minor children

² Person, approved by the Company's directors, to be the director and the authorized person in the subsidiaries that operate the Company's core businesses

³ Authorized signatory director

- Error Analysis and Solution for Developing Bookkeeping Quality CPD Hours for Accountants 7 hours
- Information System for Accounting 1 CPD Hours for Accountants 3 hours

Work Experience During the Period of 5 Years :

2010-Present Vice President, Accounting Department,
Jasmine International PCL.

1992-Present Executive, Jasmine International Group

Mrs. Nitt Visesphan : Vice President, Finance and Strategic Department

Age : 59 years

Registration Date : 1 October 2008

Securities Holding Ratio¹ : JAS -None- JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Master of Administration (Public Management),
Burapha University

Work Experience During the Period of 5 Years :

2012-Present Director, In Cloud Co., Ltd.

2010-Present Director,
- Jasmine Telecom Systems PCL.
- Cloud Computing Solutions Co., Ltd.

2008-Present Vice President, Finance and Strategic Department,
Jasmine International PCL.

1994-Present Executive, Jasmine International Group

Mrs. Uraiporn Charoenchit : Vice President, Regulatory & Compliance Department

Age : 55 years

Registration Date : 1 January 2010

Securities Holding Ratio¹ : JAS -None- JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Bachelor of Arts, Thammasat University

Work Experience During the Period of 5 Years :

2010-Present Vice President, Regulatory & Compliance Department,
Jasmine International PCL.

1992-Present Executive, Jasmine International Group

Remarks : ¹ Shareholding ratio as at 31 December 2019, including the number of shares held by the spouse and minor children

² Person, approved by the Company's directors, to be the director and the authorized person in the subsidiaries that operate the Company's core businesses

³ Authorized signatory director

Mr. Teerasak Tharaworn : Vice President, Human Resources Department

Age : 45 years

Registration Date : 2 October 2019

Securities Holding Ratio¹ : JAS -None- JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Master of Business Administration, Management, Ramkhamhaeng University

Work Experience During the Period of 5 Years :

2019-Present Vice President, Human Resources Department, Jasmine International PCL.

2016-Present Vice President, Human Resources Department, Mono Technology PCL.

1.2 Roles and Responsibilities of Corporate Secretary

Please see Section 7, Subsection 7.3

1.3 Directors, Executives, and Authorized Persons of the Subsidiaries that Operate the Company's Core Businesses (Names of persons approved by the Company's directors to be the directors and the authorized persons in the subsidiaries that operate the Company's core businesses are disclosed in Subsection 1.1)

Jasmine Submarine Telecommunications Company Limited

Ms. Sinenart Jongpakpaisal : Vice President, Accounting and Finance Department

Age : 57 years

Securities Holding Ratio¹ : JAS -None- JAS-W3 -None-

Family Relationship with Directors and Executives : -None-

Academic Degree : Master of Science Accounting, Thammasat University

Work Experience During the Period of 5 Years :

1992-Present Executive, Jasmine Submarine Telecommunications Co. Ltd.

Remarks : ¹ Shareholding ratio as at 31 December 2019, including the number of shares held by the spouse and minor children

² Person, approved by the Company's directors, to be the director and the authorized person in the subsidiaries that operate the Company's core businesses

³ Authorized signatory director

Acumen Company Limited

Mrs. Nonglug Pongsrihadulchai : General Manager
Age : 64 years
Securities Holding Ratio¹ : JAS -None- JAS-W3 -None-
Family Relationship with Directors and Executives : -None-
Academic Degree : Master of Environment Technology Management,
Mahidol University

Work Experience During the Period of 5 Years :

1994-Present Executive, Acumen Co., Ltd.

Mr. Kamchai Vongklednark : Assistant General Manager
Age : 49 years
Ratio Securities Holding¹ : JAS -None- JAS-W3 -None-
Family Relationship with Directors and Executives : -None-
Academic Degree : Bachelor of Engineering (Computer Engineering),
Kasetsart University

Work Experience During the Period of 5 Years :

1993-Present Executive, Acumen Co., Ltd.

Mrs. Jirawat Prayoonyuang : Assistant Vice President, Satellite Business Department
Age : 58 years
Securities Holding Ratio¹ : JAS -None- JAS-W3 -None-
Family Relationship with Directors and Executives : -None-
Academic Degree : Bachelor of Arts, Ramkhamhaeng University

Work Experience During the Period of 5 Years :

1993-Present Executive, Acumen Co., Ltd.

Mrs. Kanchana Surbkitwanchai : Senior Manager
Age : 53 years
Securities Holding Ratio¹ : JAS -None- JAS-W3 -None-
Family Relationship with Directors and Executives : -None-
Academic Degree : Bachelor of Accounting, Krirk University

Work Experience During the Period of 5 Years :

1992-Present Executive, Acumen Co., Ltd.

Remarks : ¹ Shareholding ratio as at 31 December 2019, including the number of shares held by the spouse and minor children

² Person, approved by the Company's directors, to be the director and the authorized person in the subsidiaries that operate the Company's core businesses

³ Authorized signatory director

Directors of the Subsidiaries and Associate Companies

Name of Executive	Subsidiary													Associate				
	TTTB	TTTT	INC	JSTC	TLDT	JasTel	Ji-NET	ACU	ARS	SHW	JTS	CCS	PA		CP	JIOC	ACT	3BB TV
1) Mrs. Nonglug Pongsrihadulchai	A	A									A	A						
2) Ms. Chongrak Rojanavipat	A																	
3) Mr. Vasu Prasannate	A																	
4) Mr. Anupong Bodharamik	D																	
5) Mr. Pisit Tantirodjanakitjakarn					D													
6) Mr. Boonlua Faungchoom					D													
7) Mr. Kittipong Mekvichitsaeng									A									
8) Mr. Sa-ngob Sangkhachinda									A									
9) Mr. Raks Unahabhokha										CA,I,RC								
10) Acting Sub Lt. Annop Suthakavatin										AC,I,RC								
11) Ms. Chaovana Viwatpanachati										AC,I								
12) Mr. Parinya Sahaphatsombut										D,P	A							
13) Mrs. Pindao Rojanakul											A			A				
14) Mr. Suraphol Chanpetch																		
15) Ms. Oranuch Chandhasin																		
16) Mr. Pradya Boonrodpanit																		A
17) Mr. Saharat Kanongsilp																		A
18) Mr. Chumanus Keshsathira																		A
19) Mr. Nopphadol Wanlapha																		A
20) Mr. Sombat Punsiripat																		A

Remarks : A = Authorized Signatory Director
AC = Member of Audit Committee
CA = Chairman of Audit Committee
D = Director
I = Independent Director
P = President
RC = Remuneration Committee

Information of JAS Head of Internal Audit

Mrs. Nipaporn Rattanaramik

Senior Manager, Office of Internal Audit

Academic Degree/Training

Bachelor of Business Administration (Finance and Banking), Ramkhamhaeng University

- Federation of Accounting Professions under the Royal Patronage of His Majesty the King :
 - IT Audit
 - Risk Assessment for Audit Planning
 - Internal Auditing Certificate Program (IACP)
- The Institute of Internal Auditors of Thailand :
 - Skills for the New Auditor-In-Charge
 - Fraud Audit
- The Stock Exchange of Thailand :
 - Internal Control over Financial Reporting

Work Experience

2017-Present	Senior Manager, Office of Internal Audit, Jasmine International PCL.
2008-2017	Manager, Office of Internal Audit, Jasmine International PCL.
2004-2007	Assistant Manager, Office of Internal Audit, Jasmine International PCL.

Changes in Securities Holding of Directors and Executives

Changes in Securities Holding of Directors and Executives

Name-Surname	Number of Shares (Shares)			Number of JAS-W3 (Units)		
	as at 31 Dec. 2018	Change in Number of Shares in 2019 Increase / (Decrease)	as at 31 Dec. 2019	as at 31 Dec. 2018	Change in Number of JAS-W3 in 2019 Increase / (Decrease)	as at 31 Dec. 2019
Director						
1. Mr. Sudhitham Chirathivat	1,500,000	-	1,500,000	-	-	-
Spouse and Minor children	-	-	-	-	-	-
2. Dr. Vichit Yamboonruang	60,000	-	60,000	-	-	-
Spouse and Minor children	-	-	-	-	-	-
3. Dr. Yodhin Anavil	-	2,800,000	2,800,000	-	-	-
4. Mrs. Chantra Purnariksha	-	-	-	-	-	-
Spouse and Minor children	-	-	-	-	-	-
5. Ms. Sajjai Kitsin	1,700,000	-	1,700,000	-	-	-
6. Mr. Subhoj Sunyabhisithkul	-	-	-	-	-	-
Spouse and Minor children	-	-	-	-	-	-
7. Mr. Terasak Jerauswapong	5,585,080	-	5,585,080	2,737,784	(2,737,784)	-
Spouse and Minor children	-	-	-	-	-	-
8. Mr. Pleumjai Sinarkorn	1,047,058	-	1,047,058	-	-	-
Spouse and Minor children	-	-	-	-	-	-
9. Mr. Yordchai Asawathongchai	-	-	-	-	-	-
Spouse and Minor children	-	-	-	-	-	-
Executive						
1. Mrs. Chuenkamol Treesuttacheep	-	-	-	-	-	-
Spouse and Minor children	-	-	-	-	-	-
2. Mrs. Nitt Viseshpan	-	-	-	-	-	-
Spouse and Minor children	-	-	-	-	-	-
3. Ms. Sinenart Jongpakpaisal	-	-	-	-	-	-
4. Mrs. Uraiporn Charoenchit	-	-	-	-	-	-
Spouse and Minor children	-	-	-	-	-	-
5. Mr. Teerasak Tharaworn	-	-	-	-	-	-
Spouse and Minor children	-	-	-	-	-	-

Shareholding in Subsidiaries and Associate Company of the Board of Directors



Shareholding in Subsidiaries and Associate Company of the Board of Directors

Company name	Name of Director		Number of Ordinary Shares as at 31 December 2019
In Cloud Co., Ltd.	Mr. Subhoj	Sunyabhisithkul	1
Jasmine Submarine Telecommunications Co., Ltd.	Ms. Saijai	Kitsin	1
Thai Long Distance Telecommunications Co., Ltd.	Mr. Terasak	Jerauswapong	1
	Ms. Saijai	Kitsin	1
JasTel Network Co., Ltd.	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	3
	Ms. Saijai	Kitsin	1
Acumen Co., Ltd.	Ms. Saijai	Kitsin	2
Smart Highway Co., Ltd.	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	3
Jasmine Telecom Systems PCL.*	Mr. Subhoj	Sunyabhisithkul	100
	Mr. Terasak	Jerauswapong	1,000
	Ms. Saijai	Kitsin	400
	Mr. Pleumjai	Sinarkorn	50,000
Cloud Computing Solutions Co., Ltd.	Ms. Saijai	Kitsin	3
Premium Asset Co., Ltd.	Mr. Terasak	Jerauswapong	3
THREE BB TV Co., Ltd.	Mr. Pete	Bodharamik	1
	Ms. Saijai	Kitsin	1
T.J.P. Engineering Co., Ltd.	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	2
Mobile Communication Services Co., Ltd.	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	3
Three BB Co., Ltd.	Mr. Subhoj	Sunyabhisithkul	1
	Mr. Terasak	Jerauswapong	2

Remarks : * Shareholding as at 28 February 2020

Remuneration and Nomination Committee's Report

Appointed by the Board of Directors (the "BOD"), the Remuneration and Nomination Committee is responsible for the recruitment, the selection and the nomination of the persons, possessing the qualifications suitable for being Directors, Subcommittee members, Chief Executive Officer (the "CEO") and Director and President of the Company in addition to proposing, for the BOD's consideration, the policy on the benefits as well as the guidelines on the payment of remuneration, gratuities and other benefits for the BOD, the Subcommittees and the CEO of the Company that are prudently prepared by taking into account the suitability between the proposed amount and the duties and responsibilities of the Director, the Company's operating results and current market conditions.

The Remuneration and Nomination Committee is chaired by Dr. Yodhin Anavil, Independent Director, with Mr. Pleumjai Sinarkorn, Director, and Mr. Somboon Patcharasopak as its members.

In 2019, the Remuneration and Nomination Committee arranged the meetings to consider the issues that were within the scope of their duties and responsibilities, as summarized below:-

- **The consideration on the remuneration, gratuities and other benefits for the BOD and the Subcommittees of the Company**

The Remuneration and Nomination Committee considered the remuneration, gratuities and other benefits for the BOD and the Subcommittees of the Company thoroughly and with prudence, taking into account, the payment rates of the companies in the same industry, business expansion, the Company's growth of profits, including the Directors' duties and responsibilities. The Directors who were assigned with more duties and responsibilities in any of the Subcommittees received increasing remuneration at the amount appropriate for the increasing work in charge; the rising remuneration payment, to this respect, was both an incentive and a way to retain the qualified director with the Company.

- **The consideration on the remuneration and the annual bonus for the CEO**

The Remuneration and Nomination Committee considered the remuneration and the annual bonus of the CEO to be at a proper rate, comparable to the rates of the companies in the same industry and also in accordance with the Company's operating results each year.

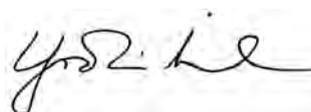
- **The recruitment, selection and nomination of persons to replace the Directors who were due to retire from office by rotation and the appointment of the new Executive Directors to replace the ones who resigned**

The Remuneration and Nomination Committee recruited, selected and nominated persons to replace the Directors who were due to retire from office by rotation and proposed their names for the BOD's and the shareholders' meeting's approvals, respectively. Additionally, the Committee also considered the appointment of the new members of Executive Committee to replace the ones who resigned for the BOD's approval.

- **The Remuneration and Nomination Committee's Self Assessment**

The Remuneration and Nomination Committee evaluated their performances both as an individual and a party. The Self Assessment Form was divided into 6 parts which comprised Structure and Qualifications of the Committee, Roles and Responsibilities of the Committee, Committee Meetings, Fulfillment of duties of the Committee, Relationship with the Management Support Team and Self-development of the Committee. The self assessment results of the Remuneration and Nomination Committee for the year 2019 were reported as excellence, showing that the Committee performed the duties as being assigned completely well. Each appropriately applied his knowledge, prudence and discretion; hence, enabling the work to be accomplished efficiently, in alignment with business operation of the Company.

The Remuneration and Nomination Committee accordingly reported its meeting resolutions to the BOD on a regular basis. In 2019, the Committee had worked with full efforts, prudence, transparency and independence to accomplish the tasks as assigned by the BOD for the optimum benefit of the Company and the shareholders and also to be in line with the Good Corporate Governance as required by the Stock Exchange of Thailand.



(Dr. Yodhin Anavil)

Chairman of Remuneration and Nomination Committee



Risk Management Committee's Report

The Risk Management Committee of Jasmine International Group places a high value on sustainable risk management that is efficiently suitable for every core business of the Group; therefore, the Company puts emphasis on considering both internal and external risk factors that may significantly affect risk management tasks and mitigating them to an acceptable level, in alignment with the Company's policies and strategies and in the manner that is safe for business operation. In 2019, the Risk Management Committee arranged a total of 4 meetings; the tasks carried out by the Committee can be summarized as follows.

- 1) Risk assessment : The Risk Management Committee assessed 5 areas of risk, namely revenue, finance, human resources, market & competition, and operation & maintenance by establishing the risk management policy and framework and revising them to be not only in accordance with the strategic plans, but also applicable to changing circumstances. The Committee also set up work procedures and work processes to curb such risks to be at an appropriate level, incapable of posting impacts on the Group's business operation.
- 2) Risk management administration : The Risk Management Committee, consisting of the Company's executives who represented all the business groups of Jasmine International Group, administered risk management under the risk management framework, in line with the established risk management policy. The Committee drew up the control measures as well as the risk mitigation measures to minimize the potential loss and reduce chances of risks to an acceptable level. Risk management results were reported for proper monitoring and followed up; hence ensuring the Company's systematic and efficient risk management.
- 3) Risk management monitoring and supervision : The Risk Management Committee quarterly held the meeting in order to continually monitor, review and improve risk factors to be appropriate and suiting with any change that might occur so that risks of the Company could be handled to an acceptable level by the standard of the Company and chances of all the risk events could be lowered efficiently. The Committee reported the results of its monitoring and oversight of risk management to the Board of Directors every quarter for acknowledgement and recommendations.
- 4) Building an awareness of risk management task : The Risk Management Committee encouraged the Company's employees of all levels organization-wide to continually take part in risk management. Each department was; therefore, assigned to conduct risk assessment and draw up its own risk management guidelines which would later on be defined as corporate risks. Analyses on these risks resulted in proper preventive measures and internal control. In view of the Committee, cooperative approach is beneficial to both the organizational and the personnel management as it helps fortifying the efficiency and the effectiveness of not only the employees' work performances, but also the Company's operation.

Considering from the above activities, the Risk Management Committee is of the opinion that the Company's risk management has been systematically carried out; the Committee has completed its duties as assigned by the Board of Directors and well in compliance with the principles and guidelines for good corporate governance; thus, ensuring the continuity of the efficient risk management that will further enhance the Company's achievement of its goals, visions and missions.

(Mr. Somboon Patcharasopak)

Chairman of the Risk Management Committee

The Audit Committee of Jasmine International Public Company Limited (the “Company”), appointed by the resolution of the Board of Directors, comprises 3 independent directors who are expert and well equipped with knowledge and experiences in management, namely :-

1. Dr.Vichit Yamboonruang Chairman of Audit Committee;
2. Dr.Yodhin Anavil Audit Committee Member;
3. Mrs.Chantra Purnariksha Audit Committee Member.

The Audit Committee carries out its duties in accordance with the scope of authority and responsibilities approved by the Board of Directors and as required by the Audit Committee Charter, in line with the regulations stipulated by the Office of the Securities and Exchange Commission (the “SEC”) in verifying the accuracy of the financial reports, the adequacy and the effectiveness of both the internal control and the risk management systems, the Company’s compliance with relevant rules, regulations and applicable laws, including the oversight of the work the Office of Internal Audit.

In 2019, the Company organized 5 Audit Committee Meetings each of which was attended by all the Audit Committee, the Company’s management, Head of the Office of Internal Audit and external auditors. The tasks accomplished by the Audit Committee, the opinions and the recommendations they provided thereof were accordingly reported to the Board of Directors as summarized below.

Verification of Financial Reports

The Audit Committee verified the quarterly and the annual separated and consolidated financial statements for the fiscal year 2019. They also verified the information reviewed and audited by the external auditors as disclosed in notes to the financial statements. At the Audit Committee Meetings, the Committee together with the Company’s management and the external auditors considered the estimates, the discretion in accounting issues and significant audit findings as shown in the report of the external auditors.

Verification of Connected Transactions, Related Party Transactions or Transactions that might Cause Conflicts of Interest

The Audit Committee quarterly verified, oversaw and provided opinions on connected transactions, related party transactions or the transactions that might cause conflicts of interest of the Company and its subsidiaries based on the principles of due care, reasonableness, the benefits of the Company’s stakeholders and sufficient information disclosure as required by normal business practice. The Committee is of the opinion that these transactions were reasonable and transparent; in addition, they were conducted for the optimum benefit of the Company and accurately disclosed in due time.

