

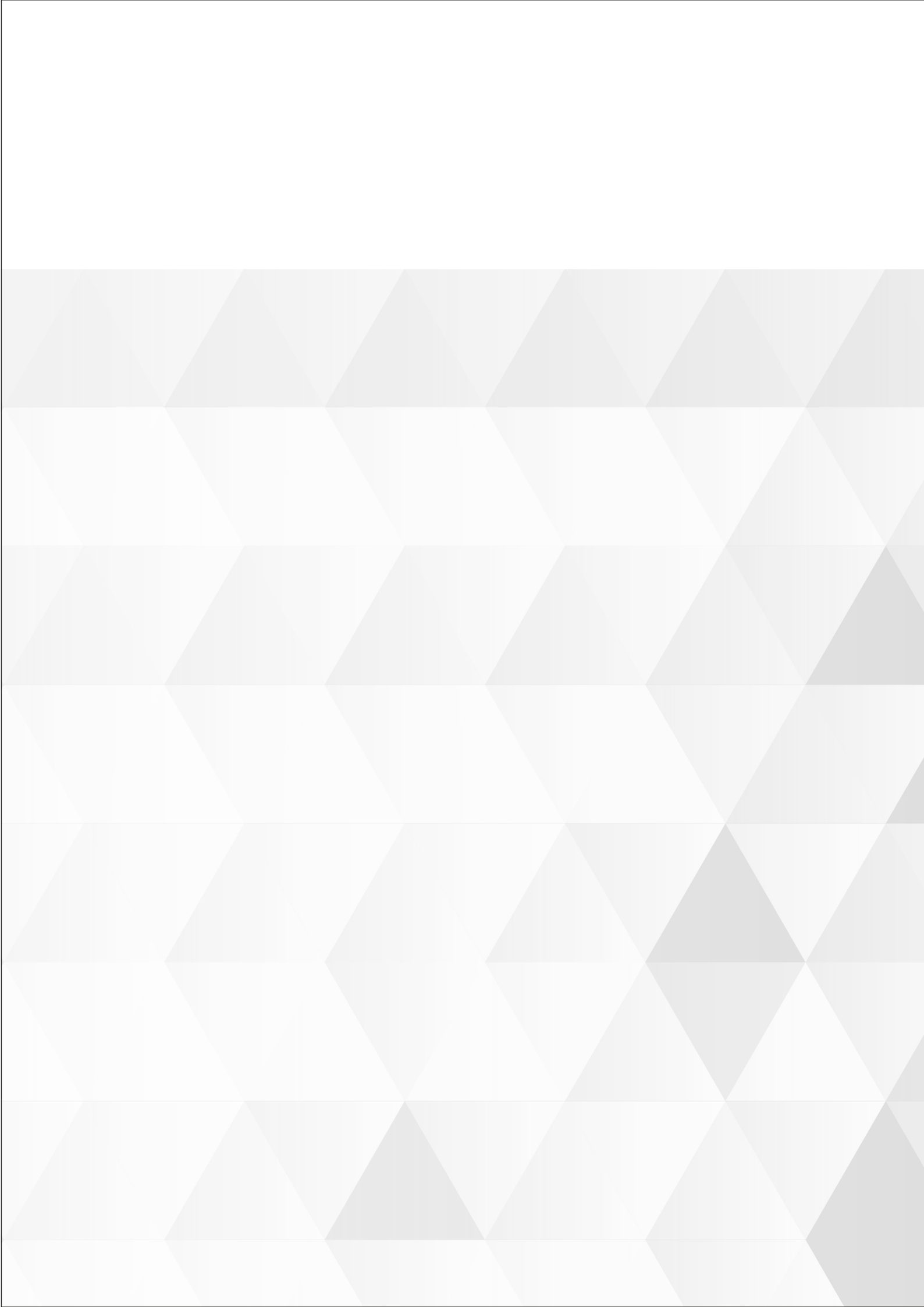


LOXLEY

Loxley Public Company Limited

Annual Report **2016**

 **With confidence in us,**
let us step forward together



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Background, Major Changes and Milestones

Loxley Public Company Limited has operated its business for over 77 years. It was founded on 15 January 1939 under the name Loxley Rice Company (Bangkok) Limited as a joint venture between Ng Yuk Long Lamsam and Andrew Beattie of W.R. Loxley Company of Hong Kong. Initially, the Company's main activities were exports of agricultural products of Thailand, including rice and timbers.

For over seven decades, the business has grown from strength to strength. In 1957, the Company's name was changed to Loxley (Bangkok) Company Limited and expanded its export businesses as well as distribution of foreign products including industrial products and advanced technology products. Due to its outstanding performance, the Company had attracted a huge number of leading local and foreign corporations, many of which later became the company's business partners. By the year 1988, with an aim to meet the ever-changing market demands, the Company expanded its business to cover technology.

On 1 April 1993, the Company was transformed into a public company, being listed on the Stock Exchange of Thailand under the name of Loxley Public Company Limited. Our shares began to be traded on 25 January 1994 under the designation "LOXLEY" in the commercial group of stocks.

Message from the Chairman

It is necessary for business operations today to take into account such various changes as those in global and national economies, technologies, consumer behavior, political stability as well as a diversity of related rules and regulations. These changes, indeed, have an inevitable impact on operations in the business sector world-wide.

LOXLEY is fully aware of the significance of the above changes. Its Board of Directors, executives and every employee have, therefore, cooperated in every possible way to mitigate risks which may arise. With continuous adjustments of its business strategies throughout 2016, the Company has expanded its product and service lines, created the differences in their businesses with introductions of new lines as well as maintaining its strong points as the core of its operations which have, indeed, led to the Company's growth and prosperity in a number of areas.

Moreover, in 2017, the Company re-structured internal management in keeping with current business environment and let the new generation of executives have an increased role in the Company's management based on their knowledge, capabilities and experience.

In the name of the Board of Directors, may I take this opportunity to thank our shareholders, customers, business allies, co-traders, financial institutions right through to the Management and every employee for their stout support to the Company throughout the years.

I am confident that with the strength of our working teams, the Loxley Group will continue to always stride forward with sustainable prosperity into the future.



(Mr. Pairote Lamsam)
Chairman of the Board

Activities in 2016



Loxley Public Company Limited was granted the royal permission to co-host the royal funeral rites of the late King Bhumibol Adulyadej at Dusit Maha Prasat Hall, the Grand Palace, on 8 March 2017.



Loxley Public Company Limited witnessed the appointment of **MK Distribution Co., Ltd. by Castrol Co., Ltd.**, its business ally, as official distributor of Castrol engine oil in the Republic of Myanmar.



Loxley Public Company Limited congratulated **ASM Security Management Co., Ltd.** on its 10th Anniversary at the "ASM 10th Anniversary" reception and toured the new Passenger Terminal at Phuket International Airport to visit ASM personnel on active duty there.



Loxley Public Company Limited together with Japan's Car Conveni Club Ltd. and Laos' **KP Co., Ltd.**, presented the debut of the first official "CarCon" for fast repairs of car paint and body around the Rama III Road area, opposite Wat Pariwart.



Loxley Public Company Limited gave a welcoming party for the management of **BlueScope Steel Limited**, led by **Mr. Paul O'Malley, Managing Director and CEO**, and **BlueScope Buildings**, led by **Mr. Patrick J. Finan**, during their recent visits to Thailand in furtherance of good relationships between them.



Loxley Public Company Limited and **Bangkok Mass Transit Organization (BMTO)** opened a trial run of the BYD electrical buses, model K9 by Loxley on the A1 route running on the Don Muang Airport - Bangkok Passenger Bus Terminal (Chatuchak) route, to test performance efficiency and capacity of electrical buses.



Loxley Public Company Limited accepted the Shield of Recognition from KASIKORNBANK Pcl. for successfully achieving the target for its sale of bonds, as well as for its bonds rating being upgraded by **Tris Rating Co., Ltd.**



Loxley Public Company Limited and **Loxley Trading Co., Ltd.**, jointly granted financial subsidies for the operations of Nongpo Ratchaburi Dairy Co-operatives Ltd. (under Royal Patronage) on the occasion of being business allies for more than 36 years.