Verification of Internal Control System and Internal Audit

The Audit Committee verified the effectiveness and the adequacy of the Company's internal control system which included the anti-corruption and the oversight of the performance of the Office of Internal Audit to be in accordance with the annual audit work plan. To this regard, the Committee provided recommendations and continually monitored significant corrective actions in order to ensure that the Company's work policies as well as work processes were in conformity with the Corporate Governance Code (CG Code) and the internal control was adequate and appropriate.

Verification of Risk Management

The Audit Committee and the management quarterly conducted the verification of the efficiency and the appropriateness of the Company's risk management processes, starting from risk management policy, risk management plans and means to cope with the situations that might affect the operating results of Jasmine International Group.

Verification of Compliance with Applicable Laws, Relevant Rules and Regulations

The Audit Committee verified the Company's operation to be in compliance with the Securities and Exchange Act, the rules and the regulations stipulated by the SEC and relevant laws. They also acknowledged changes in the rules and regulations that might affect the Company's business operation.

Nomination of the Company's External Auditors to Propose for Appointment and Consideration on the Audit Fee thereof for the Year 2020

The Audit Committee considered selecting and nominating external auditors for the Company by principally taking into account their audit knowledge, expertise, experiences, creditability, independence and work quality as well as the appropriateness of the audit fee. For the year 2020, the Committee resolved to approve nominating the auditors from EY Office Limited for the Board of Directors' consideration to further propose for the shareholders' meeting's approval to appoint them as the Company's external auditors along with the fixing of the audit fee thereof.

Audit Committee's Self Assessment

The Audit Committee evaluated their performances, both as a party and as an individual committee, in compliance with the CG Code as required by the Stock Exchange of Thailand, in order to ensure that their duties were efficiently carried out and the targets were all achieved as planned. According to the self assessment results, the Committee fulfilled their duties as stipulated by the Audit Committee Charter with adequate independence and responsibility. They quarterly reported their performances to the Board of Directors and equitably provided opinions and recommendations for the benefits of all the stakeholders.

In summary, the Audit Committee is of the opinion that for the year 2019, the Company's financial statements were prepared accurately in compliance with both the generally accepted financial reporting standards and accounting principles; the entering into the connected transaction was reasonable and for the optimum benefit of the Company; the internal control and risk management systems were adequate and effective. Furthermore, in view of the Committee, the Company's operations were in compliance with the applicable laws and relevant regulations, in line with its good CG Code. No significant shortcomings were found.



(Dr. Vichit Yamboonruang)
Chairman of Audit Committee

Report on the Responsibilities of the Board of Directors for Financial Reports

The Board of Directors of Jasmine International Public Company Limited (the “Company”) is responsible for overseeing the financial reports of the Company and its subsidiaries to be in accordance with the generally accepted accounting principles in Thailand and completely audited by the Company’s auditor, employing appropriate accounting policy that the Company practiced consistently; the material information therein is also supervised to be sufficiently disclosed in Notes to the Financial Statements, for the benefits of shareholders and investors in general.

The Board of Directors has established good corporate governance for the Company and has also maintained the proper, efficient and effective risk management and internal control system to ensure that the Company’s assets usage control is truly for the Company’s benefit. In addition, the Board of Directors places importance on the segregation of duties to prevent frauds and significant irregularities.

The Board of Directors has appointed the Company’s Audit Committee, comprising independent directors who possess the qualifications in accordance with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission to be in charge of overseeing the reliability and the correctness of the financial reports as well as the efficiency of both the internal control system and the internal audit of the Company. Opinions provided by the Audit Committee on these issues are set forth in the Audit Committee Report in this Annual Report.

The consolidated financial statements of the Company and its subsidiaries have been audited by EY Office Limited, the Company’s auditor. The Board of Directors supported the audit work by providing the Company’s auditor with the information and the documents as per requests in order to facilitate the Company’s auditor in carrying out the audit task and providing the auditor’s opinions to be in congruent with the accounting principles, as set forth in the Auditor’s Report in this Annual Report.

The Board of Directors is of the opinion that the internal control system and the internal audit of the Company are overall good enough to assure the reliability of the financial reports of the Company and its subsidiaries for the year ended 31 December 2019, in line with generally accepted accounting principles, the applicable laws and the regulations of the relevant regulators.



(Ms. Saijai Kitsin)
Acting Chief Executive Officer

To the Shareholders of Jasmine International Public Company Limited

Qualified Opinion on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of Jasmine International Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2019, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Jasmine International Public Company Limited for the same period.

In my opinion, except for the possible effects on the matters described in the *Basis for Qualified Opinion on the Consolidated Financial Statements* section of my report, the financial statements referred to above present fairly, in all material respects, the financial position of Jasmine International Public Company Limited and its subsidiaries and of Jasmine International Public Company Limited as at 31 December 2019, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Qualified Opinion on the Consolidated Financial Statements

As described in Note 10. to the consolidated financial statements, a concession provider had ceased making payment amounting to Baht 2,518 million to a subsidiary for service under the co-investor agreement made between the subsidiary and the concession provider, as the revenue sharing rate is still being disputed between the concession provider and the subsidiary. The subsidiary took the dispute to the Arbitration Institute, Office of Dispute Resolution, the Judiciary. Subsequently on 19 August 2016, the concession provider submitted a dispute proposal to the Arbitration Institute asking the subsidiary to return the excess revenue sharing received based on the co-investor agreement and to pay opportunity costs, together amounting to approximately Baht 9,931 million. In May 2019, the subsidiary received the Arbitration Award from the Arbitration Institute, which ordered the concession provider to make full debt payment amounting to Baht 2,518 million, plus interest in the amount of Baht 877 million (calculated using an interest rate of 7.5 percent per annum, until the dispute was submitted), totaling to approximately Baht 3,395 million, together with an interest at the rate of 7.5 percent per annum until the full payment is made and ordered the subsidiary to pay for damages to the concession provider amounting to Baht 16 million together with an interest at the rate of 7.5 percent per annum until the full payment is made. However, the concession provider disagreed and filed a petition to revoke the Arbitration Award from the Arbitration Institute with the Central Administrative Court. The subsidiary therefore considers no further transactions that related to the Arbitration Award should recorded in the accounts.

Furthermore, on 26 August 2016, the concession provider submitted a dispute proposal to the Arbitration Institute, asking the subsidiary and another subsidiary to pay costs, damages with interest and business opportunity costs in total amounting to approximately Baht 258 million. In November 2019, two subsidiaries received the Arbitration Award from the Arbitration Institute, which ordered two subsidiaries to pay costs and damages together with interest, which calculated until the date of Arbitration Award, totaling to Baht 25 million, to the concession provider by settlement with outstanding receivable between the concession provider and the another subsidiary

together with interest, which calculated until the date of Arbitration Award, totaling to Baht 25 million. However, the concession provider disagreed and currently in the process of filing a petition to revoke the Arbitration Award from the Arbitration Institute with the Central Administrative Court. The another subsidiary has already recorded the costs and damages in its financial statements.

The ultimate outcomes of the disputes that are not finalised cannot be determined at this time which may significantly affect the Baht 2,518 million balance of trade receivable as at 31 December 2019 (2018: Baht 2,518 million), and the costs and damages which may result from the above event, in the consolidated financial statements and may significantly impact on the value of the investment in the subsidiary as at 31 December 2019 amounting to Baht 1,946 million (2018: Baht 1,946 million) in the separate financial statements. I was unable to audit to satisfy myself as to the balances of such trade receivable and the value of the investment in the subsidiary and damages which may result from the above events, and these constitute a limitation imposed by circumstance.

The consolidated financial statements of Jasmine International Public Company Limited and its subsidiaries, and the separate financial statements of Jasmine International Public Company Limited as at 31 December 2018 and for the year then ended, presented as comparative information were audited by another auditor of our firm who expressed a qualified opinion on those statements with respect to limitation imposed by similar circumstances as described above, and circumstances similar to 2. as stated in the *Emphasis of Matters* section, which in the current year, the Company has already recorded the additional provision for litigation in full for debt amount compromised with the financial institution creditors and debt amount for which the Central Intellectual Property Court and International Trade Court (“the Central Intellectual Property Court”) ordered the Company to pay. He also drew attention to the matters similar to 3. and 4. as stated in the *Emphasis of Matters* section, under his report dated 18 February 2019.

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion on the consolidated financial statements.

Emphasis of Matters

I draw attention to the following matters:

1. As described in Note 29. to the consolidated financial statements, regarding the additional Optical Fiber Cable assets sales and leaseback transactions and recognition of gain from the transactions amounting to Baht 13,975 million. The transactions are highly material to the consolidated financial statements and are not regular transactions occurring in the normal course of business.
2. Litigation between the Company and five financial institutions regarding circumstance that the Central Bankruptcy Court read the judgement of the Supreme Court, rejecting the rehabilitation plan. The five financial institutions filed a petition for the rights of claim of the creditors that they had prior to the rehabilitation order with the Central Intellectual Property Court as described in Note 34.6. to the consolidated financial statements. Currently, the Company entered into compromise agreements with three financial institutions whereby the Company shall pay the principal and interests totaling Baht 1,349 million (calculated using the exchange rate

of the Bank of Thailand as at 31 December 2019) together with interest following the compromise agreements until the full payment is made. As a result, the Company recorded the additional liabilities in the current year amounting to Baht 670 million. For the other two financial institutions, the Company is in the compromise process. However, the Company recorded an additional provision in the current year amounting to Baht 161 million, based on the debt amounts that the Central Intellectual Property Court ordered the Company to pay.

3. The litigation between a subsidiary and two governments agencies, ordering the subsidiary to pay penalties for its failure to deliver tablets according the agreements totaling Baht 195 million, as described in Note 34.7 to the consolidated financial statements. In 2018, the Central Administrative Court issued a judgement requesting the subsidiary to pay penalties totaling Baht 10 million which provision previously recorded for possible penalties and losses are sufficient for penalty amount that ordered by the Central Administrative Court. However, the subsidiary and the two government agencies filed appeals to the Supreme Administrative Court. At present, the cases are under consideration by the Supreme Administrative Court.
4. An uncertainty of the circumstances regarding to the settlement of outstanding balances of approximately Baht 877 million, as described in Note 11. to the consolidated financial statements and the court proceedings and various disputes, as described in Note 34.8 to the consolidated financial statements between subsidiaries and an unrelated company.

My opinion is not modified in respect of these above matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

In addition to the matters described in the *Basis for Qualified Opinion on the Consolidated Financial Statements* section, key audit matters and how audit procedures respond to each matter are described below.

Revenue recognition

Revenue of the Group presented in the 2019 consolidated financial statements, was primarily revenue from the internet services, amounting to Baht 16,883 million. For audit proposes, I paid attention to recognition of revenue of internet services because the amount is significant and directly affects the Group's operating results. In addition, given the competitive environment in the telecommunications industry, marketing and pricing strategies are adjusted regularly, which may affect the Group's recognition of revenue in particular the recognition period.

I have examined the revenue recognition of the Group by assessing and testing IT systems and internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls and with special consideration given to expanding the scope of the testing of the internal controls which respond to the above

revenue recognition. Applying a sampling method to the examination of invoices and collections from customers to check the recognition, as well as credit notes issued after the period-end, performing analytical procedures on revenue data to detect possible irregularities in transactions throughout the period, particularly for accounting entries made through journal vouchers, and testing the calculation of advances received for provision of services.

The Optical Fiber Cable assets sales and leaseback transactions

As described in the *Emphasis of Matters* paragraph regarding to the Optical Fiber Cable assets sales and leaseback transactions and as described in Note 29. to the consolidated financial statements. In 2019, the subsidiary entered into Optical Fiber Cable assets (the Additional Assets) sales and leaseback transactions with Jasmine Broadband Internet Infrastructure Fund (JASIF). The Group recognised gain on the Additional Assets sales to JASIF amounting to Baht 13,975 million in the 2019 consolidated financial statements. For audit proposes, I paid attention to the transactions since the amounts of related transactions are significant and rely on the significant judgement of the management in considering conditions of the agreements to record transactions in the accounts which materially affect the Group's financial statements.

I have gained an understanding of the nature of transactions and the significant clauses and conditions in the related agreements. I assessed that the use of the judgement of the management in considering conditions in the agreements and examined the value of the transaction with the approval granted by the Extraordinary General Meeting of Shareholders of the Company on 25 September 2019 which resolved to approve the transactions. I also tested the calculations, the using of significant assumptions and the recorded amounts of the related transactions are recorded following the clauses in the agreements and in accordance with the related Thai Financial Reporting Standards. I have examined the amount of cash received from JASIF with the transaction in the original bank statement and verified that the related accounts are correctly classified. I also considered the disclosure of the Optical Fiber Cable assets sales and leaseback transactions in the Notes to consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

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

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

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

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

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

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

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

I am responsible for the audit resulting in this independent auditor's report.



Natthawut Santipet

Certified Public Accountant (Thailand) No. 5730

EY Office Limited

Bangkok: 4 February 2020

Jasmine International Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Assets					
Current assets					
Cash and cash equivalents	8	24,007,955,018	899,245,933	450,604,224	49,055,213
Current investments - deposits with banks	9	26,999,193	35,841,810	-	125,516
Trade and other receivables	10	3,166,843,944	3,180,212,078	165,740,515	518,742,024
Short-term loans to subsidiaries	7	-	-	6,389,242,315	4,405,254,203
Dividend receivable from subsidiaries	7	-	-	12,995,985,197	197,595,301
Revenue department receivable		158,980,410	1,047,126,193	-	370,565,027
Input tax pending payments		403,825,121	537,129,814	2,916,089	6,415,192
Prepaid project cost	7, 22	761,401	868,699	-	7,695,402,535
Prepaid expenses	4	166,792,707	111,034,389	635,375	661,451
Other current assets		16,982,604	20,852,192	41,093	49,508
Total current assets		27,949,140,398	5,832,311,108	20,005,164,808	13,243,865,970
Non-current assets					
Restricted deposits with banks	17, 20, 29, 34.8	411,602,157	477,768,040	23,739,158	23,240,530
Investments in subsidiaries	12	-	-	2,952,797,479	2,952,796,270
Investments in associates	13	3,997,794,483	4,018,057,110	14,586,403,966	12,756,078,506
Investment properties	14	462,202,217	499,818,381	-	-
Property, plant and equipment	15	35,301,968,524	37,487,032,716	5,394,684	6,228,082
Deferred tax assets	27	145,516,062	2,782,051,735	65,972,953	65,972,953
Withholding tax deducted at source		475,274,362	780,762,168	91,887,042	27,786,900
Advance rental payment	7, 16, 29	816,510,000	816,510,000	118,913,079	132,732,246
Other non-current assets	4	313,670,105	195,995,019	22,715,945	11,051,498
Total non-current assets		41,924,537,910	47,057,995,169	17,867,824,306	15,975,886,985
Total assets		69,873,678,308	52,890,306,277	37,872,989,114	29,219,752,955

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

Jasmine International Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	17	1,604,134,787	968,287,484	-	-
Trade and other payables	18	2,516,193,500	3,434,518,000	92,550,309	2,674,030,015
Short-term loans	19	-	570,881,400	5,150,309,185	1,707,881,400
Current portions of the long-term liabilities					
Long-term loans from banks	20	840,663,356	892,958,893	734,943,618	732,958,893
Account payable from compromise agreement	34.6	16,342,472	-	16,342,472	-
Liabilities under finance lease agreements	21	337,871,594	340,633,217	579,949	579,949
Accounts payable for equipment	22	1,625,867,280	5,275,270,033	1,088,221,694	3,115,104,940
Provision for rental assurance	7, 29	3,084,890,580	1,782,075,814	-	-
Withholding tax payable		397,690,293	39,049,389	306,901,103	1,429,342
Income tax payable		5,809,062,410	59,459,984	-	-
Undue output tax		384,288,604	403,372,603	1,922,525	27,820,374
Advance received from customers		583,360,484	603,074,293	-	-
Other current liabilities		139,617,521	19,539,455	116,679,776	-
Total current liabilities		17,339,982,881	14,389,120,565	7,508,450,631	8,259,804,913
Non-current liabilities					
Long-term liabilities - net of current portions					
Long-term loans from banks	20	2,780,347,668	4,084,322,360	2,780,347,668	3,978,602,622
Accounts payable from compromise agreements	34.6	1,318,467,349	-	1,318,467,349	-
Liabilities under finance lease agreements	21	636,567,142	952,874,174	1,643,189	2,223,138
Accounts payable for equipment	22	435,131,642	2,174,413,044	59,513,283	1,192,632,563
Provision for rental assurance	7, 29	23,277,154,391	10,641,315,597	-	-
Provision for long-term employee benefits	23	828,327,124	497,908,131	67,046,735	40,484,722
Provision for entry fee for laying the optical fiber cables	29	791,976,442	244,086,895	-	-
Provision for expenses and rental fee relating to subduct for optic fiber cables relocation	29	347,404,462	-	-	-
Provision for reversal of judgement by the Supreme Court	34.6	399,236,246	926,507,597	399,236,246	926,507,597
Deposit received from customers		486,405,441	587,715,045	10,119,390	9,954,402
Other non-current liabilities		48,513,602	15,931,419	22,678,523	15,091,966
Total non-current liabilities		31,349,531,509	20,125,074,262	4,659,052,383	6,165,497,010
Total liabilities		48,689,514,390	34,514,194,827	12,167,503,014	14,425,301,923

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

Jasmine International Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Shareholders' equity					
Share capital					
Registered					
9,555,371,066 ordinary shares of Baht 0.5 each		4,777,685,533	4,777,685,533	4,777,685,533	4,777,685,533
Issued and fully paid-up					
8,165,349,803 ordinary shares					
(2018: 7,984,969,919 shares) of Baht 0.5 each	24	4,082,674,902	3,992,484,960	4,082,674,902	3,992,484,960
Share subscription received in advance	24	162,288,343	564,336,427	162,288,343	564,336,427
Premium on ordinary shares		7,760,639,643	7,191,018,555	7,760,639,643	7,191,018,555
Retained earnings					
Appropriated					
Statutory reserve - the Company	25	477,768,553	477,768,553	477,768,553	477,768,553
- subsidiaries	25	1,090,819,656	623,429,230	-	-
Unappropriated		6,319,753,231	4,223,073,456	12,996,163,755	2,342,891,633
Other components of shareholders' equity		258,179,963	258,179,963	225,950,904	225,950,904
Equity attributable to owners of the Company		20,152,124,291	17,330,291,144	25,705,486,100	14,794,451,032
Non-controlling interests of the subsidiaries		1,032,039,627	1,045,820,306	-	-
Total shareholders' equity		21,184,163,918	18,376,111,450	25,705,486,100	14,794,451,032
Total liabilities and shareholders' equity		69,873,678,308	52,890,306,277	37,872,989,114	29,219,752,955

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

Jasmine International Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Profit or loss:					
Revenues					
Sales and service income		18,174,903,185	17,995,138,482	9,496,029,939	-
Other income					
Gain on sales of assets to the fund	7, 29	13,974,505,126	-	-	-
Management fee income	7	-	-	556,499,472	543,720,648
Interest income		31,856,094	26,846,682	91,400,528	44,271,922
Management and maintenance income of the OFCs	7, 29	263,510,777	241,439,419	-	-
Dividend income from subsidiaries	12	-	-	14,777,114,042	3,300,384,902
Dividend income from associate	13	-	-	1,028,924,500	1,288,035,000
Gain on sales of investments in associate	13	1,731,722,520	3,649,992,402	47,089,971	157,526,462
Gain on exchange		531,634,959	48,006,066	37,326,538	92,974,006
Others		130,918,563	182,146,475	94,566,673	14,009,388
Total other income		16,664,148,039	4,148,431,044	16,632,921,724	5,440,922,328
Total revenues		34,839,051,224	22,143,569,526	26,128,951,663	5,440,922,328
Expenses					
Cost of sales and services		11,705,782,035	11,266,516,682	8,881,143,945	-
Selling and servicing expenses	4	1,296,339,099	1,279,527,821	-	-
Administrative expenses	10, 23, 34.8	4,117,549,199	3,472,849,494	202,909,579	296,112,624
Doubtful accounts and bad debt		246,588,862	230,998,458	-	-
Loss on litigation from reversal of judgement by the Supreme Court	34.6	830,647,933	613,041,026	830,647,933	613,041,026
Total expenses		18,196,907,128	16,862,933,481	9,914,701,457	909,153,650
Profit before share of profit from investments in associates, finance cost and income tax		16,642,144,096	5,280,636,045	16,214,250,206	4,531,768,678
Share of profit from investments in associates	13	771,674,201	899,497,275	-	-
Profit before finance cost and income tax		17,413,818,297	6,180,133,320	16,214,250,206	4,531,768,678
Finance cost		(1,128,234,059)	(743,979,339)	(823,413,998)	(492,761,708)
Profit before income tax		16,285,584,238	5,436,153,981	15,390,836,208	4,039,006,970
Income tax	27	(9,012,867,208)	(506,058,581)	-	-
Profit for the year		7,272,717,030	4,930,095,400	15,390,836,208	4,039,006,970
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial losses	23	(147,018,363)	(65,649,628)	(9,117,185)	(6,321,056)
Income tax effect		-	10,286,429	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(147,018,363)	(55,363,199)	(9,117,185)	(6,321,056)
Other comprehensive income for the year		(147,018,363)	(55,363,199)	(9,117,185)	(6,321,056)
Total comprehensive income for the year		7,125,698,667	4,874,732,201	15,381,719,023	4,032,685,914

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

Jasmine International Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Profit attributable to:					
Equity holders of the Company		7,264,608,490	4,912,590,872	15,390,836,208	4,039,006,970
Non-controlling interests of the subsidiaries		8,108,540	17,504,528		
		<u>7,272,717,030</u>	<u>4,930,095,400</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		7,118,702,568	4,857,917,079	15,381,719,023	4,032,685,914
Non-controlling interests of the subsidiaries		6,996,099	16,815,122		
		<u>7,125,698,667</u>	<u>4,874,732,201</u>		
Earnings per share					
	30				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.90	0.63	1.90	0.52
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.83	0.58	1.77	0.48

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

Jasmine International Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2019

(Unit: Baht)

		Consolidated financial statements												
		Equity attributable to owners of the Company							Other components of shareholders' equity				Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
		Issued and fully paid-up share capital	Share subscription received in advance	Premium on ordinary shares	Retained earnings		Premium on ordinary shares from expired warrants	Capital surplus from share premium of subsidiary	Deficit from changes in shareholding in subsidiaries	Total other components of shareholders' equity	Total equity attributable to owners of the Company			
Appropriated statutory reserve	Unappropriated													
Note		3,335,312,803	2,919,477,607	2,812,213,451	1,020,535,281	3,238,669,347	25,169,527	200,781,377	49,665,575	(17,436,516)	258,179,963	13,584,388,452	1,044,301,904	14,628,690,356
	Balance as at 1 January 2018	-	-	-	-	4,912,590,872	-	-	-	-	-	4,912,590,872	17,504,528	4,930,095,400
	Profit for the year	-	-	-	-	(54,673,793)	-	-	-	-	-	(54,673,793)	(689,406)	(55,363,199)
	Other comprehensive income for the year	-	-	-	-	4,857,917,079	-	-	-	-	-	4,857,917,079	16,815,122	4,874,732,201
	Total comprehensive income for the year	-	-	-	-	(3,792,850,468)	-	-	-	-	-	(3,792,850,468)	-	(3,792,850,468)
33	Dividend paid to the Company's shareholders	657,172,157	(2,919,477,607)	4,376,805,104	-	-	-	-	-	-	-	2,116,499,654	-	2,116,499,654
	Increase in share capital	-	564,336,427	-	-	-	-	-	-	-	-	564,336,427	-	564,336,427
	Share subscription received in advance	-	-	-	-	-	-	-	-	-	-	-	-	-
	Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(15,296,720)	(15,296,720)
25	Transferred to statutory reserve	-	-	-	80,662,502	(80,662,502)	-	-	-	-	-	-	-	-
	Balance as at 31 December 2018	3,992,484,960	564,336,427	7,191,018,555	1,101,197,783	4,223,073,456	25,169,527	200,781,377	49,665,575	(17,436,516)	258,179,963	17,330,291,144	1,045,820,306	18,376,111,450
	Balance as at 1 January 2019	3,992,484,960	564,336,427	7,191,018,555	1,101,197,783	4,223,073,456	25,169,527	200,781,377	49,665,575	(17,436,516)	258,179,963	17,330,291,144	1,045,820,306	18,376,111,450
	(as previously reported)													
	Cumulating effects of changes in accounting policies due to the adoption of new financial reporting standard	-	-	-	-	173,814,534	-	-	-	-	-	173,814,534	-	173,814,534
4	Balance as at 1 January 2019 (as restated)	3,992,484,960	564,336,427	7,191,018,555	1,101,197,783	4,396,887,990	25,169,527	200,781,377	49,665,575	(17,436,516)	258,179,963	17,504,105,678	1,045,820,306	18,549,925,984
	Profit for the year	-	-	-	-	7,264,608,490	-	-	-	-	-	7,264,608,490	8,108,540	7,272,717,030
	Other comprehensive income for the year	-	-	-	-	(145,905,922)	-	-	-	-	-	(145,905,922)	(1,112,441)	(147,018,363)
	Total comprehensive income for the year	-	-	-	-	7,118,702,568	-	-	-	-	-	7,118,702,568	6,996,099	7,125,698,667
33	Dividend paid to the Company's shareholders	-	-	-	-	(4,728,446,901)	-	-	-	-	-	(4,728,446,901)	-	(4,728,446,901)
24	Increase in share capital	90,189,942	(564,336,427)	569,621,088	-	-	-	-	-	-	-	95,474,603	-	95,474,603
24	Share subscription received in advance	-	162,288,343	-	-	-	-	-	-	-	-	162,288,343	-	162,288,343
	Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(20,776,778)	(20,776,778)
25	Transferred to statutory reserve	-	-	-	467,390,426	(467,390,426)	-	-	-	-	-	-	-	-
	Balance as at 31 December 2019	4,082,674,902	162,288,343	7,760,639,643	1,568,588,209	6,319,753,231	25,169,527	200,781,377	49,665,575	(17,436,516)	258,179,963	20,152,124,291	1,032,039,627	21,184,163,918

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

Jasmine International Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2019

(Unit: Baht)

	Note	Separate financial statements							Total shareholders' equity	
		Issued and fully paid-up share capital	Share subscription received in advance	Premium on ordinary shares	Retained earnings		Other components of shareholders' equity			
					Appropriated - statutory reserve	Unappropriated	Premium on ordinary shares from expired warrants	Premium on capital reduction		Total other components of shareholders' equity
Balance as at 1 January 2018		3,335,312,803	2,919,477,607	2,812,213,451	464,599,828	2,116,224,912	25,169,527	200,781,377	225,950,904	11,873,779,505
Profit for the year		-	-	-	-	4,039,006,970	-	-	-	4,039,006,970
Other comprehensive income for the year		-	-	-	-	(6,321,056)	-	-	-	(6,321,056)
Total comprehensive income for the year		-	-	-	-	4,032,685,914	-	-	-	4,032,685,914
Dividend paid to the Company's shareholders	33	-	-	-	-	(3,792,850,468)	-	-	-	(3,792,850,468)
Increase in share capital		657,172,157	(2,919,477,607)	4,378,805,104	-	-	-	-	-	2,116,499,654
Share subscription received in advance		-	564,336,427	-	-	-	-	-	-	564,336,427
Transferred to statutory reserve	25	-	-	-	13,168,725	(13,168,725)	-	-	-	-
Balance as at 31 December 2018		3,992,484,960	564,336,427	7,191,018,555	477,768,553	2,342,891,633	25,169,527	200,781,377	225,950,904	14,794,451,032
Balance as at 1 January 2019		3,992,484,960	564,336,427	7,191,018,555	477,768,553	2,342,891,633	25,169,527	200,781,377	225,950,904	14,794,451,032
Profit for the year		-	-	-	-	15,390,836,208	-	-	-	15,390,836,208
Other comprehensive income for the year		-	-	-	-	(9,117,185)	-	-	-	(9,117,185)
Total comprehensive income for the year		-	-	-	-	15,381,719,023	-	-	-	15,381,719,023
Dividend paid to the Company's shareholders	33	-	-	-	-	(4,728,446,901)	-	-	-	(4,728,446,901)
Increase in share capital	24	90,189,942	(564,336,427)	569,621,088	-	-	-	-	-	95,474,603
Share subscription received in advance	24	-	162,288,343	-	-	-	-	-	-	162,288,343
Balance as at 31 December 2019		4,082,674,902	162,288,343	7,760,639,643	477,768,553	12,996,163,755	25,169,527	200,781,377	225,950,904	25,705,486,100

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

Jasmine International Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Cash flows from operating activities					
Profit before income tax		16,285,584,238	5,436,153,981	15,390,836,208	4,039,006,970
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:					
Depreciation and amortisation		5,127,800,663	4,449,762,671	16,002,713	15,649,123
Amortisation on cost to obtain contracts		85,552,484	-	-	-
Doubtful accounts		73,021,251	73,891,030	-	-
Bad debt		173,567,611	157,107,428	-	-
Gain on sales of assets to the fund	7, 29	(13,974,505,126)	-	-	-
Loss on litigation from reversal of judgement by the Supreme Court	34.6	830,647,933	613,041,026	830,647,933	613,041,026
Gain on sales of equipments with installation		-	-	(614,885,994)	-
Gain on sales of equipment		(10,228,020)	(134,663,971)	-	(74,764)
Dividend income from investments in subsidiaries	12	-	-	(14,777,114,042)	(3,300,384,902)
Dividend income from investment in an associate	13	-	-	(1,028,924,500)	(1,288,035,000)
Share of profit from investments in associates	13	(771,674,201)	(899,497,275)	-	-
Gain on sale from investments in associate	13	(1,731,722,520)	(3,649,992,402)	(47,089,971)	(157,526,462)
Unrealised gains on exchange		(346,641,962)	(14,606,258)	(11,334,095)	(92,974,006)
Realised gains on exchange		(165,148,065)	(43,844,233)	(25,992,443)	-
Provision for long-term employee benefits	23	217,295,510	35,537,942	17,444,828	2,949,798
Interest income		(31,856,094)	(26,846,682)	(91,400,528)	(44,271,922)
Interest expenses		1,128,234,059	743,979,339	823,413,998	492,761,708
Profit from operating activities before changes in operating assets and liabilities		6,889,927,761	6,740,022,596	481,604,107	280,141,569
Operating assets decrease (increase)					
Trade and other receivables		(259,891,669)	(179,255,788)	812,203,366	(275,388,905)
Unbilled receivables		(4,346,913)	(2,969,539)	-	-
Revenue department receivable		865,793,463	(263,484,500)	(22,118,854)	(269,406,272)
Inventories		4,604,132	350,957,325	-	-
Prepaid project cost		107,298	(44,612,166)	-	(842,617,258)
Prepaid expenses		(66,566,940)	(373,667)	26,076	45,740
Other current assets		8,645,590	9,286,189	8,415	3,123
Other non-current assets		24,754,393	(6,465,702)	(11,664,447)	(31,350)
Operating liabilities increase (decrease)					
Trade and other payables		(948,979,553)	(225,558,368)	2,754,452,969	(181,207,481)
Withholding tax payable		358,640,904	(118,938,041)	193,727,270	(85,603,933)
Advances received from customers		(19,713,809)	71,126,174	-	-
Other current liabilities		120,078,066	(19,830,105)	90,779,888	(8,439,865)
Provision for rental assurance		(1,673,589,969)	(1,630,749,119)	-	-
Cash paid for long-term employee benefits	23	(33,894,881)	(5,525,860)	-	-
Provision for entry fee for laying the optical fiber cables		(17,696,349)	(30,097,289)	-	-
Deposit received from customers		(101,309,604)	(114,611,550)	164,988	-
Other non-current liabilities		32,582,184	598,942	7,586,558	552,263
Cash from (used in) operating activities		5,179,144,104	4,529,519,532	4,306,770,336	(1,381,952,369)
Cash received from withholding tax refund		393,328,868	30,776,772	20,037,838	16,171,428
Cash paid for income tax		(758,023,805)	(558,903,096)	(84,137,980)	(7,749,061)
Net cash from (used in) operating activities		4,814,449,167	4,001,393,208	4,242,670,194	(1,373,530,002)

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

Jasmine International Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Cash flows from investing activities					
Interest income		43,257,146	64,383,325	2,199,116	4,533,146
Decrease (increase) in current investments		8,842,617	12,790,171	125,516	(1,235)
Decrease (increase) in restricted deposits with banks		66,165,883	9,753,197	(498,628)	(23,240,530)
Increase in short-term loans to related parties		-	-	(1,983,988,112)	(4,305,254,203)
Increase in investment in subsidiaries		-	-	(1,209)	-
Dividend received from investments in subsidiaries		-	-	1,978,724,146	3,300,384,902
Cash payment for purchase investment in associate		(4,275,000,000)	-	(4,275,000,000)	-
Proceeds from sales of investments in associate	13	2,516,875,852	5,666,638,824	2,516,875,852	5,666,638,824
Proceeds from sales of assets to the fund - net of expenses related to assets sales transactions		36,247,770,402	-	-	-
Proceeds from sales of equipment		17,436,655	138,928,297	-	74,921
Acquisitions of investment properties	14	(3,988,917)	(1,606,097)	-	-
Acquisitions of plant and equipment		(2,468,552,547)	(3,985,434,799)	(1,350,150)	(2,037,234)
Acquisitions of computer software		(5,416,896)	(5,359,110)	-	-
Net cash from (used in) investing activities		32,147,390,195	1,900,093,808	(1,762,913,469)	4,641,098,591
Cash flows from financing activities					
Interest expenses		(1,018,858,938)	(558,242,870)	(835,680,037)	(316,309,364)
Decrease in short-term loans from banks		(1,870,390,789)	(3,908,717,076)	-	-
Cash received from short-term loans		-	-	7,083,593,767	60,000,000
Repayment of short-term loans		(557,177,623)	(786,000,000)	(567,177,622)	(5,094,718,400)
Repayment of accounts payable for equipment		(5,138,310,083)	(2,381,767,950)	(3,050,813,227)	-
Cash received from long-term loans from banks	20	2,032,408,000	8,387,500,000	-	8,387,500,000
Repayment of long-term loans from banks	20	(2,447,777,134)	(7,460,000,000)	(222,369,134)	(7,300,000,000)
Repayment of account payable from compromise agreement		(14,497,556)	-	(14,497,556)	-
Repayment of liabilities under finance lease agreements		(347,065,421)	(205,651,344)	(579,950)	(1,067,132)
Proceeds from increase in share capital	24	95,474,603	2,116,499,654	95,474,603	2,116,499,654
Cash received from share subscription received in advance	24	162,288,343	564,336,427	162,288,343	564,336,427
Dividend paid to the Company's shareholders	33	(4,728,446,901)	(3,792,850,468)	(4,728,446,901)	(3,792,850,468)
Dividend paid to non-controlling interests of the subsidiaries		(20,776,778)	(15,296,720)	-	-
Net cash used in financing activities		(13,853,130,277)	(8,040,190,347)	(2,078,207,714)	(5,376,609,283)
Net increase (decrease) in cash and cash equivalents		23,108,709,085	(2,138,703,331)	401,549,011	(2,109,040,694)
Cash and cash equivalents at beginning of year		899,245,933	3,037,949,264	49,055,213	2,158,095,907
Cash and cash equivalents at end of year		24,007,955,018	899,245,933	450,604,224	49,055,213

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

Jasmine International Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Supplemental cash flow information					
Non-cash transactions					
Purchase of equipment for which no cash has been paid		2,913,716,937	7,168,268,109	-	3,579,439
Receive from sales of equipment with installation by settlement of installation payable with subsidiary		-	-	3,873,809,036	-
Receive from sales of equipment with installation by settlement of short-term loans from subsidiary		-	-	3,209,356,397	-
Receive from sales of equipment with installation by settlement of advance from subsidiary		-	-	2,681,688,309	-
Transfer advance to short-term loan from subsidiaries		-	-	149,071,815	-
Transfer right of payable for equipment and assets from a subsidiary		-	-	-	4,300,194,727
The installation service payable with a subsidiary		-	-	-	2,459,569,720
Transfer right to receive dividend from an associate in settlement of accrued interest and long-term loans from bank		1,028,924,500	1,288,035,000	1,028,924,500	1,288,035,000
Transfer right in dividend receivable from subsidiary in settlement of short-term loan from another subsidiary		-	-	-	386,249,835
Transfer rights in other receivables - related parties in settlement of short-term loan from another subsidiary		-	-	-	45,760,165

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



Jasmine International Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2019

1. Corporate information

Jasmine International Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the investments in the companies involved in the telecommunications business and its registered address is 200, 29th - 30th Floor, Moo 4, Chaengwatana Road, Pakkred, Pakkred, Nonthaburi.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of the Company and the subsidiaries (“the Group”). Details of subsidiaries are as following:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019	2018
			Percent	Percent
Held by the Company				
Jasmine Submarine Telecommunications Co., Ltd.	Operator of submarine optical fiber cable network and repair and maintenance services for local submarine cable systems	Thailand	100	100
Acumen Co., Ltd.	Satellite telecommunications service provider and internet service provider	Thailand	100	100
Jasmine Telecom Systems Plc. (Another 9% held by T.J.P. Engineering Co., Ltd. and another 9% held by ACeS Regional Services Co., Ltd.)	Design, installation and testing of telecommunication systems	Thailand	33	33
Jasmine Internet Co., Ltd.	Internet service provider and international calling card services	Thailand	98	98
T.J.P. Engineering Co., Ltd. (Another 20% held by Acumen Co., Ltd.)	Survey, design and construction for civil work of telecommunication projects	Thailand	80	80
Jasmine International Overseas Co., Ltd. (Another 34% held by ACeS (Thailand) Co., Ltd. and another 26% held by ACeS Regional Services Co., Ltd.)	Investment holding	Thailand	40	40
Chaengwatana Planner Co., Ltd.	Rehabilitation plan administrator	Thailand	100	100
Three BB Co., Ltd.	Ceased operation	Thailand	100	100
Mobile Communication Services Co., Ltd.	Not yet operate	Thailand	70	70
JAS Mobile Broadband Co., Ltd.	Not yet operate	Thailand	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019	2018
Held by subsidiaries				
			Percent	Percent
Cloud Computing Solutions Co., Ltd. (98% held by Jasmine Telecom Systems Plc.)	Design and provision of computer system integration services, software development, sale of computer products and cloud computing service	Thailand	-	-
Smart Highway Co., Ltd. (67% held by Acumen Co., Ltd.)	Domestic high speed data communication service provider	Thailand	-	-
Triple T Broadband Plc. (100% held by Acumen Co., Ltd.)	Service provider in telecommunications services, fixed-line services and data communication network services	Thailand	-	-
Triple T Internet Co., Ltd. (100% held by Triple T Broadband Plc.)	Internet service provider	Thailand	-	-
In Cloud Co., Ltd. (100% held by Triple T Broadband Plc.)	Development, distribution and service in several kinds of software	Thailand	-	-
ACeS (Thailand) Co., Ltd. (59% held by Jasmine International Overseas Co., Ltd.)	Investment holding	Thailand	-	-
ACeS Regional Services Co., Ltd. (98% held by ACeS (Thailand) Co., Ltd.)	Marketing and distribution of equipment and providing services to satellite-based cellular phone users	Thailand	-	-

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019	2018
			Percent	Percent
Clippership Investments (BVI) Limited (100% held by Jasmine International Overseas Co., Ltd.)	Ceased operation	British Virgin Island	-	-
Thai Long Distance Telecommunications Co., Ltd. (90% held by Jasmine Submarine Telecommunications Co., Ltd.)	Operator of submarine optical fiber cable network and repair and maintenance services for local submarine cable systems	Thailand	-	-
Jastel Network Co., Ltd. (100% held by Jasmine Submarine Telecommunications Co., Ltd.)	Circuit leasing services and local and international data communication services	Thailand	-	-
Premium Assets Co., Ltd. (54% held by Acumen Co., Ltd. and 46% held by Jasmine Submarine Telecommunications Co., Ltd.)	Office rental	Thailand	-	-

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
 - c) Subsidiaries are fully consolidated being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - e) Material balances and transactions in the Group have been eliminated from the consolidated financial statements.
 - f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. New financial reporting standards

a. Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related Interpretations.