Loxley Public Company Limited signed the Memorandum of Understanding for Cooperation towards Development of Educational Personnel with the **Thai Chamber of Commerce University** to upgrade educational service works to international standards with focus on learners as the center of learning, as well as to provide services in the area of educational solutions on a fully comprehensive basis.



Loxley Public Company limited signed the Memorandum of Understanding with a **group of companies from the Republic of Korea**, for joint development of projects concerning environmental management in waste water management projects in Thailand.



Loxley Public Company Limited signed the Memorandum of Cooperation in energy-saving studies with the use of solar power with **Specialty Innovation Co., Ltd.** in order to set up solar systems on roofs of factories with the capacity of 0.5 MW for Specialty Innovation Co., Ltd.'s manufacturing facilities.



Loxley Public Company Limited supported the Automatic Electrical Defibrillator (AED) under the **“Use of AEDs help extend the lives of our fellow human beings”** project by having them installed in communities in the Company's neighborhood with cooperation from **“CP All Public Company Limited”** via their offer of assistance to have in installed at Seven-Eleven, Klongtoey Branch.

Financial Summary

Loxley Public Company Limited and Its Subsidiaries

Unit : million Baht

Item	2016	2015	2014
Total Revenues	13,855.46	11,660.07	14,743.46
Net Profit	172.42	209.92	352.51
Earning per share (Baht)	0.08	0.09	0.16
Total Assets	15,709.87	14,282.99	13,765.07
Total Liabilities	9,085.28	7,689.58	7,353.76
Paid-up shares	2,264.95	2,264.95	2,264.95
Share Par Value (Baht)	1.00	1.00	1.00
Shareholders' Equity	6,624.59	6,593.41	6,411.31
Dividend per share (Baht)	NA	0.05	0.10
Dividend to Net income Ratio (%)	NA	54%	64%

Summary of 2016 operating results of Loxley Public Company Limited and its subsidiaries :

- Assets :** Total assets as at 31 December 2016 amounted to Baht 15,709.87 million was higher than 2015 Baht 1,426.88 million or 9.99%.
- Shareholders' Equity :** Shareholders' equity as at 31 December 2016 amounted to Baht 6,624.59 million was higher than 2015 Baht 31.18 million or 0.47%.
- Revenues :** Total revenues for 2016 amounted to Baht 13,855.46 million was higher than 2015 Baht 2,195.39 million or 18.83% from the Baht 11,660.07 million.
- Net Profit :** In 2016 Loxley and its subsidiaries recorded a net profit of Baht 172.42 million was lower than 2015 Baht 37.50 million or 17.86% from the Baht 209.92 million.

Financial Ratio

Financial ratio	2016	2015	2014
Net profit to total revenue	1.24%	1.80%	2.39%
Return on average equity *	2.77%	3.42%	6.31%
Return on average total assets	1.15%	1.50%	2.60%
Earning per share (Baht)	0.08	0.09	0.16
Net book value per share (Baht) **	2.78	2.72	2.85

* Equity holders of the company only (excluded non-controlling interests)

** Equity holders of the company only (excluded non-controlling interests) and in 2014 used weighted average number of ordinary shares 2,141.99 million shares.

Revenue Structure

Company revenue structure presented by business segment (announcement 56-2 from committees of stock exchange of thailand)

Compared information for the same period ended 2016, 2015 and 2014

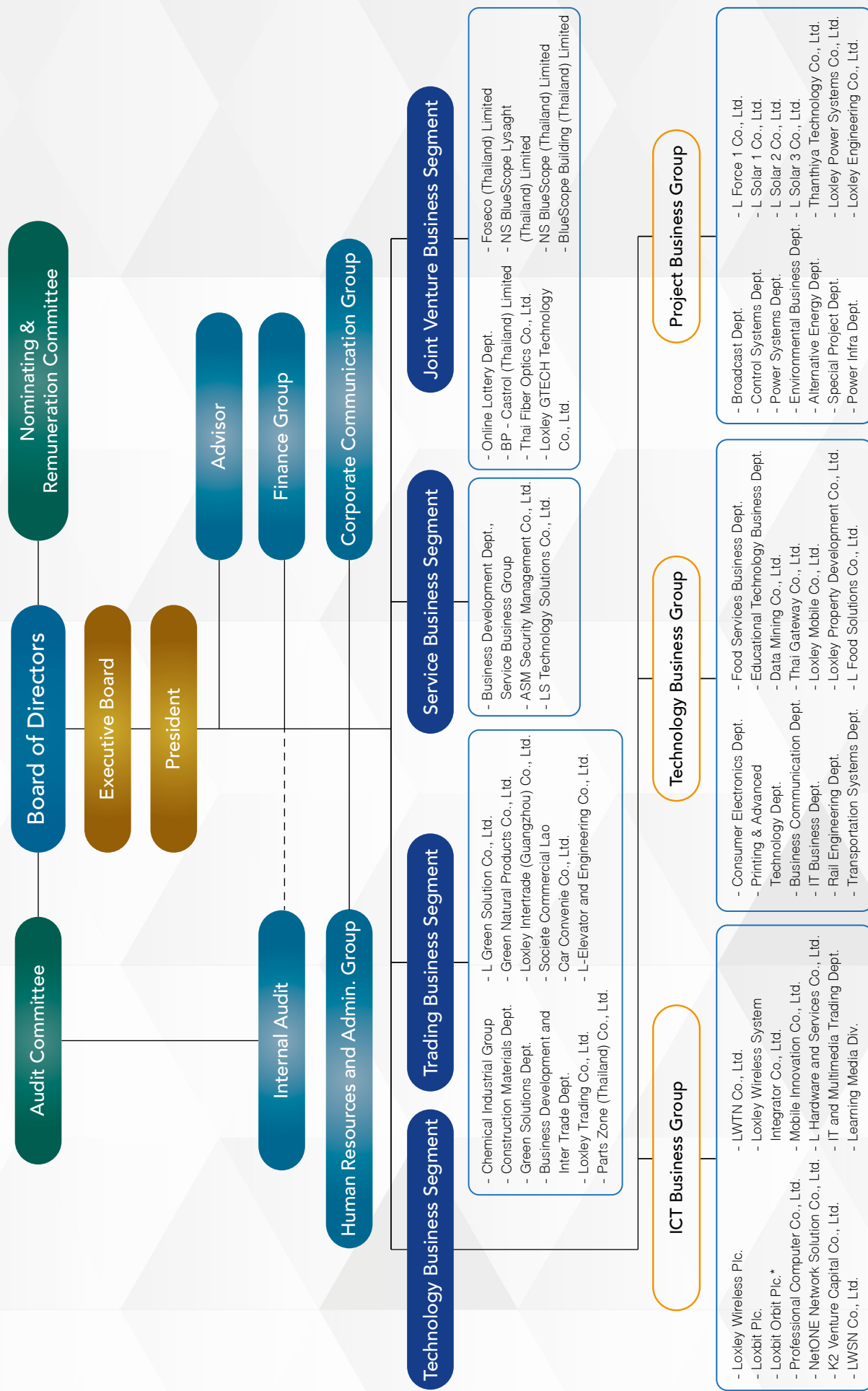
Loxley Public Company Limited and Subsidiaries

Unit : million Baht

Revenue Structure	2016		2015		2014	
	Total Revenue	% C.SIZE	Total Revenue	% C.SIZE	Total Revenue	% C.SIZE
1. Technology	8,431	60.85	6,500	55.75	9,640	65.39
1.1 ICT Business Group	3,638	26.26	3,220	27.62	5,633	38.21
1.2 Technology Business Group	1,687	12.18	1,225	10.51	1,392	9.44
1.3 Project Business Group	3,106	22.42	2,055	17.62	2,615	17.74
2. Trading	4,283	30.91	4,397	37.71	4,257	28.87
2.1 Trading Business Group	4,283	30.91	4,397	37.71	4,257	28.87
3. Service	1,661	11.99	1,131	9.70	1,075	7.29
3.1 Service Business Group	1,661	11.99	1,131	9.70	1,075	7.29
Total Revenue	14,375	103.75	12,028	103.15	14,972	101.55
<u>Less</u> Related Transaction	(582)	(4.20)	(441)	(3.78)	(421)	(2.86)
<u>Add</u> Unallocated Other Revenue	62	0.45	73	0.62	192	1.30
Grand Total Revenue	13,855	100.00	11,660	100.00	14,743	100.00