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

A subsidiary elects to apply the practical expedients to adopt TFRS 15 by using the modified retrospective method of adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2019, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4. to the consolidated financial statements.

b. Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards except the following new standards which involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The Group plans to adopt TFRS 16 using the modified retrospective method of adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The management of the Group expects the effect of the adoption of this accounting standard to the statement of financial position as at 1 January 2020 to be to increase the Group's assets by approximately Baht 59,113 million and the Company only by approximately Baht 0.4 million, and the Group's liabilities by approximately Baht 59,113 million and the Company only by approximately Baht 0.4 million.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standard

As described in Note 3. to the consolidated financial statements, during the current year, the Group has adopted TFRS 15 using the modified retrospective method of adoption. The cumulative effect of initially applying TFRS 15 is recognised as an adjustment to retained earnings as at 1 January 2019. Therefore, the comparative information was not restated.

The effect of the changes in accounting policies due to the adoption of TFRS 15 on the beginning balance of retained earnings for 2019 comprises:

(Unit: Million Baht)

	Consolidated financial statements
Impact on retained earnings as at 1 January 2019	
Costs to obtain contracts	217
Related tax	(43)
Total	174

The amounts of adjustments affecting the financial statements are summarised below.

(Unit: Million Baht)

	Consolidated financial statements		
	Previous accounting policy	Increase (decrease)	TFRS 15
Statement of financial position as at 31 December 2019			
Assets			
Prepaid expenses	83	84	167
Deferred tax assets	194	(48)	146
Other non-current assets	156	158	314
Shareholders' equity			
Retained earnings	6,126	194	6,320

(Unit: Million Baht)

	Consolidated financial statements		
	Previous accounting policy	Increase (decrease)	IFRS 15

(Unit: Million Baht)

Statement of comprehensive income for the year ended 31 December 2019

Profit or loss

Selling and servicing expenses	1,321	(25)	1,296
Income tax	9,008	5	9,013
Profit for the year	7,253	20	7,273
Earnings per share (Baht)			
Basic earnings per share	0.90	-	0.90
Diluted earnings per share	0.83	-	0.83

The nature of these adjustments are commission paid to obtain a contract. The subsidiary has determined that commission paid to obtain a customer contract should be recorded as an asset and amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. Under the previous accounting policy, the subsidiary immediately recorded commission as selling and servicing expenses when the transaction occurred.

5. Significant accounting policies

5.1 Revenue recognition

Revenues from providing telecommunications network service, internet service and other businesses related to the internet business, and management service are recognised when services have been rendered.

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts.

Revenue from design and installation of telecommunication systems and computer systems including supply of related equipment is recognised by reference to stage of completion as assessed by engineers or project managers.

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

Dividends are recognised when the right to receive the dividends is established.

5.2 Cash and cash equivalents

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

5.3 Trade and other receivables

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

5.4 Cost to obtain a contract

The subsidiary recognises commission paid to obtain a customer contract as an asset and amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of consideration that the entity expects to receive less direct costs. Provided that the amortisation period of the asset that the subsidiary otherwise would have used is one year or less, costs to obtain a contract are immediately recognised as expenses.

5.5 Investments

- a) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method net of allowance for loss on impairment (if any).
- c) Investment in mutual fund are stated at fair value, determined from their net asset value.

The weighted average method is used for computation the cost of investments.

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

5.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 3 - 24 years. Depreciation of the investment properties is included in determining income.

No depreciation is provided for land classified as investment properties.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

5.7 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets. (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	-	20 and 24 years
Building improvements	-	5 - 12 years
Leasehold improvements	-	5 years
Telecommunications equipment	-	3 - 25 years
Tools and equipment	-	3 and 5 years
Furniture, fixtures and office equipment	-	3 and 5 years
Motor vehicles	-	5 years

Depreciation is recognised in profit or loss.

No depreciation is provided on land and assets under installation.

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

5.8 Borrowing costs

Borrowing costs of financial expense from finance leases directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

5.9 Prepaid rent and amortisation

Prepaid rent is stated at cost less accumulated amortisation. Amortisation is calculated on a straight-line basis over the lease period of 30 years. Amortisation is recognised in profit or loss.

5.10 Related party transactions

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

They also include individuals or enterprises which directly or indirectly own a voting interest in the Group that give them significant influence over the Group, key management personnel, directors and officers with authority in the planning and direction of operations of the Group.

5.11 Long-term leases

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

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

5.12 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the functional currency of the Group.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are charged to profit or loss.

5.13 Impairment of assets

At the end of each reporting period, the Group performs impairment reviews in respect of the assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

5.14 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plan

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

Defined benefit plan

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

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

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

5.15 Provisions

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

5.16 Income tax

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

Current tax

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

Deferred tax

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

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

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

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.17 Fair value measurement

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

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

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

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

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

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

6. Significant accounting judgements and estimates

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

Costs to obtain contracts

The recognition of costs incurred to obtain a contract as an asset requires management to use judgement regarding whether such costs are the incremental costs of obtaining a contract with a customer as well as what amortisation method should be used.

Leases

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

Allowance for doubtful accounts

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

Impairment of investments

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

Property, plant, equipment and investment properties/Depreciation

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

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

Deferred tax assets

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

Post-employment benefits under defined benefit plans

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

Litigation and dispute

The Group has contingent liabilities as a result of litigation. The management of the Group has used judgement to assess of the results of the litigation and this involves evaluating the degree of probability that loss will be incurred. Changes in the factors used in management’s evaluation and events may result in actual results differing from the estimates.

7. Related party transactions

The following are relationships with companies and individuals that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

Name of entities	Nature of relationship
Subsidiaries	The group of companies that the Company has power to set financial and operating policies in order to generate benefits from their activities.
Jasmine Broadband Internet Infrastructure Fund ("JASIF")	Associated company
Mono Group	Common major shareholder

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

(Unit: Million Baht)

	Consolidated financial statements		Pricing policy
	2019	2018	
Transactions with associated company			
Revenue from sales of assets to the fund	38,000	-	Contract price (Note 29)
Management and maintenance incomes of the OFCs	264	241	Contract price (Note 29)
Cost of equipment and network rental	4,681	4,184	Contract price (Note 29)
Transactions with related companies			
Sales and service income	22	28	Contract price or normal business price charged to other customers
Rental and other service income	57	57	Contract price or normal business price charged to other customers
Cost of sales and services	9	-	Contract price
Other expenses	56	25	Contract price or normal business price charged to other customers

(Unit: Million Baht)

	Separate financial statements		Pricing policy
	2019	2018	
Transactions with subsidiaries			
(eliminated from the consolidated financial statements)			
Revenue from sales of equipment with installation	9,496	-	Contract price
Management income from sales of assets to the fund - Net	70	-	As agreed upon
Management fee income	556	544	Contract price
Rental and other service income	45	44	Contract price or normal business price charged to other customers
Interest income	89	40	Base on the deposit interest rate of commercial bank + 0.5%
Other expenses	37	32	Contract price
Interest expenses	31	45	1.6% to 2.0% per annum
Prepaid project cost from installation service	-	2,460	Contract price
Transfer rights of payable for equipment and assets	-	3,348	Contract price

The balances of the accounts between the Group and those related parties are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade receivables - related parties (Note 10)				
Related companies				
Mono Group	61	34	-	-
Other receivables - related parties (Note 10)				
Subsidiaries	-	-	527	110
(eliminated from the consolidated financial statements)				
Associated company				
JASIF	109	85	-	-
Total	109	85	177	527
Less: Allowance for doubtful accounts	-	-	(11)	(11)
Total other receivables - related parties - net	109	85	166	516
Advance rental payment - related parties (Note 16, 29)				
Subsidiary	-	-	119	133
(eliminated from the consolidated financial statements)				
Associated company				
JASIF	817	817	-	-
Total advance rental payment - related parties	817	817	119	133

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Dividend receivables from subsidiary				
Subsidiary	-	-	12,996	198
(eliminated from the consolidated financial statements)				
Trade payables - related parties (Note 18)				
Related companies				
Mono Group	7	-	-	-
Other payables - related parties (Note 18)				
Subsidiaries	-	-	66	138
(eliminated from the consolidated financial statements)				
Related companies				
Mono Group	14	3	-	-
Total other payables - related parties	14	3	66	138
Accrued project cost - related party (Note18)				
Subsidiary	-	-	-	2,460
(eliminated from the consolidated financial statements)				
Provision for rental assurance - related party (Note 29)				
Associated company				
JASIF	26,362	12,423	-	-
Deposit received from customers				
Subsidiaries	-	-	10	10
(eliminated from the consolidated financial statements)				
Related companies				
Mono Group	7	7	-	-
Total deposit received from customers	7	7	10	10

The balances of short-term loans in the Group and the movements were as follows:

(Unit: Million Baht)

	Separate financial statements			
	Balance as at 1 January 2019	Movements during the year		Balance as at 31 December 2019
		Increase	Decrease	
Short-term loans to subsidiary				
(eliminated from the consolidated financial statements)				
Acumen Co., Ltd.	4,405	1,984	-	6,389
Short-term loans from subsidiaries (Note 19)				
(eliminated from the consolidated financial statements)				
ACeS Regional Services Co., Ltd.	330	-	-	330
Jasmine Internet Co., Ltd.	90	-	(10)	80
Jasmine Telecom Systems Plc.	-	327	-	327
Jastel Network Co., Ltd.	47	-	-	47
Premium Assets Co., Ltd.	620	-	-	620
Thai Long Distance Telecommunications Co., Ltd.	10	-	-	10
T.J.P. Engineering Co., Ltd.	40	-	-	40
Triple T Broadband Plc.	-	6,905	(3,209)	3,696
Total	1,137	7,232	(3,219)	5,150

Directors and management's benefits

During the year, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Short-term employee benefits	222	207	53	54
Post-employment benefits	24	19	5	4
Total	246	226	58	58

Guarantee obligations with subsidiaries

The Company has outstanding guarantee obligations with its subsidiaries, as described in Note 34.4 b) to the consolidated financial statements.

8. Cash and cash equivalents

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash	11	16	-	-
Bank deposits	22,922	454	451	49
Investment in fixed income fund	1,000	-	-	-
Bills of exchange	75	429	-	-
Total	24,008	899	451	49

As at 31 December 2019, bank deposits in saving accounts, fixed deposits and bills of exchange of the Group carried interests between 0.10 and 1.25 percent per annum (2018: between 0.10 and 1.30 percent per annum) and of the Company carried interests between 0.25 and 1.00 percent per annum (2018: between 0.25 and 1.00 percent per annum).

9. Current investments - deposits with banks

As at 31 December 2019, the Group had savings and fixed deposits amounting to approximately Baht 16 million (2018: Baht 23 million) and the Company only in 2018 amounting to approximately Baht 0.1 million which have been pledged to secure credit facilities.

10. Trade and other receivables

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade receivables - related parties (Note 7)	61	34	-	-
Trade receivables - unrelated parties	3,768	3,782	50	55
Other receivables - related parties (Note 7)	109	85	177	527
Other receivables - unrelated parties	111	107	-	3
Total	4,049	4,008	227	585
Less: Allowance for doubtful accounts	(882)	(828)	(61)	(66)
Trade and other receivables - net	3,167	3,180	166	519

The balances of trade accounts receivable aged on the basis of due dates, are summarised below.

(Unit: Million Baht)

Age of receivables	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Related parties				
Not yet due	4	5	-	-
Past due				
Up to 3 months	19	19	-	-
Longer than 3 - 6 months	17	10	-	-
Longer than 6 - 12 months	17	-	-	-
Longer than 12 months	4	-	-	-
Total (Note 7)	61	34	-	-
Unrelated parties				
Not yet due	85	74	-	-
Past due				
Up to 3 months	222	243	-	-
Longer than 3 - 6 months	122	144	-	-
Longer than 6 - 12 months	77	148	-	-
Longer than 12 months	3,262	3,173	50	55
Total	3,768	3,782	50	55
Less: Allowance for doubtful accounts	(882)	(828)	(50)	(55)
Net	2,886	2,954	-	-
Trade accounts receivable - net	2,947	2,988	-	-

In 2019, subsidiaries wrote-off trade accounts receivable as bad debt amounting to approximately Baht 186 million (2018: Baht 168 million).

An outstanding trade receivable balances as at 31 December 2019 of Jasmine Submarine Telecommunications Co., Ltd. ("JSTC") amounting to Baht 2,518 million (2018: Baht 2,518 million), are receivable for service under a co-investor agreement made between JSTC and TOT Plc. ("TOT"), its concession provider. TOT had ceased making payment as from September 2008 to 4 October 2011, the end date of the co-investor agreement, because the revenue sharing rates are still being disputed between TOT and JSTC. In order to finalise the revenue sharing rate, on 22 December 2014, JSTC took the dispute to the Arbitration Institute, Office of Dispute Resolution, the Judiciary, for a ruling. Subsequently, on 19 August 2016, TOT submitted a dispute proposal to the Arbitration Institute, asking JSTC to return the excess revenue sharing received based on the co-investor agreement and to pay opportunity costs, together amounting to approximately Baht 9,931 million. Subsequently, in May 2019, JSTC received the Arbitration Award from the Arbitration Institute, which ordered TOT to make full debt payment amounting to Baht 2,518 million, plus interest in the amount of Baht 877 million (calculated using an interest rate of 7.5 percent per annum, until the dispute was submitted), totaling to approximately Baht 3,395 million, together with an interest at the rate of 7.5 percent per annum until the full payment is made and ordered JSTC to pay for damages to TOT

amounting to Baht 16 million together with an interest at the rate of 7.5 percent per annum until the full payment is made. At present, TOT filed a petition to revoke the Arbitration Award from the Arbitration Institute with the Central Administrative Court and JSTC also filed an objection to defend a petition with the Central Administrative Court. The outcomes of the disputes are not finalised, therefore JSTC considers no further transactions that related to the Arbitration Award should recorded in the accounts.

Furthermore, on 26 August 2016, TOT submitted a dispute proposal to the Arbitration Institute, asking Thai Long Distance Telecommunications Co., Ltd. (“TLDT”) and JSTC to jointly or separately pay costs of repairing or replacing equipment and overseas training, together with damages with interest, and business opportunity costs under the co-investor agreement and the addendum to the agreement, in total amounting to approximately Baht 258 million. In November 2019, TLDT and JSTC received the Arbitration Award from the Arbitration Institute, which ordered TLDT and JSTC to pay costs and damages, together with interest, which calculated until the date of Arbitration Award, to TOT totaling to Baht 24.9 million by settlement with an outstanding receivable between TOT and TLDT, together with interest, which calculated until the date of Arbitration Award, totaling to Baht 25.0 million, remaining outstanding that TLDT will receive from TOT totaling to Baht 0.1 million together with interest of 7.5 percent per annum until the full payment is made. TLDT recorded compensation expense together with interest amounting to Baht 24.9 million under the caption of “Administrative expenses” in the profit or loss in the consolidated financial statements of the current year. Currently, TOT in the process of filing an petition to revoke the Arbitration Award from the Arbitration Institute with the Central Administrative Court. The ultimate outcomes of these disputes that are not finalised cannot be determined at this time.

However, the management and the legal advisor of JSTC and TLDT believe that they have fully complied with the co-investor agreement and no additional costs and damages occur over the recorded amount in the financial statements.

JSTC and TLDT transferred their rights over the collection of their share of the revenues from TOT, under the above co-investor agreement, to secure long-term loan of JSTC, as described in Note 20. to the consolidated financial statements.

11. Accounts receivable under troubled debt restructuring

On 22 April 2008, TT&T Public Company Limited (“TT&T”) filed a petition for business rehabilitation with the Central Bankruptcy Court for the purpose of restructuring its debt and on 22 July 2009, the Central Bankruptcy Court ordered the appointment of P Planner Co., Ltd. as the rehabilitation plan preparer. On 11 August 2010, the creditors passed an extraordinary resolution to accept the plan. Subsequently, on 5 October 2010, the number of creditors, including the subsidiaries, submitted objections to the plan to the Central Bankruptcy Court. However, on 28 December 2010 the Court had an order accepting the business rehabilitation plan of TT&T. During the year 2011 the subsidiaries filed an appeal against the approval of the business rehabilitation plan to the Supreme Court. At present, the case is being considered by the Supreme Court.

According to the TT&T’s rehabilitation plan, the subsidiaries will receive settlement of both principal and interest receivable in cash and by conversion to ordinary shares in TT&T in accordance with term and condition as stipulated in the plan.

As at 31 December 2015, certain subsidiaries had an outstanding balance totalling approximately Baht 54 million that were receivable from TT&T, under the rehabilitation plan of TT&T, and which was to be fully repaid in cash in a single payment on the last working day of the first quarter of 2015. However, on 15 March 2016, the Central Bankruptcy Court issued an absolute receivership order against TT&T. For prudent reasons, the subsidiaries therefore recorded full allowance for doubtful accounts for the remaining balances of accounts receivable from TT&T.

Furthermore, the rehabilitation plan stipulates that the settlement of the balances between Triple T Broadband Plc. (“TTTBB”), and TT&T in 2009 by way of the assignment of promissory notes amounting to Baht 707 million that were issued by TT&T, and which were endorsed by TT & T Subscriber Services Co., Ltd. (“TT&TSS”), a subsidiary of TT&T, for transfer to TTTBB, and notification by TTTBB of its intention to offset balances with TT&T by way of exercising its rights in proceeds payable by TT&T to TT&TSS, and TT&TSS transfers of claims amounting to Baht 170 million to TTTBB to offset debt payable by TTTBB to TT&T, constituted settlement that are out of line with the purpose of the contract and thus do not constitute a complete and legitimate debt settlement transaction. Grounds for this are that TTTBB has to settle the debt by the method stipulated in the concession agreement of TT&T, whereby TTTBB has to directly settle debt to TOT and TOT will then allocate the settled amount to TT&T in accordance with the revenue sharing rate agreed under the concession. Non-cash settlements by TTTBB, such as by exercising claims or promissory notes and/or direct settlement with TT&T are out of line with the purpose of the contracts and do not constitute a complete and legitimate debt settlement transaction.

On 18 January 2011, P Planner Co., Ltd., as the rehabilitation plan administrator at that time, issued a notification refusing to accept rights arising from non-compliance with the contract. On 2 February 2011, TTTBB filed a lawsuit with the Central Bankruptcy Court requesting the Court to order that issuing of the notification of the plan administrator is unlawful. However, on 2 February 2012, the Central Bankruptcy Court ordered disagreement with TTTBB’s request because the Court considered that TTTBB’s request was not correct. On 9 March 2012, TTTBB filed an appeal with the Supreme Court. At present, the case is being considered by the Supreme Court.

However, the legal advisor of TTTBB expressed an opinion that TTTBB is entitled to make direct settlement of leased line service payable under the leased line service contract made with TT&T as a result of objection of payment method because TTTBB and TT&T are direct counterparties. The making payment of leased line service payable to endorse and transfer promissory notes to TT&T as stated above means that TT&T is the issuer and the holder of the promissory notes at the same time. Therefore, rights and liabilities under the promissory notes in the debt are subject to the same person, and fully in harmony. Therefore, debt by the promissory notes and the service payable will be suspended in an equal amount of the promissory notes. TTTBB notified TT&T of its intention to offsetting by way of exercise its rights from TT&TSS as discussed above means that TTTBB is a debtor and creditor of TT&T at the same time. TT&T and TTTBB are mutual with the same purpose of debt. TTTBB is eligible to offset payable with TT&T in an equal amount.

Moreover, the plan stipulates that the plan preparer has authority to refuse to acknowledge rights over the leased line service contracts, including any additional revisions of agreements and/or memorandums, and all agreements regarding the leased line service rate, pursuant to section 90/40 or 90/41 bis of the Bankruptcy Act. However, the legal advisor of TTTBB expressed an opinion that the exercising rights of the plan preparer will not retrospectively have any impact on the rights and obligations under the said contracts.

However, the management of TTTBB is confident that TTTBB has correctly complied with legal opinions of its legal advisor for the matters mentioned above, and therefore does not reflect the effect of these matters in its accounts.

12. Investments in subsidiaries

12.1 Details of investments in subsidiaries as presented in the separate financial statements are as follows:

(Unit: Million Baht)

Company's name	Paid-up capital		Cost		Dividend received during the year	
	2019	2018	2019	2018	2019	2018
Jasmine Submarine Telecommunications Co., Ltd.	1,550	1,550	1,946	1,946	-	-
Acumen Co., Ltd.	760	760	760	760	14,767	3,291
JAS Mobile Broadband Co., Ltd.	1.2	1.2	834	834	-	-
T.J.P. Engineering Co., Ltd.	200	200	160	160	-	-
Mobile Communication Services Co., Ltd.	100	100	70	70	-	-
Jasmine Telecom Systems Plc.	706	706	58	58	-	-
Three BB Co., Ltd.	52	52	52	52	-	-
Jasmine International Overseas Co., Ltd.	115	115	46	46	-	-
Jasmine Internet Co., Ltd.	15	15	7	7	10	9
Chaengwatana Planner Co., Ltd.	0.1	0.1	-	-	-	-
			3,933	3,933	14,777	3,300
Less: Allowance for impairment of investments			(980)	(980)		
Total investments in subsidiaries - net			2,953	2,953		

12.2 As described in Note 10. to the consolidated financial statements, at present, JSTC received the Arbitration Award from the Arbitration Institute, which ordered TOT to make full debt payment of receivable of revenue sharing rate under a co-investor agreement and TOT filed a petition to revoke the Arbitration Award from the Arbitration Institute with the Central Administrative Court. The management of JSTC believes that the recorded revenue of such service is consistent with the co-investor agreement.

13. Investments in associates

13.1 Details of associates

(Unit: Million Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements											
			Shareholding percentage		Cost		Carrying amounts based on equity method		Share of profit from investments in associates during the year					
			2019	2018	2019	2018	2019	2018	2019	2018				
			(%)	(%)										
Jasmine Broadband Internet Infrastructure Fund	Investment in infrastructure businesses	Thailand	19	24	14,570	12,740	3,935	3,993	734	899				
Internet Knowledge Service Center Co., Ltd.	Communication equipment rental	Thailand	38	38	49	49	63	25	38	-				
Telecom KSC Co., Ltd.	Not yet operate	Thailand	40	40	-	-	-	-	-	-				
Total investments in associates					14,619	12,789	3,998	4,018	772	899				

(Unit: Million Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements								
			Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts base on method - net		
			2019	2018	2019	2018	2019	2018	2019	2018	
			(%)	(%)							
Jasmine Broadband Internet Infrastructure Fund	Investment in infrastructure businesses	Thailand	19	24	14,570	12,740	-	-	14,570	12,740	
Internet Knowledge Service Center Co., Ltd.	Communication equipment rental	Thailand	38	38	49	49	(33)	(33)	16	16	
Telecom KSC Co., Ltd.	Not yet operate	Thailand	40	40	-	-	-	-	-	-	
Total investments in associates					14,619	12,789	(33)	(33)	14,586	12,756	

13.2 In the current year, the Company disposed of investment units in JASIF totaling 248 million units (2018: 540 million units) and had gain on sale of investments in the consolidated financial statements amounting to Baht 1,732 million (2018: Baht 3,650 million) and in the separate financial statements amounting to Baht 47 million (2018: Baht 158 million). After the disposal, the Company's unitholding is decreased from 23.51 percent to 19.00 percent of the total number of the issued and fully paid-up investment units (2018: decreased from 33.33 percent to 23.51 percent of the total number of issued and fully paid-up investment units).

Moreover, on 19 November 2019, the Company purchased 475 million units of capital increase of JASIF at the price of Baht 9 per unit, totaling of Baht 4,275 million, to maintain units holding of 19.00 percent of the total capital units. The Company has to maintain the percentage unit holding in JASIF as described in Note 29. to the consolidated financial statements. As at 31 December 2019, the Company has investment units in JASIF totaling 1,520 million units (2018: 1,293 million units).

During the current year, the Company received dividends of Baht 1,029 million from JASIF (2018: Baht 1,288 million).

Investment in JASIF under equity and cost method was detailed below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	Equity method		Cost method	
	2019	2018	2019	2018
Cost	10,450	12,932	10,450	12,932
Add: Purchased investment	4,275	-	4,275	-
Add: Accumulated share of profit from investment	2,969	2,829	-	-
Less: Gains on sales of assets to the Fund in proportion to the Company's unit holding	(9,268)	(7,412)	-	-
Less: Accumulated dividend income	(4,336)	(4,164)	-	-
Less: Accumulated return of capital	(155)	(192)	(155)	(192)
Net	3,935	3,993	14,570	12,740

As at 31 December 2019, the fair value of the investment in JASIF which is the listed company on the Stock Exchange of Thailand was Baht 14,668 million (2018: Baht 12,867 million).

As at 31 December 2019, the Company has pledged the investment certificates in JASIF totaling 1,045 million units as collateral to secure its loan facilities (2018: 1,293 million units), as described in Note 20. to the consolidated financial statements.

14. Investment properties

(Unit: Million Baht)

	Consolidated financial statements
31 December 2019	
Cost	941
Less: Accumulated depreciation	(479)
Net book value - net	462
31 December 2018	
Cost	960
Less: Accumulated depreciation	(460)
Net book value - net	500

A reconciliation of the net book value of investment properties for the years is presented below.

(Unit: Million Baht)

	Consolidated financial statements	
	2019	2018
Net book value at beginning of year	500	535
Acquisition	4	1
Transfers to property, plant and equipment - net book value	(14)	(7)
Depreciation	(28)	(29)
Net book value at end of year	462	500
Fair Value	1,850	1,905
Rental Income	31	31

The fair values of the above investment properties were determined based on valuation performed by an accredited independent value, which were determined at fair value using inputs of Level 3 on valuations. The fair value of the land were determined based on market prices, while that of the office building for rent were determined using the income approach. The main assumptions used in the valuation were as to yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

The subsidiary has operating leases in respect of the lease of building space. The terms of the agreements ranging from 1 year to 4 years. As at 31 December 2019 and 2018, future minimum rental income generated from the investment properties under those lease agreements is as follows.

(Unit: Million Baht)

	Consolidated financial statements	
	2019	2018
Less than 1 year	20	29
In over 1 and up to 4 years	16	16

15. Property, plant and equipment

(Unit: Million Baht)

	Consolidated financial statements								Total
	Land	Buildings, leasehold improvement and building improvement	Telecommunications equipment	Motor vehicles	Tools and equipment	Furniture, fixtures and office equipment	Others	Assets under installation	
Cost									
1 January 2018	122	1,172	38,394	651	578	1,134	745	5,307	48,103
Additions	16	36	5,725	1,248	82	120	-	3,927	11,154
Disposals	-	(1)	(10)	(210)	(12)	(47)	(7)	(1)	(288)
Transfer from investment properties	3	7	-	-	-	-	3	-	13
Transfers in (out)	2	-	6,151	-	48	(195)	3	(6,368)	(359)
31 December 2018	143	1,214	50,260	1,689	696	1,012	744	2,865	58,623
Additions	-	16	2,583	7	70	277	2	2,427	5,382
Disposals	-	(14)	(3,153)	(18)	(6)	(24)	(38)	-	(3,253)
Transfer from investment properties	9	21	-	-	-	-	9	-	39
Transfers in (out)	-	18	2,986	-	5	15	-	(3,033)	(9)
31 December 2019	152	1,255	52,676	1,678	765	1,280	717	2,259	60,782

(Unit: Million Baht)

	Consolidated financial statements (continued)								Total
	Land	Buildings, leasehold improvement and building improvement	Telecommunications equipment	Motor vehicles	Tools and equipment	Furniture, fixtures and office equipment	Others	Assets under installation	
Accumulated depreciation									
1 January 2018	-	796	13,790	419	364	902	273	-	16,544
Depreciation for the year	-	54	3,899	222	94	137	3	-	4,409
Depreciation on disposals	-	-	(9)	(210)	(12)	(46)	(7)	-	(284)
Transfer from investment properties	-	4	-	-	-	-	2	-	6
31 December 2018	-	854	17,680	431	446	993	271	-	20,675
Depreciation for the year	-	52	4,506	313	93	129	2	-	5,095
Depreciation on disposals	-	(14)	(680)	(17)	(5)	(22)	(38)	-	(776)
Transfer from investment properties	-	11	6	-	-	-	8	-	25
31 December 2019	-	903	21,512	727	534	1,100	243	-	25,019

(Unit: Million Baht)

	Separate financial statements				Total
	Leasehold improvement	Furniture and office equipment	Tools and equipment	Motor vehicles	
Cost					
1 January 2018	54	28	2	2	86
Additions	-	2	-	4	6
Disposals	-	(1)	-	(1)	(2)
31 December 2018	54	29	2	5	90
Additions	-	1	-	-	1
31 December 2019	54	30	2	5	91
Accumulated depreciation					
1 January 2018	54	26	2	2	84
Depreciation for the year	-	2	-	-	2
Depreciation on disposals	-	(1)	-	(1)	(2)
31 December 2018	54	27	2	1	84
Depreciation for the year	-	1	-	1	2
31 December 2019	54	28	2	2	86
Net book value					
31 December 2018	-	2	-	4	6
31 December 2019	-	2	-	3	5
Depreciation for the year					
2018 (included in administrative expenses)					2
2019 (included in administrative expenses)					2

As at 31 December 2019, certain plant and equipment items of the Group had been fully depreciated but were still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment of those assets amounted to approximately Baht 8,992 million (2018: Baht 7,454 million), of which Baht 82 million is from the Company (2018: Baht 81 million).

As at 31 December 2019, the Group had motor vehicles and equipment under finance lease agreements with net book values amounting to Baht 919 million (2018: Baht 1,195 million) and of the Company only amounting to Baht 3 million (2018: Baht 4 million).

As at 31 December 2019, the Company had the balance of accounts payable for equipment amounting to Baht 1,148 million (2018: Baht 4,308 million). The Company used the equipment for the Group's main operating asset construction project. In 2019, the Company capitalised as part of the interest cost on accounts payable for equipment amounting to Baht 53 million in the cost of project (2018: Baht 130 million), the rate of 2.99 - 4.21 percent has been used to determine the amount of borrowing costs eligible for capitalisation.

In 2005, Premium Assets Co., Ltd. ("PA"), purchased Jasmine International Tower from a financial institution at a price of Baht 1,200 million. The Company has prepaid rent in space in this building, as described in Note 16. to the consolidated financial statements, and therefore presents this prepaid rent as part of the purchase building in the consolidated financial statements, in order that the presentation of information reflects its underlying economic substance.

16. Prepaid rent

(Unit: Million Baht)

	Separate financial statements	
	2019	2018
Prepaid rent	415	415
Less: Accumulated amortisation	(296)	(282)
Prepaid rent - net	119	133
Amortisation expenses recognised in profit or loss	14	14

In 1998, the Company entered into a 30-year agreement to lease space in an office building (Jasmine International Tower) from Premium Real Estate Co., Ltd., a former associate which dissolved in 2017, and paid advance rental of Baht 415 million. Subsequently, in 2000, the associated transferred ownership of the building to financial institutions in settlement of liabilities, in accordance with a debt restructuring agreement.

In 2005, PA acquired the building back from the financial institution, as described in Note 15. to the consolidated financial statements. As a result, in order to present information in accordance with its underlying economic substance, the Company has presented its prepaid rent as part of the purchase building in the consolidated financial statements.

17. Short-term loans from banks

Short-term loans from banks of subsidiaries, on which interest is charged at the rate close to MLR and LIBOR plus certain rate as stipulated in the agreement, are secured by saving deposits and fixed deposits of subsidiaries.

18. Trade and other payables

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade payables - related parties (Note 7)	7	-	-	-
Trade payables - unrelated parties	2,001	2,711	-	-
Other payables - related parties (Note 7)	14	3	66	138
Other payables - unrelated parties	290	462	18	14
Accrued expenses	63	121	9	62
Accrued project cost - related party (Note 7)	-	-	-	2,460
Accrued project cost - unrelated parties	141	138	-	-
Total trade and other payables	2,516	3,435	93	2,674

TTTBB has ongoing disputes with TT&T related to the debt settlements in 2009 by way of the assignment of promissory notes and transfer of rights in the receivable totaling Baht 877 million and leased line service agreements, as described in Note 11. to the consolidated financial statements.

19. Short-term loans

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Short-term loans from subsidiaries (Note 7)	-	-	5,150	1,137
Short-term loan from unrelated parties	-	571	-	571
Total	-	571	5,150	1,708

The Company entered into promissory note agreements with two unrelated parties. The notes carried interest at the rate of 5.0 percent per annum and 8.0 percent per annum and unsecured. During this year, the Company already paid the loan in full.

20. Long-term loans from banks

(Unit: Million Baht)

Loan	Interest rate (% per annum)	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
20.1	MLR - 0.25	3,558	4,775	3,558	4,775
20.2	MLR	106	266	-	-
20.3	MLR	-	-	-	-
Total		3,664	5,041	3,558	4,775
Less: Deferred front - end fee		(43)	(64)	(43)	(64)
Net balance		3,621	4,977	3,515	4,711
Less: Current portion		(841)	(893)	(735)	(733)
Long-term loans - net of current portion		2,780	4,084	2,780	3,978

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2019	5,041	4,775
Add: Addition	2,065	-
Less: Repayment	(3,442)	(1,217)
Balance as at 31 December 2019	3,664	3,558

Details of the above loans are summarised below.

- 20.1 The Company's loan, with credit facility of Baht 6,000 million, payment of an interest to be made on a monthly basis, and principal is repayable in 16 semi-annual installments of Baht 375 million each, with the remaining principal balance to be paid in full in the final installment, the first of these due on 25 June 2018 and is to be repaid in full within 25 December 2025. The loan are secured by guarantees provided by the pledge of investment units in JASIF, totaling 1,045 million units and saving accounts which is debt service reserve account. Furthermore, the loan agreement stipulates certain requirements and covenants relating to matters such as the maintenance of financial ratios, the maintenance of shareholdings and the creation of obligations. In addition, when a dividend is received from JASIF or cash is received from a sale of JASIF's investment units, the proceeds from which be used to repay the loan.
- 20.2 JSTC's loan, payment of an interest to be made in monthly basis and payment of principal quarterly installments of Baht 40 million and the remaining principal balance to be paid in full in September 2020. The loan is secured by all rights and benefits pertaining to concession agreements as described in Note 10. to the consolidated financial statements and guaranteed by TLDT. Moreover, Jastel Network Co., Ltd. ("Jastel"), is assuming joint responsibility for the debt.
- 20.3 TTTBB's loan with credit facility of Baht 2,200 million obtained from a local bank for a purpose of debt settlement with accounts payable for equipment in the current year, on which interest is charged at the MLR. The loan interest is to be paid on a monthly basis and the loan principle are to be paid in 16 installments on a quarterly basis amounting to Baht 138 million each for the first to the 15-installment

and the 16-installment is to be paid in the amount equal to the remaining principal balance within January 2024, the first installment is to be paid in April 2020. The loan is secured by bank deposits of TTTBB. In the current year, TTTBB made full prepayment of its loan.