Organization Structure as of 31 December 2016

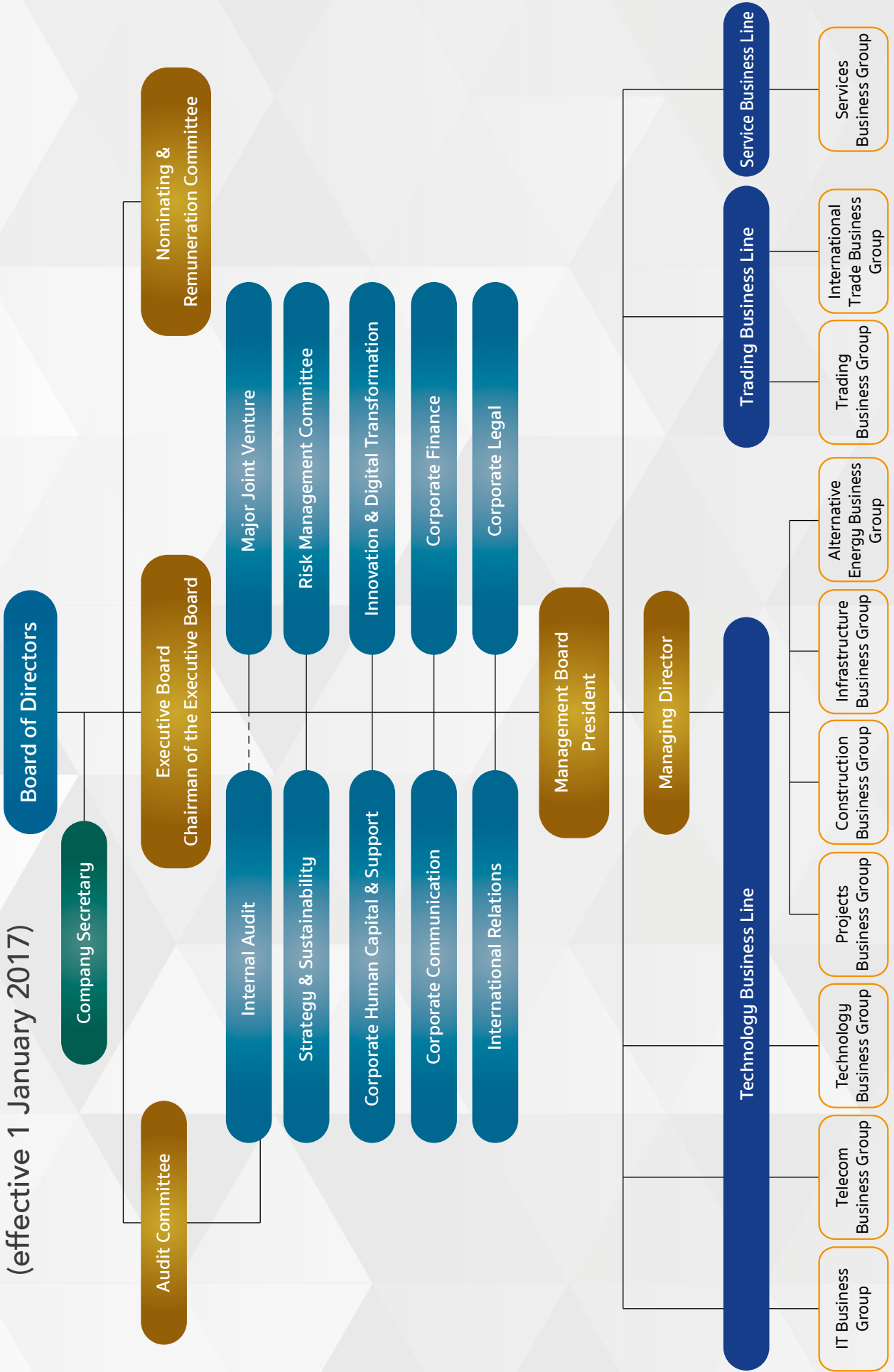


*formerly known as Loxbit PA Plc.



New Organization Structure

(effective 1 January 2017)





Board of Directors



1 | **Mr. Pairote Lamsam**
Chairman



2 | **Mr. Sukit Wanglee**
Vice Chairman



3 | **Mr. Dhongchai Lamsam**
Director



4 | **Dr. Harit Sutabutr**
Independent Director



5 | **Dr. Supavud Saicheua**
Independent Director



6 | **Mr. Charoon Chinalai**
Independent Director



7 | **Mr. Joti Bhokavanij**
Independent Director



8 | **General Vichit Yathip**
Independent Director



9 | **Professor Rawat Chamchalem**
Independent Director*



10 | **Mr. Suebtrakul Soonthornthum**
Director



11 | **Dr. Jingjai Hanchanlash**
Director



12 | **Mr. Poomchai Lamsam**
Director



13 | **Mr. Vasant Chatikavanij**
Director



14 | **Mr. Suraphand Bhasitnirandr**
Director



15 | **Dr. Sompop Chareonkul**
Director



16 | **Mr. Suroj Lamsam**
Director



17 | **Mr. Chalermchoke Lamsam**
Director

* Professor Rawat Chamchalerm was appointed to be the Independent Director on 28 April 2016.



Executive Board



1 | Mr. Dhongchai Lamsam
Chairman of the Executive Board



2 | Mr. Suebtrakul Soonthornthum
Vice Chairman of the Executive Board



3 | Dr. Jingjai Hanchanlash ^{*1}
Vice Chairman of the Executive Board



4 | Mr. Vasant Chatikavanij
Vice Chairman of the Executive Board



5 | Mr. Suraphand Bhasitnirandr
Vice Chairman of the Executive Board



6 | Dr. Sompop Chareonkul
Vice Chairman of the Executive Board

^{*1} Dr. Jingjai Hanchanlash was appointed to be Vice Chairman of the Executive Board on 1 January 2016.



7 | **Mr. Suroj Lamsam**
President



8 | **Mr. Chalermchoke Lamsam**
Managing Director



9 | **Mr. Supat Karachalkul**
First Executive Vice President
Chief Financial Officer



10 | **Mrs. Kosoom Sinphurmsukskul**
First Executive Vice President



11 | **Mr. Saknarong Saengsangapong**
First Executive Vice President



12 | **Mr. Thongyai Chanthanawan**
First Executive Vice President



13 | **Mr. Karn Thongyai**
First Executive Vice President



14 | **Mr. Natavoot Chitasombat**^{*2}
Executive Vice President

^{*2} Mr. Natavoot Chitasombat was retired on 31 December 2016.



Management Board



1 | **Mr. Suroj Lamsam**
President and
Chairman of the Management Board



2 | **Mr. Chalermchoke Lamsam**
Managing Director



3 | **Mr. Supat Karachalkul**
First Executive Vice President
Chief Financial Officer



4 | **Mr. Saknarong Saengsangapong**
First Executive Vice President



5 | **Mr. Thongyai Chanthanawan**
First Executive Vice President



6 | **Mr. Karn Thongyai**
First Executive Vice President



7 | **Mr. Pattara Pojanapanich**
Executive Vice President



8 | **Mr. Nimit Prasertsuk**
Executive Vice President



9 | **Mr. Kittichai Raktakanit**
Executive Vice President



10 | **Mr. Nattapon Dejvitak**
Executive Vice President



11 | **Dr. Dawarit Tansuphasiri**
Executive Vice President

List of Department Management (Year 2016)

Senior Vice President

1. Mrs. Suganya Ungpakorn	Administration & General Affairs	9. Mr. Manit Lohatepanont	Office of The President
2. Mr. Anusone Ruthaiyanont	Technology Business	10. Mr. Piboon Piboontum	Alternative Energy
3. Mr. Wachara Asvanuwatra	Chemical Group	11. Mr. Nattapon Dejvitak	Inter Trade
4. Mr. Thongchai Kongsakphaisal	Sales & Marketing Chemical	12. Mr. Komson Rungruengsorakarn	Corporate Communication Administration
5. Mr. Narisorn Manaspiti	Online Lottery	13. Miss Patra Laohapolwatana	International Legal Affairs
6. Mr. Pattara Pojanapanich	Broadcast	14. Mr. Dawarit Tansuphasiri (Ph.D.)	Human Resources
7. Mr. Nimit Prasertsuk	Power Systems	15. Mr. Sukrasit Haritaworn	Office of The President
8. Mr. Kittichai Raktakanit	Construction Materials		

Vice President

1. Mr. Wirote Limpanawattanakul	Rail Engineer
2. Mr. Tim Tak Timothy Wong	Office of The President
3. Miss Nalinee Bijaisoradat	Information Systems
4. Mr. Suton Rakprathed	Broadcast
5. Mr. Sanit Ratanavadi	Office of The President
6. Mr. Anucha Dungsirisangthong	Marketing Services & Logistic
7. Mrs. Suphattra Busarakul	Printing & Advanced Technology
8. Mr. Arthasith Katanyutanon	Special Project
9. Mr. Pichai Mooputtarak	Legal & Securities
10. Mr. Pises Dissawat	Office of The President
11. Mrs. Kruarmas Puwattanavanich	Finance & Credit
12. Miss Sudkanueng Malithong	Office of The President
13. Mrs. Wanida Sangkaew	It and Multimedia Products
14. Mr. Pakorn Apaphant (Ph.D.)	Technology Business
15. Mr. Kreangsak Chana	Construction Materials
16. Mr. Yuthaporn Chitakasem	Business Development
17. Mr. Taweewat Tachakumtornkit	Environmental Business
18. Mr. Thikha Khunnawat	Transportation Systems
19. Mrs. Preeyanuch Paiboonsithiwong	Internal Audit
20. Miss Malinee Sahavongjaroen	Accounting Management
21. Mr. Patiyut Chantrakantanond	Control Systems
22. Mr. Chairat Laosurasoontorn	Business Communication
23. Mrs. Pensiri Sowanwanichakul	It Business
24. Mr. Boonlert Jaimun	Strategic Investment and Investor Relations
25. Mrs. Thanida Greechurt	Joint Venture Business Group's Administration
26. Mr. Praty Indranupakorn	Business Development
27. Mr. Dechaporn Boonpogkrong	Educational Technology Business
28. Mr. Petros Rigas (Ph.D.)	Office of The President

Assistant Vice President

1. Mr. Werasak Pattarakorn	Transportation Systems
2. Mr. Watcharin Thangjiviriyakul	Project Business
3. Cdr. Nijkasem Panyarachun	Office of The President
4. Mr. Voranun Utanjid	Corporate Social Responsibility
5. Mr. Panu Khongthon	Power Infra
6. Mr. Veerayut Kosirinond	Inter Trade
7. Mrs. Chutintorn Thangsupanich	Special Project
8. Miss Suteera Chamlongsupalak	Learning Media
9. Miss Jinda Vanichvatanyou	Sales & Marketing Chemical
10. Miss Pornthip Piyarat	Human Resources
11. Mr. Pichiean Trangpanich	Sales & Marketing Chemical
12. Mr. Suebsakul Vacharinwong	Power Systems
13. Mr. Chirakitti Navisthira	Environmental Business
14. Mr. Yuthana Meechom	Power Systems
15. Miss Wannee Boontaganon	Corporate Finance & Consolidated Account
16. Mr. Pongsak Bureetan	Accounting Management
17. Mr. Pisut Sinarpha	Office of The President
18. Miss Ranginee Thummasawatdi	Control Systems
19. Lt. Jg. Thanakorn Yodchan	Online Lottery
20. Miss Napaporn Mettagitto	Inter Trade
21. Mr. Wasan Wanich	Corporate Communication Administration
22. Mr. Keattisak Iamsri	Business Development
23. Miss Yawalak Peukliang	Strategic Investment And Investor Relations
24. Miss Wallada Tangkulanupun	Administration & General Affairs
25. Mr. Supasith Ithiponpak	Construction Materials
26. Mr. Pairatch Wiseadpan	Alternative Energy
27. Mr. Surapoom Jitpaisarnsook	Power Systems
28. Mr. Valentorn Singkarlvanih	Business Development
29. Mr. Ammarin Daranpob (Ph.D.)	Computer System & Service
30. Miss Supaporn Kusolsat	Corporate Finance & Consolidated Account
31. Mr. Bongkarn Jiraboonsri	Office of The President

Directors in the Subsidiaries Directly Owned by Loxley

as of 31 December 2016

LOXBIT PLC



1. Mr. Suroj Lamsam
2. Mr. Chalermchoke Lamsam
3. Mr. Supat Karachalkul
4. Mr. Tim Tak Timothy Wong
5. Mr. Saknarong Saengsangapong (MD)
6. Mr. Ali Bin Hussan Aljunied
7. Mrs. Vongthip Chumpani
8. Mrs. Vanida Viriyatharangkunr
9. Mr. Ek-Khun Boonpiti

LOXLEY WIRELESS PLC



1. Mr. Dhongchai Lamsam
2. Mr. Vasant Chatikavanij
3. Mr. Chalermchoke Lamsam
4. Mr. Thongyai Chanthanawan (MD)
5. Mr. Tim Tak Timothy Wong
6. Mr. Werachai Kitsirisin
7. Mrs. Jitwatana Jaruwatanachai
8. Mr. Chakri Chanruangvanich
9. Mr. Somnuk Chaidajsuriya
10. Prof.Dr. Supalak Phinitphuwadol

ASM SECURITY MANAGEMENT CO., LTD.



1. Mr. Dhongchai Lamsam
2. Mr. Suebrakul Soonthornthum
3. Dr. Sompop Chareonkul
4. Adm. Taveechai Liengphiboon
5. Am. Adireg Sastararuchi
6. Mr. Karn Thongyai (MD)
7. Mr. Supat Karachalkul
8. Mr. Orent Sapare
9. Mr. Shai Meirav
10. Mr. Ehud Herbst

LOXLEY PROPERTY DEVELOPMENT CO., LTD.



1. Mr. Pairote Lamsam
2. Mr. Dhongchai Lamsam
3. Mr. Suebrakul Soonthornthum
4. Mr. Vasant Chatikavanij
5. Mr. Suraphand Bhasitnirandr
6. Mr. Suroj Lamsam (MD)
7. Mr. Chalermchoke Lamsam
8. Mrs. Suganya Ungpakorn
9. Mr. Vichaya Chatikavanij
10. Mr. Supat Karachalkul

LOXLEY TRADING CO., LTD.



1. Mr. Pairote Lamsam
2. Mr. Dhongchai Lamsam
3. Mr. Suebrakul Soonthornthum
4. Dr. Sompop Chareonkul
5. Mr. Suraphand Bhasitnirandr
6. Mr. Pheat Wanglee
7. Mr. Adul Premprasert
8. Mrs. Kosoom Sinphurmsukskul (MD)
9. Mr. Suroj Lamsam

L FOOD SOLUTIONS CO., LTD.



1. Mr. Dhongchai Lamsam
2. Mr. Suraphand Bhasitnirandr
3. Mr. Suroj Lamsam (MD)
4. Mrs. Kosoom Sinphurmsukskul
5. Dr. Dawarit Tansuphasiri
6. Mr. Manit Lohatepanont
7. Mr. Charaspong Lamsam
8. Mrs. Suganya Ungpakorn

L GREEN SOLUTIONS CO., LTD.



1. Mr. Suraphand Bhasitnirandr
2. Mr. Chalermchoke Lamsam
3. Mr. Natavoot Chitasombat
4. Mr. Supat Karachalkul
5. Mr. Tim Tak Timothy Wong
6. Mr. Kittichai Raktakanit (MD)
7. Mr. Nattapon Dejvitak
8. Mr. Arthur Graham Stora

LOXLEY MOBILE CO., LTD.



1. Mr. Vasant Chatikavanij
2. Mr. Suroj Lamsam (MD)
3. Mr. Chalermchoke Lamsam
4. Mr. Tim Tak Timothy Wong
5. Mrs. Suganya Ungpakorn
6. Mrs. Wanida Sangkaew

DATA MINING CO., LTD.



1. Mr. Dhongchai Lamsam
2. Mr. Suebrakul Soonthornthum
3. Mr. Vasant Chatikavanij
4. Mr. Suroj Lamsam (MD)
5. Mrs. Suganya Ungpakorn
6. Mrs. Sudkanueng Malithong
7. Mr. Pakorn Apaphant

LOXLEY INTERTRADE (GUANGZHOU) CO., LTD.