21. Liabilities under finance lease agreements

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Liabilities under finance lease agreements	1,030	1,389	3	3
Less: Deferred interest expenses	(55)	(95)	-	-
Total	975	1,294	3	3
Less: Current portion	(338)	(341)	(1)	(1)
Liabilities under finance lease agreements - net of current portion	637	953	2	2

The Group has entered into the finance lease agreements with leasing companies for rental of motor vehicles and network security for use in their operations, whereby they are committed to pay rental on a monthly basis. The average terms of the agreements are 4 years.

Future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Million Baht)

	Consolidated financial statements					
	2019			2018		
	Less than 1 year	1 - 4 years	Total	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	369	661	1,030	384	1,005	1,389
Less: Deferred interest expenses	(31)	(24)	(55)	(43)	(52)	(95)
Present value of future minimum lease payments	338	637	975	341	953	1,294

(Unit: Million Baht)

	Separate financial statements					
	2019			2018		
	Less than 1 year	1 - 4 years	Total	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	1	2	3	1	2	3
Less: Deferred interest expenses	-	-	-	-	-	-
Present value of future minimum lease payments	1	2	3	1	2	3

22. Accounts payable for equipment

The Group entered into agreements to purchase equipment from unrelated parties. Under the purchase agreements, the Group is obliged to make payment within 1-3 years. During the year 2018, the subsidiary transferred the rights, responsibilities and liabilities under certain agreements to the Company. The outstanding balance of accounts payable of the Company for equipment is secured by Acumen Co., Ltd. and Jasmine Internet Co., Ltd. and of the subsidiary is secured by Acumen Co., Ltd.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Accounts payable for equipment	2,110	7,694	1,169	4,463
Less: Deferred interest expense	(49)	(245)	(21)	(155)
Total	2,061	7,449	1,148	4,308
Less: Current portion	(1,626)	(5,275)	(1,088)	(3,115)
Total accounts payable for equipment - net of current portion	435	2,174	60	1,193

23. Provision for long-term employee benefits

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Provision for long-term employee benefits at beginning of year	498	402	40	31
Included in profit or loss:				
Current service cost	32	25	3	2
Interest cost	20	11	2	1
Past service cost	165	-	13	-
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	11	-	1
Financial assumptions changes	139	(27)	9	(2)
Experience adjustments	8	81	-	7
Benefits paid during the year	(34)	(5)	-	-
Provision for long-term employee benefits at end of year	828	498	67	40

On 5 April 2019, The Labor Protection Act (No. 7) B.E.2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rate for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 Days' compensation at the latest wage rate. The law was effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Group has additional long-term employee benefit liabilities of Baht 165 million and the Company only of Baht 13 million as a result. The Group reflects the effect of the change by recognising past service costs as expenses in profit or loss of the current year.

The Group expect to pay Baht 47 million of long-term employee benefits during the next year (2018: Baht 23 million) and the Company only has Baht 3 million (2018: Baht 1 million).

As at 31 December 2019, the weighted average duration of the liabilities for long-term employee benefit of the Group are 10 years (2018: 11 years) and the Company only is 10 years (2018: 11 years).

Principal actuarial assumptions at the valuation date were as follows:

(Unit: Percent per annum)

	Consolidated / Separate financial statements	
	2019	2018
Discount rate	1.50	3.25
Future salary increase rate	5.00	5.00

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Discount rate				
Increase 50 basis points (2.00%)	(44)	(25)	(3)	(2)
Decrease 50 basis points (1.00%)	47	27	3	2
Future salary increase rate				
Increase 100 basis points (6.00%)	110	60	7	4
Decrease 100 basis points (4.00%)	(95)	(52)	(6)	(4)

24. Registered share capital/ Warrants

On 6 July 2015, the Company issued the 3,428.4 million units of JAS-W3 warrants to the existing shareholders of the Company, free of charge, in proportion to their shareholding, at a ratio of 1 warrant for every 2.04 existing ordinary shares (par value of Baht 0.50 per share). The warrants have an exercise period of 5 years from the date of issue, and are exercisable on the last business day of each quarter over the term of the warrants. The first and the last exercise dates are 30 September 2015 and 3 July 2020, respectively. The exercise ratio is 1 warrant per 1 ordinary share and the exercise price is Baht 4.30 (par value of Baht 0.50 per share).

The Company approved an adjustment of the exercise price and the exercise ratio of JAS-W3 when the dividend payment, for the purpose of preserving the interests of JAS-W3 holders. As at 31 December 2019, the exercise price is Baht 3.605 per share and the exercise ratio is 1 warrant to 1.192 ordinary shares (2018: the exercise price is Baht 3.667 per share and the exercise ratio is 1 warrant to 1.172 ordinary shares). In December 2018 and in 2019, the JAS-W3 warrant holders exercised their rights to purchase 153.5 million warrants or 180.4 million ordinary shares. In current year, the Company registered resulting increase in its share capital with the Ministry of Commerce to Baht 90.2 million (180.4 million ordinary share of Baht 0.5 each)

Moreover, in December 2019, 37.8 million warrants were exercised to purchase 45.0 million new ordinary shares, and the Company registered the resulting increase in its share capital with the Ministry of Commerce on 6 January 2020. As a result, the Company presented the exercise of these warrants, amounting to Baht 162.3 million, under the caption of “Share subscription received in advance” in shareholders’ equity as at 31 December 2019.

As at 31 December 2019, the Company had 1,257.1 million warrants remaining unexercised (2018: 1,317.1 million warrants).

25. Statutory reserve

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

Pursuant to section 1202 of the Thai Civil and Commercial Code, subsidiaries incorporated under Thai laws is required to set aside a statutory reserve equal to at least 5 percent of its profit each time the subsidiaries pays out a dividend, until such reserve reaches 10 percent of its registered share capital. The statutory reserve can neither be offset against deficit nor used for dividend payment.

26. Expenses by nature

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Telecommunication network rental expenses	5,804	5,307	-	-
Depreciation and amortisation	5,128	4,450	16	16
Salaries, wages and other employee benefits	3,001	2,548	129	117
Telecommunication license fees	723	716	-	-
Loss on litigation from reversal of judgement by the Supreme Court	831	613	831	613
Electricity expenses	421	439	2	2
Cost of goods sold	54	410	-	-
Sales promotion expenses	351	341	-	-
Repair and maintenance expenses	278	306	-	-
Rental expenses from operating lease agreements	222	274	5	5
Doubtful accounts and bad debt	247	231	-	-
Consulting fees	137	175	25	137

27. Income tax

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Current income tax charge	6,420	195	-	-
Deferred tax relating to origination and reversal of temporary differences	2,593	311	-	-
Income tax reported in the statement of comprehensive income	9,013	506	-	-

Below is the reconciliation of income tax with the product of accounting profit multiplied by the applicable tax rate for the years.

(Unit: Million Baht)

	Consolidated financial statements	
	2019	2018
Accounting profit before tax	16,286	5,436
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by applicable tax rate	3,257	1,087
Reversal of deductible temporary differences as deferred tax assets prior period	2,270	-
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit: Promotional privileges (Note 28)	(122)	(111)
Share of profit from investment in associates	(154)	(180)
Gain on sales of investment units in JASIF (Note 13)	(337)	(698)
Others	(25)	31
Unrecognised deferred tax assets		
Tax loss of brought forward which utilised in the current year	(243)	(14)
Loss on litigation from reversal of judgement by the Supreme Court	102	123
Tax losses of the current year	53	79
Eliminating gain from sales of assets in proportion to the Company's unit holding (Note 29)	656	-
Provision for rental assurance (Note 29)	3,122	-
Provision for entry fee for laying the OFCs (Note 29)	113	-
Provision for expenses and rental fee relating to subduct expense related to relocation of OFCs (Note 29)	70	-
Effect on elimination of intercompany transactions	214	189
Provision for long-term employee benefits	37	-
Income tax reported in the statement of comprehensive income	9,013	506

(Unit: Million Baht)

	Separate financial statements	
	2019	2018
Accounting profit before tax	15,391	4,039
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by applicable tax rate	3,078	808
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit:		
Dividend income from subsidiaries	(2,955)	(660)
Dividend income from associate	(206)	(258)
Non-deductible expenses	4	1
Unrecognised deferred tax assets		
Loss on litigation from reversal of judgement by the Supreme Court	102	123
Tax loss of brought forward which utilised in the current year	(23)	(14)
Income tax reported in the statement of comprehensive income	-	-

The components of deferred tax assets are as follows:

(Unit: Million Baht)

	Consolidated statements of financial position		Profit or loss in consolidated statements of comprehensive income	
	As at 31 December		For the years ended 31 December	
	2019	2018	2019	2018
Deferred tax assets				
Allowance for doubtful accounts	110	96	(13)	(14)
Costs to obtain contract (Note 4)	(48)	-	5	-
Provision for rental assurance	-	2,485	2,485	325
Provision for long-term employee benefits	24	92	67	(6)
Provision for entry fee for laying the optical fiber cables	-	49	49	6
Provision for reversal of judgement by the Supreme Court	60	60	-	-
Deferred tax relating to origination and reversal of temporary differences			2,593	311
Deferred tax assets	146	2,782		

(Unit: Million Baht)

	Separate statements of financial position		Profit or loss in separate statements of comprehensive income	
	As at 31 December		For the years ended 31 December	
	2019	2018	2019	2018
Deferred tax assets				
Provision for long-term employee benefits	6	6	-	-
Provision for reversal of judgement by the Supreme Court	60	60	-	-
Deferred tax relating to origination and reversal of temporary differences			-	-
Deferred tax assets	66	66		

As at 31 December 2019, the Group had deductible temporary differences and unused tax losses totalling Baht 30,617 million (2018: Baht 4,835 million) and of the Company only Baht 307 million (2018: Baht 815 million), on which deferred tax assets have not been recognised as the Group believes that future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The Group had unused tax losses amounting to Baht 1,440 million (2018: Baht 2,518 million). This gradual expiration of their benefits in 2020 - 2024 (2018: in 2019 - 2023). The Company only amounted to Baht 61 million (2018: Baht 178 million). This gradual expiration of their benefits in 2021 - 2022 (2018: in 2021 - 2022).

28. Promotional privileges

In Cloud Co., Ltd. ("IC"), has received promotional tax privileges from the Board of Investment in software business pursuant to the investment promotion certificate No. 2200(7)/2554 issued on 29 September 2011 under the conditions set in the investment promotion certificate. The privileges include an exemption from corporate income tax for a period of 8 years from the date of the promoted operations begin generating revenues (31 May 2012).

In 2019, IC had revenues from promoted operations amounting to Baht 664 million (2018: Baht 610 million).

29. Infrastructure fund transactions

In February 2015, the Company and TTTBB entered into the agreements with JASIF as follows.

a) Asset Sale and Transfer Agreement

TTTBB entered into the Asset Sale and Transfer Agreement with JASIF to sell of the OFCs at a price of Baht 55,000 million. TTTBB shall deliver and transfer the OFCs approximately 980,000 core kilometres.

b) Main Lease Agreement

TTTBB entered into the OFCs lease agreement with JASIF for the lease of 80 percent of the OFCs sold and delivered to JASIF pursuant to the Asset Sale and Transfer Agreement. The Main Lease Agreement is for a period of approximately 11 years (ending 22 February 2026). TTTBB agrees to

pay fixed rental fee at the rate of Baht 425 per core kilometer per month until 31 December 2015 and the fee will be increased on 1 January each year in line with the change in the Thailand CPI announced by the Ministry of Commerce, with a cap of 3 percent per annum. TTTBB agrees to pay the rent for the last three months in advance to JASIF at the time when the first rental payment is due. The advance rental payment in the aggregate must be at least Baht 816 million. TTTBB is responsible for payment of any entry fees for laying the OFCs that occur in the future.

c) Rental Assurance Agreement

JASIF may lease 20 percent of the OFCs to any lessee. During the period in which there are no third party lessees, TTTBB agrees to lease these assets and pay for the rental fee to JASIF in order to guarantee JASIF's lease revenue throughout the term of the Rental Assurance Agreement for three years. The Rental Assurance Agreement will be renewed for additional three-year periods at the option of JASIF until the expiration of the Main Lease Agreement with the rental fee of Baht 750 per core kilometer per month until 31 December 2015 and the fee will be increased on 1 January each year in line with the change in Thailand CPI announced by the Ministry of Commerce with a cap of 3 percent per annum.

d) OFCs Maintenance Agreement

JASIF appointed TTTBB to carry out the services of repairing, replacing, maintaining and managing the OFCs on behalf of JASIF. JASIF shall pay the service fee to TTTBB at the rate of Baht 200 per core kilometer per year until 31 December 2015 and the service fee will be increased by 3 percent per annum on 1 January each year. This agreement shall effect until 22 February 2026 or the earlier termination of the Main Lease Agreement.

e) Marketing Services Agreement

TTTBB shall find other lessees to lease 20 percent of total OFCs ("Secondary Optical Fiber Cable") of JASIF. If any lessee is interested in leasing these assets, JASIF is entitled to lease these assets to such lessee. TTTBB agrees to waive its right to use these assets immediately after a lease agreement has been entered into with such lessee. JASIF agrees to pay a service fee to TTTBB in an amount equal to 25 percent of the amount that exceeds the aggregate amount of rental that TTTBB actually receives from all lessees for the lease of any Secondary Optical Fiber Cable during the three-year term of this agreement, deducted by aggregate amount of rental that TTTBB shall be liable to pay to JASIF under the Rental Assurance Agreement throughout the three-year term in respect of the lease of Secondary Optical Fiber Cable of this agreement. The term of the agreement is three years and will be renewed for additional three-year periods at the option of JASIF until the expiration of TTTBB's Type-three telecommunications license.

f) Loan Agreement

TTTBB has agreed to grant a loan to JASIF amounting to Baht 3,850 million which is equal to the VAT amount of the purchase price of the OFCs. The interest rate is 2 percent per annum.

In January 2016, TTTBB received full repayment from JASIF.

g) Undertaking Agreement

The Undertaking Agreement specifies that the Company has to maintain its unitholding 33.33 percent of the total number of investment units issued in JASIF (“initial investment units”) by not selling, transferring or disposing of the initial investment units for the first three years, unless it receives prior written consent from JASIF, and during the fourth to sixth years, the Company may not sell, transfer or dispose of the investment units of JASIF to the extent that its unitholding falls below 19 percent of the total initial number of investment units issued, unless it receives prior written consent from JASIF. Moreover, the Company and affiliates must maintain shareholdings of at least 76 percent in TTTBB and Triple T Internet Co., Ltd. (“TTTI”), and that TTTBB must maintain certain financial ratios, such as current liabilities to equity ratio, debt to equity ratio, and financial ratio for dividend payment, as specified in the agreement. In addition, liabilities of TTTBB and TTTI, as defined in the agreement, may not exceed as specified in the agreement at any given time.

On 27 June 2017, JASIF requested for extension the Rental Assurance Agreement and Marketing Service Agreement with TTTBB for 3 years from the end on these agreements. These contracts will start from 11 February 2018.

On 11 May 2018, the Extraordinary General Meeting of the Company’s shareholders No. 1/2561 passed the resolution approving TTTBB selling the additional optical fiber cables (“the Additional Assets”), and leasing the Addition Assets from JASIF. In addition, on 25 September 2019, the Extraordinary General Meeting of the Company’s shareholders No. 1/2562 passed a resolution approving the amendment of the resolution of the Extraordinary General Meeting of the Company’s shareholders No. 1/2561 whereby the TTTBB is to sell the Additional Assets of approximately 700,000 core kilometres at a selling price of Baht 38,000 million and to lease back the Additional Assets from JASIF for the TTTBB’s operations.

On 19 November 2019, TTTBB entered into an Additional Assets Sales and Transfer Agreement with JASIF and TTTBB and the Company amendments to the existing agreements with JASIF as follows:

1. Entering into the Additional Assets Sale and Transfer agreement regarding an Additional Asset to sell the OFCs 700,000 core kilometers at a selling price of Baht 38,000 million (excluding VAT).
2. Amendments to the Main Lease Agreement, TTTBB agreed to lease 80 percent of the Additional Assets, totaling approximately 560,000 core kilometers, that TTTBB sold and delivered to JASIF, at the rental rate starting from Baht 433.21 per core kilometer per month (excluding VAT). The rental rate is to increase on every 1 January of each year according to the consumer price index announced by the Ministry of Commerce. The rental increase will not exceed 3 percent but not less than 0 percent per annum. A term of rental is approximately 12 years and 2 months, the agreement expiry date will be on 29 January 2032 which is the expiry date of telecommunications license type-three held by TTTBB. The OFCs rental period was extended to the end of the lease period of the Additional Assets based on the terms and conditions of the original Main Lease Agreement. TTTBB is to be responsible for expenses and subduct rental expenses related to relocation of the existing OFCs in case the actual expenses are greater than the financial projection in the initial public offering of JASIF. TTTBB will also be responsible for such the expenses in respect of the Additional Assets during the term of the amended and restated Main Lease Agreement.

In addition, TTTBB grants JASIF the right to extend the term of main lease of the existing OFCs and the Additional Assets for 10 years from 29 January 2032, if TTTBB's service income from broadband internet in 2030 is not less than Baht 40,000 million and the telecommunications license type-three held by TTTBB is renewed and extended including receiving all necessary approvals for the main lease extension. The rental fee after the extended period will be Baht 433.21 per core kilometer per month (excluding VAT) and the rental rate is to increase on every 1 January of each year according to the consumer price index announced by the Ministry of Commerce. However, the rental increase shall not exceed 3 percent but not less than 0 percent per annum.

3. Amendments to the Rental Assurance Agreement, during the period in which there are no third-party lessees, TTTBB agreed to lease the remaining Additional Assets which accounted for 20 percent of the total Additional Assets, totaling approximately 140,000 core kilometers, at the rental rate starting at Baht 764.48 per core kilometer per month (excluding VAT). The rental rate is to increase on every 1 January of each year according to the consumer price index announced by the Ministry of Commerce. However, the rental increase shall not exceed 3 percent but not less than 0 percent per annum. The lease term is approximately 3 years from the effective date of the lease agreement. However, JASIF has an option to renew the amended and restated Rental Assurance Agreement for additional three-year periods until 29 January 2032 in respect of the Additional Assets.
4. Amendments to the OFCs Maintenance Agreement, TTTBB is to provide operation and maintenance services with respect to the Additional Assets at the same service rate stipulated in the original OFCs Maintenance Agreement. In addition, the service period of the OFCs Maintenance Agreement is extended to expire at the same date of the expiry date of the amended and restated Main Lease Agreement.

In addition, the OFCs Maintenance Agreement does not cover the repair of damages apart from the maintenance of the assets that is specified in the Agreement.