1. Mr. Suraphand Bhasitnirandr
2. Mr. Chalermchoke Lamsam
3. Mr. Nattapon Dejvitak
4. Mrs. Kosoom Sinphurmsukskul (MD)
5. Mr. Tim Tak Timothy Wong

SOCIETE COMMERCIAL LAO CO., LTD.



1. Dr. Jingjai Hanchanlash
2. Mr. Suraphand Bhasitnirandr
3. Mr. Viphet Sihachakr
4. Mr. Oudet Souvannavong (MD)
5. Mr. Sounthone Phommachakr
6. Ms. Sengmany Viyakhet

GREEN NATURAL PRODUCT CO., LTD.



1. Mr. Chalermchoke Lamsam
2. Mr. Wachra Asvanuwatra (MD)
3. Mr. Thongchai Kongdakphaisal
4. Mr. Chudak Dirakwattanachai
5. Mr. Visan Kanokpongsuk
6. Mr. Tanu Sirisaowalak

L-ELEVATOR AND ENGINEERING CO., LTD.



1. Mr. Suraphand Bhasitnirandr
2. Mrs. Suganya Ungpakorn
3. Mr. Kittichai Raktakanit (MD)
4. Dr. Dawarit Tansuphasiri
5. Mr. Nattapon Dejvitak
6. Mr. Sanit Ratanavadi
7. Mr. Boonlert Jaimun
8. Mr. Kreangsak Chana

L FORCE 1 CO., LTD.



1. Mr. Chalermchoke Lamsam
2. Mr. Piboon Piboontum
3. Mr. Pongpun Wadwieng
4. Mr. Pattara Pojanapanich
5. Mr. Tachit Tivaruangrong
6. Mr. Kanchit Songsiengchai (MD)
7. Mr. Pairoj Jutisatiankul

LOXLEY ENGINEERING CO., LTD.



1. Mr. Sith Chokpipatpaiboon (MD)
2. Mr. boonsiri Wattanarajanankorn
3. Mr. Yuthaporn Chitakasem

LOXLEY POWER SYSTEM CO., LTD.



1. Mr. Chalermchoke Lamsam
2. Mr. Natavoot Chitasombat
3. Mr. Nimit Prasertsuk (MD)
4. Mr. Boonlert Jaimun
5. Mrs. Hathairat Somsiripat

L SOLAR 1 CO., LTD.



1. Gen. Nipon Siriporn
2. Mr. Chalermchoke Lamsam
3. Mr. Supat Karachalkul
4. Gen. Yongyuth Makarath
5. Mr. Piboon Piboontum (MD)
6. Col. Prasert Shusang
7. Mrs. Suree Ono

L SOLAR 2 CO., LTD.



1. Gen. Nipon Siriporn
2. Mr. Chalermchoke Lamsam
3. Mr. Piboon Piboontum (MD)

L SOLAR 3 CO., LTD.



1. Gen. Nipon Siriporn
2. Mr. Chalermchoke Lamsam
3. Mr. Piboon Piboontum (MD)
4. Miss. Teeraya Kritsadapong

LB EV CO., LTD.



1. Mr. Chalermchoke Lamsam
2. Dr. Kosol Surakomol (MD)
3. Mr. Praty Indranupakorn
4. Mr. Liu Xue Liang
5. Mr. Gu Yi

LOXLEY ORBIT PLC



1. Mr. Vasant Chatikavanij
2. Mrs. Sirinan Lamsam (MD)
3. Dr. Dawarit Tansuphasiri
4. Miss. Duangmanee Boonpong
5. Mr. Hasan Malik
6. Mr. Aisoon Pichatejamruscheep

Loxley Business Overview

Macro Economics

Thai economy in 2016 picked up slowly. Positive factors driven the growth included; government expenditure and investment in mega infrastructure projects, increase of consumption in the private sector following the higher spending power, and improvement of tourism sector supported by the increase of both domestic and international tourists. Nevertheless, business sector was still in hesitation to invest, and adopted “wait and see” policy given the unclear of domestic and international demands. Export sector continued to be soft with contractual growth in light of weak demand from importing nations. Financial institutions were still cautious in providing loans.

Loxley Business Overview

Vision

The Company commits to operating its business with comprehensive range of products and services, focusing on quality and sustainable growth as per company’s vision statement as **“Inspired Choice for Customers, Business Partners and Investors”**. The Company supports the philosophy of business sustainability, and therefore holds a high regard on business ethic as well as responsibility to the community and all stakeholders.

Mission

To comply with the vision, the Company has set and communicated to all concerned parties regarding company’s mission as described below:



Corporate Goal

Loxley goal is to become a reputable commercial enabler company in both domestic and international markets offering quality products and services to various groups of customer and market. To achieve the goal, the Company has strategically set 4 business segments which are (1) Technology business segment, (2) Trading business segment (3) Services business segment (4) Joint Venture business segment.

Corporate Strategy

In order to realize the company goal and ensure the business sustainability, the Company has derived a set of business strategy for short and medium term implementation. Such strategy has taken into consideration the dynamic of global & domestic economies, political situation, society, as well as risks and responsibility to the stakeholders. There are 4 comprehensive strategies which are undergoing for short and medium terms i.e.

01

> Corporate restructuring to support changes of the market and future expansion.

02

> Increase of competitiveness with focus on innovative product & services, brand ownership, business networking, regional expansion, full engagement in e-commerce, and in-organic growth via M&A.

03

> Improvement of efficiency and operating profit margin via cost control and resource optimization.

04

> Continuous development of human resource skills and building a high-performance team work culture inside the Company.

Business Group

Under 4 business segments, Loxley Public Company Limited composes of 6 core business groups as follows:



ICT Business Group



Overview

The Group comprises 2 major units -- Telecommunications Unit and Computer Unit, where the former is responsible for comprehensive telecommunications infrastructure services, telecommunications equipment distribution, and wireless broadband Internet services, while the latter is responsible for financial and banking services, IT, and computer services.

The Group's main revenue is derived from its subsidiaries whose lines of work are all capable of generating revenue on a continuous basis either from undertakings in new projects, service and maintenance works, development of systems, both in the areas of Telecommunications and Computer which can meet the market's changing demands.

The structure of the Group will be adjusted and changed in 2017 to keep in line with the Company's new structure in which management of Information business will be separated from that of Telecommunications albeit they will be subject to the same jurisdiction of the Technology Business segment as before.

Loxley Wireless Public Company Limited

• Scope of Products or Services

Loxley Wireless Public Company Limited is a subsidiary of Loxley Public Company Limited which conducts telecommunication - Category 3 operations by providing high-speed database communications with the use of wireless technology such as Internet Broadband, Voice over IP, Video Surveillance (CCTV), Virtual Private Network (VPN) with focus on corporate clientele and customers with their own networks.

In 2016, its operations were expanded to include International Private Leased Circuit (IPLC) with the use of Optical Fiber Network, both for Land and Submarine Cable Networks, as follows:

Land Optical Fiber Network will be installed along railways line pursuant to the agreement to lease telegraph poles for a term of 30 years which was executed with the State Railway Authority in June 2016 for the purpose of laying optical fiber cable lines.

Submarine Optical Fiber Network - Campana Group PTE Limited, operator in the submarine optical fiber network under the MYTHIC Project which links up Myanmar and Thailand, with Loxley & AIT Holding Company Limited as shareholders, signed an agreement in October 2016 to appoint Loxley Wireless as the Landing Station Partner to provide IPLC services in Thailand.

• Ongoing Projects and Future Plans

Demands for access to information and news as well as communications in this Digital Era among ASEAN communities and China give rise to increased demands from telecommunications service providers in each country to expand the capacities of their network systems on a continuous basis. With Thailand geographically positioned as a Hub, telecommunication service providers - not only in ASEAN but also in China and Hong Kong, therefore, all wish to be linked up with ASEAN through Thailand. However, the main telecommunication service providers in this country, both in the public and private sectors, have IPLC services in competition with one another as well. The Company, however, acting as a Carrier Neutral Operator

in non-competition for retailing customers with the main core service providers in the country, has been able to provide an option for these service providers to expand the capacities of their network systems.

As for high-speed communications with the use of wireless technology which is its original line of business, the Company will continue to retain its former-based clientele as well as expanding its customer base further in accordance with the railway-line network project.

Loxbit Public Company Limited

● Scope of Products or Services

The Company conducts operations in the area of IT and automated self-service machines which enable customers to complete the entire financial transactions on their own and/or via electronic media. It also provides work system services on a fully comprehensive basis for the entire system, right from the beginning to end, automatic answering system (IVR), Pin Pads, electronic disbursement machine with counter-hacking and counterfeiting devices (EDC), inter-bank clearing house system with exchanges of visual displays of cheques in lieu of actual cheque presentation (ICAS) and risk management database inclusive of reports for banks and financial institutions which meet the new standards for international reporting by providing services covering procurement, installation and maintenance.

Form market study and tracking the changes of technology in various industries. Services needs to be improved to meet the needs of technologies change. Products and services offered must be benchmark against competitor and industries standard. The Company staffs must be able to provide technical services and development of the solutions with confidence as a value added services to customers.

● Marketing and Competition

Pursuant to the government's Digital Economy Policy and more investments in private sector due to such policy, these will lead to more intense competition. Current customers of the Company, such as financial institutions, insurance in both public and private sector will be adapting to the changes in every aspect. The technology to enhance security requirement, recognizing and knowing their customers identity to be able increase user's convenience.

The pattern of product and services will also change. Financial institutions must be vigilant in protecting sensitive data of users. Other requirement is to increase confidence and convenience in the field of customer service. Such technology is also likely to be changed again by regulations by state agencies and the Bank of Thailand, which in turn will be an opportunity for us to offer something new both in terms of products and services to meet those needs. The Company can maintain sales volume continuously by focusing on providing standard choices and services in compatible price.

However, the Company also has an advantage compared to its competitors, even with the free trade of the ASEAN Community. The personnel of the company have the understanding and expertise in the products and services required by our customers making it possible to fully exploit the new technology requirements. Bringing quality products and services which are appropriate by our customers and continue to gained the trust of customers.

● Ongoing Projects and Future Plans

The Company plans to install Electronic Data Capture (EDC) machines to replace those which are non-compatible with the new standards prescribed by VISA, Master Card, CUP and Thai Standard Chip Card of the Bank of Thailand and to install Pin Pads, Automatic Disbursement machines, ATMs, ATM plus book updating systems for various banks and financial institutions.

As for future projects, targets are set by the Company to provide services in areas of new models for automatic service machines, new EDC models, provision of Payment Gateway services, Project of Risks Management, finances, counter-hacking system including memory systems and identification of service users or customers for credit and debit cards.

Professional Computer Company Limited

● Scope of Products or Services

The Company is a subsidiary of Loxbit Public Company Limited, offering the system integration service, which including hardware & software, design and installation of computer systems, network systems, security systems, application development, site preparation & cabling, and

maintenance services. The Company also offers IT outsourcing such as facilities management by professional and highly qualified staffs at customer's sites, including consultancy services in information technology.

Presently, The Company is a founding member of Software Industry Club under The Federation of Thai Industries and receives quality standards as follows:

- ISO9001:2008 from MASCI
- ISO/IEC 20000-1:2011 standard for Service Management System
- ISO/IEC 29110:2011 standard for Software Project Management and Software Implementation Processes
- Capability Maturity Model Integration (CMMI) V1.3 Level 2

Besides customer-specific, quality product development, The Company also gives priority to continuing professional development to ensure that staffs have knowledge and proficiency in both theories and practices, for instance, software development team is qualified for CMMI and ISO/IEC 29110:2011, which lay foundation for software development services towards international standards, and IT outsourcing team is qualified for ISO/IEC 20000-1:2011 and adopts ITIL (Information Technology Infrastructure Library) in IT management for customer support to meet international standards.

Presently, the Company's staffs have completed more than 100 certifications in various fields.

● Marketing and Competition

Changes from purchasing to leasing in budget allocation for IT projects of the government and private sector, rush disbursement, delay of project procurement along with other factors cause economic recession. However, due to Digital Economy policy, initiated by the government with addition of investments from private sector to comply with Digital Economy policy, the Company is still continuously generating revenue as the Company offers up-to-standard quality solutions and services at competitive price to customers, providing satisfaction. Also, the Company prioritizes efficient management and continuing professional development of IT personnel in specific solution areas in considerations of objectives for future projects, along with capable resource allocation. The Company's distributed

products are selected from industry-leading manufacturers such as IBM, HP, Oracle, EMC, Cisco and Microsoft with government agencies, state enterprises, telecommunication industry and banking industry as targeted customers.

● Ongoing Projects and Future Plans

Several projects undertaken by the Company are in the process of delivery such as projects for the Excise Department, Comptroller-General's Department, Revenue Department, Legal Execution Department, Savings Bank, Office of the Finance Permanent Secretary, Department of Land Transport, and so forth.

As far as future projects are concerned, the Company anticipates to continue undertaking large-scale projects for both public and private sectors comprising several for which bids will be submitted in tenders such as the Excise Department's Project to check operations of the Solvent Project, Project for enhancement of the e-GP system's efficacy to meet the requirements of the new Act governing state procurement by the Controller-General's Department, a fully-comprehensive project and enhancement of the efficiency for receipt and disbursements of payments by public sector, the Revenue Department's project to develop systems to screen data concerning electronic payments, the Revenue Department's project to compile database and analyze data of electronic payments and so forth.

NetONE Network Solution Co., Ltd.

● Scope of Products and Services

The Company has engaged in service business as a data communication system integrator by distributing and providing turnkey IT Solution including infrastructure design and installation and maintenance of mission critical systems by using integration techniques of data, voice and visual via internet network.

Furthermore, the Company's service also covers network security and computer systems which are highly demanded by those customers both in government and private enterprises ranging from middle to large business scale where internet application and cross-branch information connected are required; in accordance with its policy to ensure the excellence of its product and service quality.

The Company also is a reseller of quality products from world class vendors such as Cisco System Inc, F5 Network, Blue Coat, Huawei and Microsoft; with CISCO Gold-Certified Partner which is the highest level of certification-specific rewards and recognitions that a few partners achieved. Besides achieving both ISO/IEC20000 and ISO/IEC 27001 certifications, the Company also encourages engineer team to continually attend training in order to achieve up-to-standard international certifications and provides them internal network laboratories for consistently testing and studying their own performance.

● Marketing and Competition

The continuous development of internet technologies in Thailand continues to enhance sales and service channels. In addition, the varieties of effective and highly secure services which fulfill customers' business needs encourage them to request for the Company's products and services consistently.

● Future Plans

The company aims to expand its business to new trend market as Next Generation technology e.g. SDN, NFV also IOT Solution and Big data which are most demanded in today's market. Also the company has plan to expand service business by implementing Expert Engineering Resource such as analyzing problem's which are caused from network, security and data management systems for example.

Mobile Innovation Company Limited

● Functions and Products or Services Procurement

Mobile Innovation Company Limited is a joint venture between Loxley Public Company Limited and NTT DOCOMO Inc., Japan's leading mobile communications company and the influencer in advancing mobile communications technology on a global scale, providing Real Time Fleet Management System service as an Application Service Provider (ASP) entitled Fleet Expert. Fleet Expert is a real-time tracking and fleet management system which combines the advanced technology of wireless communication, GSM networks, GPS, Digital Tachograph and Digital Vector Map technology with comprehensive analysis and management software. Fleet Expert not only pinpoint fleet location and activity but also delivers accurate

data getting directly from the vehicles and system can detect vehicle motion, driver's behaviors and thus ensure immediate security for the driver, provides the useful historical data with analysis report for fleet manager to plan and control vehicle maintenance, vehicle telemetric (tracking and diagnostics), driver management, fuel management and safety management with details reports for vehicle management such as Safety & Economical Driving Report, Trip Management Report etc. In 2013, 2 branches were established in neighboring countries, Mobile Innovation (Vietnam) Co., Ltd. in Hanoi City and P.T. Mobile Innovation Indonesia Jakarta, Republic of Indonesia. Then in 2015, we have appointed 2 dealers in The Republic of Union of Myanmar and in Vietnam.