5. Amendments to the Marketing Services Agreement, TTTBB is to seek other lessees to lease 20 percent of the Additional Assets based on the terms and conditions of the original Marketing Services Agreement. The service period is approximately 3 years as from the date of the amended and restated Marketing Services Agreement. However, JASIF has an option to renew the amended and restated Marketing Service Agreement for additional three year periods until 29 January 2032 in respect of the Additional Assets.
6. Amendments to the Undertaking Agreement, the Company is to maintain additional investment units in JASIF. The Company must not sell, transfer or dispose of additional investment units, except that it receives a written consent from JASIF. Details are as follows:
 - 1) Within the period from the 1st year to the 6th year after the completion of the Additional Assets purchase, the Company shall maintain investment units at 19 percent of total investment units of JASIF.
 - 2) In the period from the 7th year after the completion of the Additional Assets purchase to the expiry date of the Main Lease Agreement, the Company shall maintain investment units at 15 percent of total investment units of JASIF. The maintain unitholding will decrease to 0 percent, if JASIF has fully repaid all of the long-term loan from financial institution.

In addition, the Group shall maintain a minimum of 76 percent shareholding in TTTBB and TTTI. In addition, TTTBB must maintain financial ratios such as current liabilities to equity ratio, debt to equity ratio, and financial ratios for dividend payment as specified in the agreement. Moreover, TTTBB and TTTI maintain have the debt in accordance with the definition specified in the agreement at any time not more than the amount specified in the agreement, and TTTBB shall also deposit the amount specified in the agreement to reserve of the rental payment.

The Company and TTTBB thoroughly reviewed the accounting treatments for the transactions by considering the substance of the transactions and concluded as follows:

1. TTTBB can recognise asset sale transactions since the asset sale has fulfilled the performance obligation in accordance with the agreement whereby the control over the assets was assigned to JASIF. Revenue in the future from assets sold to JASIF will be JASIF's revenue, and the sale will not result in the lease of assets being solely bound by TTTBB. It can be concluded that the asset sale transactions are considered an outright sale and can be recorded as asset sales.
2. As TTTBB entered into the Rental Assurance Agreement with JASIF, the rental assurance is considered immaterial, and this makes TTTBB unable to record the revenue from sales of assets because the assured rental accounts for only approximately 20 percent of total the OFCs. However, TTTBB has recorded the provision for rental assurance in its account. In addition, TTTBB has completely recorded provision related to the obligation between TTTBB and JASIF on the asset delivery date.
3. Sales and leaseback transactions have been tested with criteria specified in TAS 17 Lease and are considered operating lease.

In addition, the following facts have been considered as control and rewards of the assets sold are transferred.

1. JASIF is an entity to bear the risk of loss on the physical damage of the assets sold and the risks relating to fluctuations in future revenues.
2. Rental rate as defined in the amended and restated Main Lease Agreement which JASIF charges to TTTBB is considered a market rate as per the expert opinion.
3. There is almost no possibility that revenue from broadband internet service of TTTBB in 2030 will reach Baht 40,000 million as per the expert opinion.
4. Unitholders of JASIF exercise decision-making authority as the owner of the assets.

In summary, TTTBB recognised gain on asset sales amounting to Baht 17,182 million and the Company recognised gain on asset sales amounting Baht 13,975 million (after eliminating gains at 19 percent in proportion to the Company's unit holding in JASIF) in separate transaction under the caption of "Other income" in profit or loss. In addition, TTTBB recorded an estimate of the liabilities relating to these transactions such as the provision for rental assurance on the delivery date amounting to Baht 15,612 million, the provision for entry fee for laying the OFCs on the delivery date amounting to Baht 566 million, and the provision for expenses and subduct expense related to relocation of OFCs on the delivery date amounting to Baht 348 million. The provisions are provided for the prudent and conservative purposes.

The asset sale transactions are summarised as follows:

	(Unit: Million Baht)
Amount proceed	38,000
Costs of asset sales	(2,470)
Gain on sales of assets	35,530
Less: Expenses related to asset sale transactions	(1,752)
Gain on sales of assets before tax	33,778
Less: Provision for rental assurance on the delivery dates	(15,612)
Less: Provision for entry fee for laying the OFCs on the delivery date	(566)
Less: Provision for expenses and subduct expense related to relocation of OFCs on the delivery date	(348)
Less: Eliminating gain in proportion to the Company's unit holding	(3,277)
Gain on sales of assets to JASIF on the delivery date	13,975

30. Earnings per share

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

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

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

	Consolidated financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2019	2018	2019	2018	2019	2018
	(Million Baht)	(Million Baht)	(Million shares)	(Million shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the parent	7,265	4,913	8,114	7,759	0.90	0.63
Effect of dilutive potential ordinary shares						
Warrants offered to existing shareholders	-	-	595	665		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	7,265	4,913	8,709	8,424	0.83	0.58

	Separate financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2019	2018	2019	2018	2019	2018
	(Million Baht)	(Million Baht)	(Million shares)	(Million shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the parent	15,391	4,039	8,114	7,759	1.90	0.52
Effect of dilutive potential ordinary shares						
Warrants offered to existing shareholders	-	-	595	665		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	15,391	4,039	8,709	8,424	1.77	0.48

31. Segment information

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

For management purposes, the Group organises its business units based on its services and have four reportable segments as follows:

- 1) Broadband internet
- 2) Telecommunications network and service provider
- 3) Provision, design and installation of telecommunications systems
- 4) Other segments

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

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

Inter-segment revenues are eliminated on consolidation.

Below is the revenue and profit information regarding the Group's operating segments.

(Unit: Million Baht)

	Broadband internet		Telecommunications network and service provider		Provision, design and installation of telecommunications systems		Other segments		Elimination of inter-segment transactions		Consolidated total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Sales and service income											
Revenue from external customers	17,139	16,916	850	899	43	34	143	146	-	-	18,175	17,995
Inter-segment revenues	1,296	2,493	614	1,001	9,557	101	165	160	(11,632)	(3,755)	-	-
Total revenues	18,435	19,409	1,464	1,900	9,600	135	308	306	(11,632)	(3,755)	18,175	17,995
Segment operating profit (loss)	6,218	6,473	239	246	15	21	(3)	(11)			6,469	6,729
Unallocated income and expenses:												
Gain on sales assets to the fund											13,975	-
Gain on sales of investments in associate											1,732	3,650
Other income											426	450
Gain on exchange											532	48
Selling and servicing expenses											(1,296)	(1,279)
Administrative expenses											(4,118)	(3,473)
Loss on litigation from reversal of judgement by the Supreme Court											(831)	(613)
Doubtful accounts and bad debt											(247)	(231)
Share of profit from investments in associate											772	899
Finance cost											(1,128)	(744)
Income tax											(9,013)	(506)
Non-controlling interests of subsidiaries											(8)	(17)
Profit attributable to equity holders of the Company											7,265	4,913

Geographic information

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

Major customers

For the year 2019 and 2018, the Group have no major customer with revenue of 10 percent or more of the Group's revenues.

32. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and its employees contribute to the fund monthly at rates of 3 to 8 percent of basic salary and will be paid to employees upon termination in accordance with the fund rules. The fund is managed by BBL Asset Management Co., Ltd. During 2019, the contributions of the Group amounting to Baht 92 million (2018: Baht 90 million), of which Baht 7 million (2018: Baht 7 million) is from the Company, were recognised as expenses.

33. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2018	Annual General Meeting of shareholders on 24 April 2019	2,279	0.28
Interim dividends form retained earnings as of 30 September 2019	Board of Directors meeting on 28 November 2019	2,449	0.30
Total dividends for 2019		4,728	0.58
Final dividends for 2017	Annual General Meeting of shareholders on 30 April 2018	1,484	0.20
Interim dividends form retained earnings as of 31 March 2018	Board of Directors meeting on 7 June 2018	2,309	0.30
Total dividends for 2018		3,793	0.50

34. Commitments and contingent liabilities

34.1 Capital commitments

As at 31 December 2019, the Group had capital commitments of approximately USD 8 million and Baht 42 million relating to acquisition of equipment (2018: USD 9 million and Baht 78 million), In 2019, the Company does not have capital commitments (2018: USD 1 million and Baht 25 million).

34.2 Operating lease commitments

The subsidiaries have entered into several lease agreements in respect of land, building, office building space, equipment. The terms of the agreements are generally between 1 and 13 years.

As at 31 December 2019 and 2018, the subsidiaries had future minimum lease payments required under

these non-cancellable operating leases and service contracts were as follows.

(Unit: Million Baht)

	Consolidated financial statements	
	2019	2018
Payable:		
In up to 1 year	7,320	4,481
In over 1 and up to 5 years	28,374	18,164
In over 5 years	49,823	10,195

34.3 Long-term service commitments

TTTBB is committed to pay rental fees and provide service to JASIF with certain conditions as described in Note 29. to the consolidated financial statements.

34.4 Guarantees

- a) The Group had outstanding commitments of approximately Baht 391 million in respect of bid bonds and performance bonds issued by banks and financial institutions on behalf of the Group (2018: Baht 330 million) and of the Company only amounting to Baht 3 million (2018: Baht 3 million).
- b) The Company had obligations in respect of its guarantee of letters of guarantee that have been issued by banks on behalf of the subsidiaries totaling Baht 3 million (2018: Baht 3 million).
- c) Subsidiaries had outstanding commitments under the letters of credit with local and overseas suppliers totaling approximately Baht 8 million and USD 5 million (2018: USD 4 million).

34.5 T.J.P. Engineering Co., Ltd. (“TJP”), has entered into a turn-key agreement with a counterparty, whereby TJP is obliged to deliver work within the period stipulated in the agreement, which is within 29 December 2006. Up to the present, TJP has been unable to make delivery within the stipulated period because the delay was caused by the delay in the delivery of areas by related agencies and the counterparty is therefore entitled to charge a penalty to TJP at the rate of 0.2 percent of the contract value (Baht 31 million) per each day of delay. However, the management of TJP is in the process of negotiation with the counterparty to reduce the scope of work. The management of TJP believe that TJP will successfully negotiate with the counterparty to reduce the scope of work and will close the project with an immaterial amount of penalty.

34.6 Following the Central Bankruptcy Court’s approval of the business rehabilitation plan (“the plan”) of the Company on 7 August 2003, the Company complied with all requirements in the plan. The Court therefore issued an order to terminate the business rehabilitation plan of the Company on 14 September 2006. However, certain creditors of the Company lodged objections to certain issues with the Supreme Court during the rehabilitation process.

On 19 August 2013, the Central Bankruptcy Court read the judgement of the Supreme Court, rejecting the rehabilitation plan and cancelling the Central Bankruptcy Court’s business rehabilitation order. As a result the rights of claim of the creditors of the Company returned to what they were prior to the rehabilitation order. The Company and the legal advisor made a preliminary assessment and found that additional liabilities of up to Baht 1,343 million, excluding interest, might arise if the Company was sued by the creditors in the future. By the way, whether and how much the Company will be required to pay

to any particular creditor depends on whether the creditors present themselves, exercise their rights and convince the Company that they are the creditors of the amounts claimed.

Subsequently in August 2014, an the financial institutions, altogether five entities, filed lawsuits petitioning the Central Intellectual Property and International Trade Court (“Central Intellectual Property Court”) to order the Company to make debt repayments under loan agreements, guarantee agreements and rehabilitation agreements of Baht 526 million, USD 25 million and Yen 1,736 million (as at 31 December 2019 equivalent to a total of approximately Baht 1,769 million), comprising principal of Baht 1,060 million and interest of Baht 709 million. The Company has assessed the conditions of accounting under these circumstances, and believes that the Company should record provision whenever lawsuits are filed with the court. However, the rights of claim of two plaintiffs were assigned by various former creditors, one is not named among the creditors filing claims under the business rehabilitation plan. The legal advisor is of the opinion that it is uncertain that these two plaintiffs will receive payment of the amount claimed in the petitions. Therefore, the Company recorded provision for the three plaintiffs who are the original creditors named in applications for payment in the Company’s rehabilitation plan in the financial statements since it is highly likely that the Company will be liable for these amounts. This was determined based on the claims filed by the three plaintiffs less the approximate amounts of settlements made in any form under the rehabilitation plan, in accordance with the legal advisor’s opinion.

During 2018, the Central Intellectual Property Court issued judgements on the cases between the Company and four plaintiffs that filed the lawsuits. The Central Intellectual Property Court issued judgements ordering the Company to make debt payments totaling Baht 1,012 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2019), together with interests due under the lawsuits until the full payments are made. The Company considers the additional provision in respect of interests since there is a higher possibility that the Company may have financial obligation in respect of principal and interest due as a result of the judgements of Central Intellectual Property Court, resulting in the total provision for reversal of judgement by the Supreme Court as at 31 December 2018 amounting to Baht 926 million (principal of Baht 428 million and interest of Baht 498 million).

During 2019 and January 2020, The Company entered into compromise agreements with three plaintiffs, whereby one plaintiff was approved by the Central Intellectual Property Court and two plaintiffs are awaiting approval from the Court of Appeal for Specialised Cases. The compromise agreements require the Company to pay principal and interest totaling Baht 1,349 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2019) together with interest following the compromise agreements until all payments are fully made. As a result, the Company recorded an additional liability amounting to Baht 670 million. The case is finalised when the Court of Appeal for Specialised Cases approve the compromise agreements. Currently, the Company is in the process of compromising with the other two plaintiffs. However, the Company recorded an additional provision amounting to Baht 161 million based on debts that the Central Intellectual Property Court ordered the Company to pay. Details of the judgements by case are as follows:

1. On 30 May 2018 the Central Intellectual Property Court issued a judgement on the case between the Company and one plaintiff (original creditor), ordering the Company to make debts payment totaling approximately Yen 1,049 million which equivalent to a total of approximately Baht 293 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2019), together with

the interest TIBOR interest rate plus 1.5 percent per annum, the deferred interest TIBOR interest rate plus 1.0 percent per annum and the default interest TIBOR interest rate plus 2.0, plus 1.5 percent per annum, starting from the date following the filing of the case until the full payment is made. The Company filed an appeal to the Court of Appeal for Specialised Cases. Currently, the case is under consideration by the Courts of Appeal for Specialised Cases. Currently, the Company is in the process of compromising with the plaintiff. As a result, the Company recorded an additional liability amounting to Baht 138 million based on debts that the Central Intellectual Property Court ordered the Company to pay.

2. On 21 June 2018, the Central Intellectual Property Court issued a judgement on the case between the Company and one plaintiff (original creditor) ordering the Company to make debts payment totaling approximately USD 2 million net with the value of assets and cash received in accordance with the rehabilitation plan of Jasmine International Overseas Company Limited and the Company totaling approximately Baht 28 million therefore, the remaining debts to be paid totaled approximately Baht 28 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2019), together with the interest LIBOR interest rate plus 4.0 percent per annum, starting from 15 September 2003 until the full payment is made. The Company filed an appeal to the Court of Appeal for Specialised Cases. The case is under consideration by the Courts of Appeal for Specialised Cases. Currently, the Company is in the process of compromising with the plaintiff, resulting in the Company considering records an additional liability amounting to Baht 23 million based on debts that the Central Intellectual Property Court ordered the Company to pay.
3. On 18 October 2018, the Central Intellectual Property Court issued a judgement on the case between the Company and one plaintiff (original creditor) that filed the lawsuit, requesting the Company to pay debts totaling approximately Yen 1,211 million and USD 4 million which equivalent to a total of approximately Baht 454 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2019), together with the interest 7.5 percent per annum, starting from the date following the filing of the case until the full payment is made. The Company is in the process of filing an appeal to the Court of Appeal for Specialised Cases. On 13 January 2020, the Company entered into a compromise agreement with the plaintiff. Currently, the agreement is awaiting the Court of Appeal for Specialised Cases renders a consent judgement.
4. On 17 December 2018, the Central Intellectual Property Court issued a judgement on the case between the Company and one plaintiff (assigned creditor) ordering the Company to make debts payment totaling approximately Yen 461 million net with the value of assets and cash received in accordance with the rehabilitation plan of Jasmine International Overseas Company Limited and the Company totaling approximately Baht 55 million therefore, the remaining debts to be paid totaled approximately Baht 74 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2019), together with the interest TIBOR interest rate plus 4.0 percent per annum, starting from 18 September 2002 to 31 December 2003 and the interest TIBOR interest rate plus 4.5 percent per annum, maximum interest rate up to 7.5 percent per annum, starting from 1 January 2004, until the full payment is made and USD 10 million net with the value of assets and cash received in accordance with the rehabilitation plan of Jasmine International Overseas Company Limited and the Company totaling approximately Baht 151 million therefore, the remaining debts to

be paid totaled approximately Baht 162 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2019), together with the interest LIBOR interest rate plus 4.0 percent per annum, starting from 18 September 2002 to 31 December 2003 and the interest LIBOR interest rate plus 4.5 percent per annum, maximum interest rate up to 7.5 percent per annum, starting from 1 January 2004 until the full payment is made. The Company filed an appeal to the Court of Appeal for Specialised Cases. On 11 December 2019, the Company entered into a compromise agreement with the plaintiff. Currently, the agreement is awaiting the Court of Appeal for Specialised Cases renders a consent judgement.

5. On 13 March 2019, the Central Intellectual Property ordered the Company to enter into a compromise agreement with one plaintiff (assigned creditor) for a case that is under the court consideration which the Company was sued for debt repayment totaling approximately Baht 240 million (principal of Baht 115 million and interest of Baht 125 million). The Company was demanded to pay the principal and interest totaling approximately USD 6 million which equivalent to a total of approximately Baht 178 million (calculated using the exchange rate of the Bank of Thailand as at 31 December 2019). The upfront payment of Baht 14 million is to be paid within 2 July 2019, and remaining amount is to be paid in 6 installments on a semi-annual basis with the interest rate of 5 percent per annum, starting from 2 July 2019 until a full payment is made. The debt shall be fully settled within 1 August 2022. The case was finalised. As a result, the Company recorded an additional liability amounting to Baht 60 million. During the year, the Company made the repayment under this agreement in amounting to Baht 14 million.

The ultimate outcomes of these lawsuits that are not finalised cannot be determined at this time. The management of the Company has decided that the amount of reserves recorded in the accounts is adequate and appropriate in the current circumstances. However, the recording of such provision does not in any way constitute an acceptance of the Company's obligation to pay such liabilities.

- 34.7 In September and December 2013, Jasmine Telecom Systems Plc. ("JTS") entered into agreements with two government agencies to sell tablet personal computers in Zone 4 (Northern and North-eastern regions) with total contract values of Baht 749 million (excluding value added tax). Under a condition in the agreements, JTS had to deliver all of the tablets to the contracting government agencies within December 2013 and March 2014, respectively. In 2014, the counterparties under the agreements submitted letters to JTS to request the termination of the sale and purchase of tablet agreements with JTS as they considered that JTS was unable to deliver the tablets as scheduled under the agreements and requested JTS to pay the penalty at the daily rate of 0.2 percent of the price of the unshipped tablets from the dates of delivery stipulated in the agreements to the date of termination of the agreements, or a total of Baht 5 million and Baht 142 million, respectively. In November 2014 and March 2015, the two counterparties filed lawsuits with the Central Administrative Court, requesting JTS to pay a penalty for its inability to deliver tablet as stipulated in the agreements and to make payment under the performance bonds, together with interest at the rate of 7.5 percent per annum, totaling approximately Baht 5 million and Baht 190 million, respectively. In addition, JTS submitted a notice of breach of the agreement to a local company claiming that it had failed to deliver tablets in accordance with the agreement, and JTS exercised its right to terminate the agreement with this company. JTS requested the bank who issued a bank guarantee on behalf of this company in the form a performance bond for the sale of tablets to pay Baht 38 million to JTS under the performance bond.