Mobile Innovation Co., Ltd has also imported other GPS devices from Europe and China to serve SME market. Various sensors have also been provided which can be connected to the GPS terminal providing more safety driving to reduce accident and thus reduce costs, such as doors, temperature, immobilizer, fuel sensor, Mobile DVR which can record and take snap shot both inside and outside of the vehicle, alcohol checker.

SMS Broadcasting Service is another service for contacting and confirming the safety of overseas employees in one go. The service is based on SMS technology supported by any set of SIM cards and mobile handsets from major operators in 17 countries, Thailand, Singapore, Malaysia, Indonesia, Vietnam, The Philippines, Australia, South Korea, China (including Hong Kong), Taiwan, Japan, Myanmar, New Zealand, UK, France, Germany and USA.

"InCircle" is a cloud base application for organizations that need a secured solution for sharing instant messaging. It uses end-to-end encryption and only allows only registered users to access for security.

In 2016, Mobile Innovation Co., Ltd. has launched the latest tracking technology from Japan which has just been lunched in Japan in September last year. This new tracking device is combining technologies of digital tachograph, image processing camera, infrared camera and feelythm (drowsiness detection). Thus, it allows the fleet manager to know what happens during the vehicle running, such as sudden deceleration, change the lane/path without giving signal or driver feels asleep etc. This is to cope with

Government's regulation on road safety. Apart from this, the company has started to import the Smart Hub with wireless sensor, Nano Multi-sensor, which is the essence of IoT with the capabilities of not only tracking but also sensing such as temperature, humidity, impact/free fall, light, etc.

● Market and Competition

Mobile Innovation Co., Ltd. provides not only high quality products but also excellent after sales service with highly skillful and experienced personal. So our competitive strategy is focused not only on good-quality services and provision of reliable and constant services to clients, but also on appropriate and reasonable pricing.

● Future Plans

In year 2017, the Company will increasingly invest on procuring equipment and upgrading its various technologies to achieve better operational efficiency which should guarantee compliance with the strictest cold chain regulations. And effectively meets the demands and expectations of market in Thailand and Asia Pacific such as Elderly care service, precision agriculture etc. The company also invests on procuring application that helps to organize and share notes, pictures with coworkers and can automatically syncs across many devices.

Learning Media Division

● Scope of Products or Services

The Division has developed and offered ICT training courses that are designed and customized for specific group of trainees with focus on practicality. In addition, the division arranges seminars for government and private organizations with customers across all levels, from students, government officials, employees of private organizations and retirees, as well as computer training room rental for the Group's subsidiaries and other organizations.

The Division has also administered the Old People Playing Young (OPPY) Club that has offered computer and Internet training for its members. Since 2000 until today, the Club has over 5,000 members. In 2013, the Club opened 10 courses of iPad trainings, 4 courses of Samsung / Android, 9 courses of MacBook and Photography using Smart Phone. We offer training in both regular schedule basis and private lesson. In addition, it offers other fun activities, e.g.,

sightseeing, creative works, watercolor painting, etc. and also activities of health concern such as self-treatment using reflexology method. Moreover, we have designed Google Enterprise courses and conduct training for employees of Loxley PLC.

● Marketing and Competition

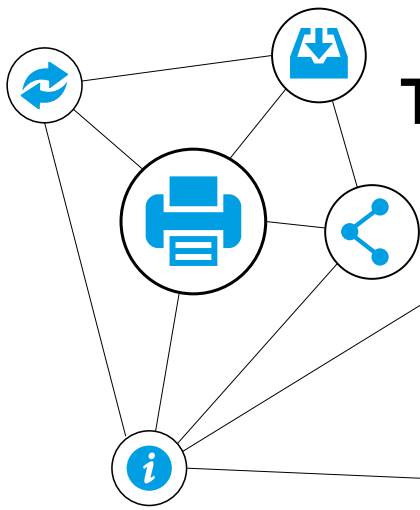
In general, ICT trainings market is highly competitive. The service provider has to compete in both quality and price while the market for ICT trainings for the elderly and senior executives is less competitive. The Division is focusing on this target market. However, other competitors that the Division cannot miss are social activities and health care activities for seniors.

The Division has communicated its services via various media, e.g. OPPY Club's website (www.happyoppy.com), facebook (www.facebook.com/OPPYClub), OPPY Newsletter (quarterly journal), LINE, newspapers, magazines, radio and television. Communications with old customers is also a major channel as they can recommend new customers. Additionally, it also publicizes new training courses and activities through strategic partners, e.g., National Day of Older Persons (by the Ministry of Social Development and Human Security), PTT's Debentures Holder etc.

● Future Plans

The Division has planned to establish "Aging Society Hub" and to become center of knowledge, activities, products and services that suitable for aging group. Moreover the division will expand supporting ICT training for various projects to Loxley and subsidiaries of the Loxley Group. This includes research and development of Google Enterprise system training to meet with the rising demand in the government and private sectors.





Technology Business Group



Overview

The Group provides services and procurement of technological products involving 3G mobile service reseller or MVNO. We also provide services and sales of hi-speed printing products, Private Automatic Branch Exchange (PABX), installation of railway signaling system, expressway system, security system in building, sophisticated information protection systems, as well as rental service for computers and telecommunication equipment to support education activities, real estate management and services, and food service.

In 2016, increased revenue were generated by the Group from its new projects over and above continuous income derived from ongoing works in taking care of and maintaining the various systems it has installed for customers. All such operations have continued to generate income for the Group on a regular basis as it is a business which requires specialty technologies and skills.

Consumer Electronics Department - Mobile Services on 3G

• Scope of Products or Services

Loxley Public Company Limited was granted the Type I Telecommunications Service issued by the National Broadcasting and Telecommunications Commission (NBTC), and currently operates mobile services on 3G technology under the MOU with TOT Public Company Limited to be its reseller or Mobile Virtual Network Operator (MVNO) on 2100MHz frequency. The Company focuses on delivering 3G prepaid services including voice and non-voice services under the brand “i-Kool”.

• Marketing and Competition

Today the telecommunications and IT business is rapidly expanding due to the higher use of data and internet, providing greater opportunity for constantly generating and growing income. However, competition in the telecom market has become more intense, with more competition in terms of price and service quality due to the launch of 3G/4G networks under 900MHz and 1800MHz license auctions. Operators have focused on the expansion of their networks to respond to customer demand of mobile internet which directly affects the MVNO business.

The acceleration of the 3G/4G market has encouraged new service providers to enter into the MVNO business which challenges the Company to maintain market share, and expanding its customer base.

• Social Responsibilities

The Company has been involved and participated in the National Broadcasting and Telecommunications Commission (NBTC) activities, in providing telecommunication information and related opinions. The Company is committed to strictly comply with the NBTC’s terms and regulations.

Printing & Advanced Technology Department

• Scope of Products or Services

The Department is the importer of printers, printing equipment, post-printing process equipment, supplies used for printing and security software for the printing system. It also provides fully comprehensive services covering advice

on design, procurement and installation for the printing system. Printing systems imported by the Department range from high-speed variable digital inkjet printers, high quality color digital printers, high speed print heads, offset printing system from Japan and small size digital inkjet printers under a variety of brands. Other than these printers and printing systems, the Department also distributes printing ink, printing spare parts and equipment and after-sale services.

● Marketing and Competition

In 2016, the Department installed and delivered color digital printer set, toner system and post-printing equipment for the Department of Irrigation Printing House, and in November 2016, it signed a contract with Thailand Tobacco Monopoly for the installation of rolling printer and printing house equipment with delivery scheduled for completion in 2018.

Other than following movements in the public sector, the Department also kept a close eye on the private sector with a view of being able to meet the demands for digital printers and printing equipment for other non-paper materials with focus on the post-printing process.

As for the post-printing process, the Department brought in the laser Die-Cut system equipment from Highcon (Israel) to answer the needs of customers with demands on precision, fineness and neatness with a medium-range of workload and targets set to reduce working hours and production costs.

● Future Projects

In 2016, other than works to be delivered to the Tobacco Monopoly of Thailand, Ministry of Finance's Project to Install Rolling Printing Equipment for its Printing House, the Department also has plans to participate in tenders called by various government authorities, state enterprises and to expand its base more in the private sector.