JTS received the payment and retained the legal right to seize this amount as a compensation for losses caused by this company or incurred as a result of a breach of agreement by this company and recorded this amount as a liability under the caption of trade and other payables in the consolidated statement of financial position since 31 December 2014 and treated it as a provision for any penalties and losses that might be incurred. Moreover, in the event that JTS is required to pay penalties and compensation to the government agencies, JTS can reclaim all losses from this local company who is the seller of the tablets to JTS, in accordance with a condition stipulated in the sale and purchase of tablet agreements. However, on 22 February 2018, the Central Administrative Court issued a judgement on the case between JTS and the government agency who filed the lawsuit, requesting JTS to pay penalties totaling approximately Baht 5 million for its inability to deliver tablets as stipulated in the agreement. The Central Administrative Court issued a judgement ordering JTS to pay penalties totaling approximately Baht 3 million. On 8 June 2018, a bank which issued a bank guarantee submitted a letter to JTS notifying that on 5 April 2018 it paid the penalties totaling approximately Baht 2 million in accordance with the judgement rendered to the bank. Therefore, the outstanding balance of penalties is amounting to approximately Baht 1 million. In addition, on 4 May 2018, the Central Administrative Court issued a judgement on the case between JTS and another government agency that filed the lawsuit, requesting JTS to pay penalties and make payment under the letter of performance bond guarantee, together with interest totaling approximately Baht 190 million. The Central Administrative Court issued a judgement ordering JTS to pay penalties totaling approximately Baht 7 million, together with interest at the rate of 7.5 percent per annum, starting from the date following the filing of the case until the full payment is made. A provision for penalties and compensation that might be incurred that JTS has recorded in the past are sufficient to the amount of the penalties according to the judgement of the Central Administrative Court. However, JTS and the two government agencies filed appeals to the Supreme Administrative Court and JTS filed requests to suspend execution to the Central Administrative Court. At present, the cases are under consideration by the Courts. Therefore, the ultimate outcome of these lawsuits and disputes that are not finalised cannot be determined at this time. However, JTS's management and legal advisor are confident that no significant losses will be incurred as a result of these lawsuits and disputes, and the provision for penalties and compensation which have recorded in the past are sufficient according to the judgement of the Central Administrative Court.

34.8 Litigation and disputes with TT&T and TOT

On 15 March 2016, the Central Bankruptcy Court issued an absolute receivership order on TT&T. As a result of this order, the Official Receiver is legally required to become involved in any civil case being considered by the Court that relates to the assets of the debtor under the absolute receivership order. Furthermore, when petitioned by the Official Receiver, the Court has authority to suspend such civil case or to issue any orders considered appropriate. Therefore, with respect to civil cases related to the assets of TT&T, the Court may decide to confer with the Official Receiver on how to proceed with the cases, and take this into account in reaching their decisions in each case.

1. Cloud Computing Solutions Co., Ltd. ("CCS") has outstanding balances receivable from TT&T pursuant to the contract for the supply of the Customer Care and Billing system amounting to approximately USD 5 million (as at 31 December 2019 equivalent to approximately Baht 170 million), which is being disputed with TT&T. In 2011, TT&T submitted a dispute proposal to the Thai Arbitration Institute alleging that CCS breach the said contract and asking CCS to pay a total of Baht 1,780 million,

together with interest at the rate of 7.5 percent per annum from the date of the submission of the dispute until CCS effects whole performance. However, the management of CCS believe that CCS did not breach the agreement and will not have to pay such amount to TT&T. In February 2012, CCS filed an objection against the aforementioned dispute proposal of TT&T with the Thai Arbitration Institute, seeking to revoke the dispute proposal of TT&T and asking the Thai Arbitration Institute to order TT&T to pay a total of Baht 528 million, together with interest at the rate of 7.5 percent per annum from the next date after the submission of the objection until TT&T effects whole performance. In June 2015, an arbitration award was made by the arbitration tribunal revoking TT&T's dispute proposal and ordering TT&T to pay the outstanding balance of installments due together with interest to CCS, a total of approximately Baht 204 million. On 25 September 2015, TT&T filed a petition with the Civil Court seeking to reverse the Thai Arbitration Institute's order. On 7 November 2016, the Official Receiver submitted a request with the Civil Court, seeking to withdraw the case in connection with TT&T's petition to reverse the Thai Arbitration Institute's order which ordered TT&T to pay Baht 204 million. The Civil Court has approved to withdraw the case and removed the case from the directory. Moreover, with respect to the Central Bankruptcy Court's absolute receivership order against TT&T. CCS submitted an application for repayment of debt, together with interest, to the Official Receiver. The settlement of this debt will therefore be made in accordance with the process prescribed by bankruptcy laws. However, TT&T is in the process of following legal procedures with respect to Bankruptcy law implemented by the Official Receiver.

2. Jasmine Internet Co., Ltd. ("JI-Net"), received a letter dated 13 December 2010 from the Official Receiver, ordering it to pay TT&T leased line costs payable for the period from March 2005 to March 2008, amounting to Baht 20 million, with interest from the due date until full payment is made to TT&T. JI-Net has recorded the full amount of this cost in its accounts, while it believes that it can negotiate the interest with TT&T and it is unlikely that it will have to pay the interest. JI-Net has therefore not recorded the accrued interest in its accounts. Subsequently, the Official Receiver in rehabilitation case ordered JI-Net to pay the leased line costs payable to TT&T. JI-Net have objected to the order with the Central Bankruptcy Court, which later dismissed JI-Net's petition. JI-Net filed an appeal against the Central Bankruptcy Court to the Supreme Court. Subsequently the Supreme Court rejected JI-Net's appeal. In addition, in September 2016, the Official Receiver in the TT&T bankruptcy case sent a letter dated on 7 September 2016 requesting JI-Net to pay TT&T leased line costs amounting to Baht 28 million (including interest calculated until 15 March 2016). However, on 23 September 2016, JI-Net submitted notices rejecting the liabilities to the Official Receiver in the TT&T bankruptcy case. At present, the case is being considered by the Official Receiver.
3. Smart Highway Co., Ltd. ("Smart"), received a letter dated 8 November 2010 from the Official Receiver, ordering it to pay TT&T leased line costs payable for the period from July 2006 to April 2008, amounting to Baht 24 million, with interest of Baht 5 million calculated until 31 March 2010, and additional interest from the due date until full payment is made to TT&T. Smart has recorded the full amount of this cost in its accounts, while it believes that it can negotiate the interest with TT&T and it is unlikely that it will have to pay the interest. Smart has therefore not recorded the accrued interest in its accounts. Subsequently, the Official Receiver orders Smart to pay the leased line costs payable to TT&T. Smart filed a complaint with the Central Bankruptcy Court alleging that the Official Receiver had illegally served a letter on Smart, the Court subsequently issued an order dismissing

Smart's complaint and Smart filed an appeal against the Central Bankruptcy Court to the Supreme Court. On 3 October 2017, the Central Bankruptcy Court read the judgement of the Supreme Court, which affirmed the judgement of the Central Bankruptcy Court. As a result the Central Bankruptcy Court's absolute receivership order against TT&T, the proceedings in the business reorganization case of TT&T was created. In September 2016, the Official Receiver in the TT&T bankruptcy case sent a letter dated on 7 September 2016 requesting Smart to pay TT&T leased line costs amounting to Baht 39 million (including interest calculated until 15 March 2016). However, on 23 September 2016, Smart submitted notices rejecting the liabilities to the Official Receiver in the TT&T bankruptcy case.

4. In 2010, TTTBB received a notice from the Official Receiver, the Business Reorganisation Department, informing that TT&T requested TTTBB to pay the outstanding debts of Baht 834 million which are subject to an interest rate of 7.5 percent per annum until the payment is settled. However, in August 2016, the Official Receiver relevant to the bankruptcy case submitted the letter dated 9 August 2016 to notify that TTTBB has to pay the outstanding debts of Baht 1,157 million, which arose from the same obligation for which the notice from the Official Receiver was sent to TTTBB in 2010 regarding the business reorganization of TT&T. The Official Receiver explained that the investigation under the business reorganisation was superseded when the debtor was in receivership and the investigation will be reconsidered under the Bankruptcy law which nearly 90 percent of the claim was lease line service payable which TTTBB paid to TT&T through the offset debt payable and the assignment of promissory note in 2009, as described in Note 11. to the consolidated financial statements. However, the rehabilitation planner disputed that the payment did not constitute a complete and legitimate debt settlement transaction. The remaining balance is not equal to the liabilities that TTTBB recorded in the accounts. The case is currently under investigation by the Official Receiver in the TT&T bankruptcy case.

On 12 January 2011, TTTBB received a notice from the Thai Arbitration Institute, Alternative Dispute Resolution Office, Office of the Judiciary, stating that on 27 December 2010 TT&T had filed a statement of claim demanding TTTBB settle leased line payable totaling Baht 1,447 million, plus interest accrued at a rate of 7.5 percent per annum until the amount is settled. TT&T later amended the claim to Baht 1,496 million. On 29 June 2011, TTTBB filed an objection and a counterclaim for damages suffered as a result of TTTBB's inability to use the leased line service, amounting to Baht 3,477 million, with the Thai Arbitration Institute. On 29 July 2014, the arbitration tribunal unanimously agreed that TT&T was in breach of the agreement, and the Chairman of the arbitration tribunal rendered the award stating that the compensation and penalty, which TT&T shall be liable to TTTBB, and the outstanding network rental service fee to be paid by TTTBB, shall be set off against each other and extinguished, while the other claims shall be lifted. On 12 November 2014, TT&T filed a petition with the Civil Court seeking to reverse the Thai Arbitration Institute's order. On 29 November 2016, the Official Receiver relevant to the bankruptcy case of TT&T filed an appeal with the Civil Court requesting not to conduct the case and dispose of the case from the directory, and the Civil Court ordered to dispose of the case.

On 21 February 2011, TTTBB and TTTI sued P Planner Co., Ltd. and its team, who were the rehabilitation plan preparer and administrator of TT&T at that time, seeking compensation of Baht 2,439 million for their obstruction of the provision of internet broadband services of TTTBB and TTTI on TT&T's

network under the leased line service agreement between TTTBB and TT&T. On 25 August 2016, the Civil Court dismissed the case. TTTBB and TTTI filed an appeal. On 19 December 2017, the Appeal Court affirmed the judgement of the Civil Court. TTTBB and TTTI filed an appeal with the Supreme Court. On 4 September 2019, the Supreme Court affirmed the judgement of the Appeal Court. The case was finalised.

On 29 November 2013, TT&T filed a lawsuit against TTTBB in a civil case lodged with the Nonthaburi Provincial Court, seeking compensation of Baht 229 million plus interest for breach of agreements. On 10 October 2014, TTTBB pledged a fixed deposit account amounting to Baht 229 million as security with the Nonthaburi Provincial Court, without admission of guilt. However, on 7 May 2015, the Nonthaburi Provincial Court ordered TTTBB to pay the compensation of Baht 229 million with an interest rate of 7.5 percent per annum of the principal of Baht 166 million and with an interest rate of 15 percent per annum of the principal of Baht 0.5 million, starting from the date TTTBB was sued until the full compensation was paid to TT&T. TTTBB has filed an appeal to the Nonthaburi Provincial Court. On 24 January 2017, the Nonthaburi Provincial Court read the judgement of the Appeal Court ordering to revised the judgement of the Nonthaburi Provincial Court whereby TTTBB must pay the compensation of Baht 226 million with an interest rate of 7.5 percent per annum on the principal of Baht 175 million and with an interest rate of 15 percent per annum on the principal of Baht 0.5 million, starting from the date TTTBB was sued until the full compensation was paid to TT&T. TTTBB has filed an appeal to the Supreme Court. On 24 April 2019, the Supreme Court ordered TTTBB to pay the compensation of Baht 226 million with an interest rate of 7.5 percent per annum of the principal of Baht 166 million and with an interest rate of 15 percent per annum of the principal of Baht 0.5 million, starting from the date TTTBB was sued until the full compensation was paid to TT&T. TTTBB recorded an additional compensation expense as a result of the Court's order amounting to Baht 124 million under the caption of "Administrative expenses" in the profit or loss in the current year. TTTBB has paid the compensation fee to TT&T.

The ultimate outcomes of these lawsuits and disputes that are not finalised cannot be determined at this time. The management of TTTBB and TTTI is confident that no significant losses will be incurred as a result of these lawsuits and disputes and therefore no provision for contingent liabilities have been recorded in the accounts.

5. On 25 September 2014, Acumen filed a lawsuit against TT&T, and related individuals and juristic persons, a total of 13 persons, with the Nonthaburi Provincial Court, claiming damages in the amount of Baht 6,350 million on the grounds that the 13 defendants jointly committed a wrongful act against Acumen by using the Memorandum of Understanding between Acumen and TT&T which allow the shareholders of TT&T to purchase the newly issued shares and/or existing shares of TTTBB held by Acumen, which all defendants were well aware that was null and void for a long time, to file a lawsuit against Acumen. They intentionally filed the lawsuit and the petition for an interlocutory injunction order while TTTBB was in the process of applying to establish an infrastructure fund, despite the fact that they will not receive any benefit from the complaint. The lawsuit and the petition for an interlocutory injunction were filed in order to obstruct TTTBB's establishment of the infrastructure fund, and this constitutes a bad faith act before the court, which has caused damage to Acumen. At present, the case is being considered by the Nonthaburi District Court.

On 7 August 2019, four individuals who are shareholders of TT&T, filed a lawsuit against Acumen with the Nonthaburi Provincial Court. They claimed that Acumen has not complied with a Memorandum of Understanding regarding the exercise of right to purchase ordinary shares of TTTBB and requested Acumen to return the 5,868,073 newly issued registered ordinary shares of TTTBB to four plaintiffs. If Acumen is unable to return the shares to four plaintiffs, Acumen shall pay the compensation together with interest including the previous dividend that the plaintiffs should receive, together totaling to approximately Baht 29 million. At present, the case is being considered by the Nonthaburi Provincial Court.

The ultimate outcomes of the lawsuits that are not finalised cannot be determined at this time. The management of Acumen is confident that no significant losses will be incurred as a result of these lawsuits and therefore no provision for contingent liabilities have been recorded in the accounts.

34.9 Telecommunications licenses

The National Broadcasting and Telecommunications Commission (“NBTC”) granted licenses to seven subsidiaries as follows.

Company	Type of license	Authorised service	Period
Acumen Co., Ltd.	Type - one Internet	Internet service	25 August 2019 - 24 August 2024
	Type - two Internet	International internet gateway and internet exchange services	8 February 2017 - 7 February 2022
	Type - two Telecom	Very Small Aperture Terminal (VSAT) service	30 November 2016 - 29 November 2021
Triple T Broadband Plc.	Type - three Telecom	Telecommunications services, fixed-line service and data communication network services	23 February 2006 - 29 January 2032
	Type - one Telecom	Resale of mobile phone	5 March 2019 - 4 March 2024
Jasmine Internet Co., Ltd.	Type - one Internet	Internet service	28 July 2019 - 27 July 2024
	Type - one Telecom	International calling card service	25 January 2020 - 24 January 2025
Jastel Network Co., Ltd.	Type - one Internet	Internet service	6 November 2019 - 5 November 2024
	Type - two Telecom	Domestic private leased circuit service	30 November 2006 - 29 November 2021
	Type - two Internet	International internet gateway service	30 March 2019 - 29 March 2024
	Type - three Telecom	International private leased circuit service	18 November 2009 - 17 November 2024
Triple T Internet Co., Ltd.	Type - one Internet	Internet service	20 June 2019 - 19 June 2024
	Type - one Telecom	Resale of International private leased circuit service	14 March 2016 - 13 March 2021
	Non-National Spectrum Broadcast Network	Non-national spectrum broadcast network service	28 January 2013 - 27 January 2028

Company	Type of license	Authorised service	Period
ACeS Regional Services Co., Ltd.	Type - one Internet	Internet service	23 November 2019 - 22 November 2024
	Type - one Telecom	Telecom services, International calling card service	16 February 2020 - 15 February 2025
Jasmine Telecom Systems Plc.	Type - one Telecom	Mobile telephone network service	16 June 2016 - 15 June 2021

The subsidiaries are obliged to comply with certain conditions as stated in the licenses, and to pay annual license fees, together with a fee for the Universal Service Obligation in accordance with conditions and requirements stipulated by the NBTC.

ACeS Regional Services Co., Ltd. (“ARS”), a satellite-based cellular phone service provider, is requesting a type-three license from NBTC. At the present, ARS has not yet received the license.

35. Financial instruments

35.1 Financial risk management

Financial instruments of the Group, as defined under Thai Accounting Standard No. 107 *Financial Instruments: Disclosure and Presentations*, principally comprise cash and cash equivalents, restricted bank deposits, trade and other receivables, loans and borrowings, trade and other payables, accounts payable for equipment, liabilities under finance lease agreements, deposit received from customers and provisions. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables and loans. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Group does not have high concentrations of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loans stated in the statement of financial position.

Interest rate risk

The Group exposures to interest rate risk relates primarily to its deposits with financial institutions, loans and borrowings, accounts payable for equipment and liabilities under finance lease agreements. However, since most of financial assets and liabilities of the Group bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal. Details of deposits with financial institutions, loans and borrowings, accounts payable for equipment and liabilities under finance lease agreements were presented in the related notes to financial statements.

Foreign currency risk

The exposure of the Group to foreign currency risk arises mainly from purchase of equipment and trading transactions that are denominated in foreign currencies.

The balances of financial assets and liabilities of the Group denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements				Average exchange rate	
	Financial assets		Financial liabilities			
	2019	2018	2019	2018	2019	2018
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	4	7	123	257	30.1540	32.4498
Japan (100 Yen)	-	-	3,408	-	27.5940	-

Foreign currency	Separate financial statements				Average exchange rate	
	Financial assets		Financial liabilities			
	2019	2018	2019	2018	2019	2018
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	-	-	63	120	30.1540	32.4498
Japan (100 Yen)	-	-	3,408	-	27.5940	-

35.2 Fair values of financial instruments

Since the majority of financial instruments of the Group are short-term in nature. Loans, accounts payable for equipment and liabilities under finance lease agreements carry interest at rates close to market rates. Its fair value are not expected to be materially different from the amounts presented in the statements of financial position.

36. Capital management

The primary objective of the capital management of the Group is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

As at 31 December 2019, the Group's debt to equity ratio was 2.30:1 (2018: 1.88:1) and the Company was 0.47:1 (2018: 0.98:1).

37. Event after the reporting period

On 4 February 2020, a meeting of the Board of Directors passed a resolution to propose a final dividend payment from the retained earnings as at 31 December 2019 of Baht 12,316 million to the 2020 Annual General Meeting of the shareholders for approval. This dividend payment is subject to the approval of the Annual General Meeting of the shareholders.

38. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 4 February 2020.