Business Communication Department

● Scope of Products or Services

The Department provides communication system products and services, including designing, sourcing and equipment installation, to both state and private organizations. The products and services can be categorized into Voice Network, and Data Network. The Voice Network products include legacy PABX, IP PABX, Voice Over IP, Contact Center, Unified Communications and related applications. The Data Network products include router, switch, data security, wireless access point, and video conference. At present the Department distributes products and services from world-class manufacturers including Avaya, Cisco, Alcatel, NEC, LG-Ericsson, F5, Plantronics, Jabra, Juniper, Hua Wei, Nice, Dell, HP, SAP and many more.

The Department mainly imports products for local supply under distribution service agreement. Only some products are imported or purchased from distributors to support the Department's bidding activities or turn-key projects.

● Marketing and Competition

During this era of digital technologies, both government and private sectors have increased demands for the latest technologies in order to increase their competitiveness and effectiveness in the marketplace. Despite fierce competition in terms of price and service among domestic and international companies, the Department has had an advantage on having a large base of customers who have trusts on the Company's good service and product quality, thanks to our 35 year experience. This has contributed to the Department's good performance over the years.

Furthermore, the Department has incessantly focused on personnel development. To improve the employees' skills and working effectiveness, all of the employees at all levels have been given opportunities to be trained in related fields in national and international institutes on a regular basis.

● Ongoing Projects and Future Plans

Currently, the Department's ongoing projects include Ethanol Tracking System expansion project for Excise Department, Nation-wide PBX system upgrade for Muang Thai Life Insurance, PBX system replacement at Saraburi plant for Siam City Cement Public Company Limited, Call Centre Upgrade for CAT Telecom Public Company Limited, etc.

In the future, the Department plans to bid more projects of governmental, state enterprise, and private organizations, which include PBX replacement for EGAT, new CRM for CAT Telecom Public Company Limited, and upgrade ERP for BMTA, etc.

IT Business Department

● Scope of Products or Services

The Department has been providing design and installation of complete Information and Communication Technology network. Its teams of technical experts who have high experience provide planning and management according to customer's requirement, enabling customers to most efficiently access and utilize the information system as well as prevent and manage corporate risks related to their investments in hardware and software assets. In the past, the Department has developed a Data Communication Network system, software application system, IT security system, including information center upgrade for the government entities, state enterprises, banks, and major private companies.

One of the Department's major products includes the Location Based Information System (LBIS) that tops off corporate information technology usage in order to efficiently support strategic planning and decision making of top executives. It also analyzes information, provides overall data, and details of each information point with complete accuracy. Its main customers include government entities, state enterprises, bank, and private companies, who utilize the system in surveys, assessment, project/department monitoring system in Real Time. It also received an award in flood prevention and preparation system with remedy and problem solving processes in order to completely meet with corporate requirements.

● Marketing and Competition

Technology development and implementation in any organization has directly and indirectly influenced the business. Therefore highest utilization of technology is vital in whether or not the organization will proceed with effectiveness and efficiency in the highly competitive market. As today's Information and Communications Technology market is highly competitive with rapid changes, the Company must put emphasis on providing suitable solutions for its customers by providing Perceived Price in order to gain Perceived Value. Additionally, after-sale service is also essential in utilizing service mind into providing best services.

● Future Plan

The Department plans to participate in bids called by government agencies, state enterprises and the private sectors for household database system, GPS Tacking System, data network and wireless networks, war room, voice and data network installation and services, Project to set up taxation base to support levy of land taxes, Digital Radio Trunk Project, Project for link-up with the Disaster Alert Centre, etc.

Education Technology Business Department

● Scope of Products and Services

With offices operating both in the central and regional areas, the Department carries out its businesses, as follows:

1. It distributes high-quality laboratory equipment which are either imported or local products, to vocational colleges in the public and private sectors throughout the country as well as carrying out works for their installation, maintenance and repairs. The Department is a distributor of products such as LD-Didactic and Lucas, etc.

Although most of its products are imported, the Department nevertheless has business allies which are major distributors of laboratory products in the country to help with the supply of products, keep stock inventories and make on-the-spot delivery which enables the Department to manage its businesses without the burden of incurring increased costs on product importation and inventory management.

2. The Department distributes pollution-free furnaces to burn garbage in response to the government's policy on garbage disposal. Pollution-free garbage furnaces distributed by the Company has received the Outstanding Innovation Award from the Office of the National Innovation (public organization), both for the standards of the furnace's exhaust fumes and for saving power consumption. Its main target customers are local administration entities and the Livestock Department.
3. Supplying and installing groundwater system as well as groundwater improvement system with the use of high-quality products for the Department of Groundwater Resources.

● Marketing and Competition

Products distributed by the Department are considered necessities for the education market, local administrative offices and local groundwater offices for use in line with their budgetary allocations. There is, therefore, a great number of competitors in this business particularly small-scale operators which concentrate on offering low-priced products with ensuing functioning problems. The Department's strong point, however, lies in its ability to build up customers' trust and confidence as the result of the Company's stability, good quality products, good after-sale services and appropriate pricing to ensure highest customer satisfaction.

● Future Plans

The Department has a policy to source and offer new products with high quality and affordable price for sale and to focus more on government projects in order to increase sales. Among potential projects is the sourcing, supplying and installation of microcontroller system and equipment (robotic and automatic arm system) as teaching equipment for the Department of Vocational Education as well as solar-power groundwater system projects.

Rail Engineering Department

● Scope of Products or Services

The Rail Engineering Department provides a turnkey service to the customers, covering design, provide, assembly, installation, test, training and documents preparation for system operation and maintenance to make sure that our

customer will receive a comprehensive system with great efficiency. The Department's services cover Railway Signaling System, Train Control System, Railway Telecommunication, Building Security and Automatic Fare Collection.

● Marketing and Competition

All Government policies related to infrastructure development, especially rail transportation systems have provided the Department with good business opportunities. The Department has won bid to operate these systems for responsible authorities such as The State Railway of Thailand, Mass Rapid Transit Authority of Thailand, Bangkok Mass Transit System Company Limited, Bangkok Expressway and Metro Public Company Limited, etc.

The Department has partnered with the well-known international corporations which offer high quality technologies at reasonable prices. Since the Department's products offering require specialized skills and expertise, competition in this market has not been intense.

● Future Plans

The Department consistently follows up on Government related plan and policies on Rail Transportation Systems development and ensure that its business plan best corresponds to the Government's plan and policies that may also include investment in projects that the Government invites private sector to participate in joint investment.

Transportation Systems Department

● Scope of Products or Services

The Transportation Systems Department provides a turnkey service to the customers, covering design, assembly, installation, testing, training, and manuals for system operation and maintenance to make sure that our customers will receive a comprehensive system with great efficiency. The Department's products range from automatic collection system for expressway toll payment, by cash or electronically, traffic safety control system and security system both for the interior or exterior of a building.

● Marketing and Competition

All Government policies related to infrastructure development, especially expressways in Bangkok, adjacent provinces, and between some major cities have provided the Department with good business opportunities. The Department has won bids to operate the systems for responsible authorities such as the Expressway Authority of Thailand, Bangkok Expressway Public Company Limited, Don Muang Tollway Public Company Limited, and Department of Highways. The Department has partnered with the reputable international corporations which offer high technologies at reasonable prices.

The Department has low operating risks with its experience and long-standing expertise in the area of toll payment collection system and traffic safety control measures. Its past performance is well accepted by customers and it has earned the trust as the result of good relationships to ensure customers of its on-scheduled delivery of efficient systems.

● Ongoing Projects and Future Plans

Current projects in progress range from its contracts to install closed-circuit TVs, expressway toll cash payment system, evaluation of traffic conditions at toll gates, improvement and modification of toll collection system for use in collaboration with the Highway Department, and CCTV cameras inside the Land Transportation Department's Cargo Terminal scheduled for completion in 2017.

The Department consistently follows up on Government's related plan and policies on transportation systems development to ensure that its business plan best corresponds to the Government's plan and policies including Public - Private Partnership (PPP) Project.

Data Mining Company Limited

● Scope of Products and Services

The Company's business comprise of

- The Company has been operated in information technology business, computer system, network and peripherals, and related processing systems, e.g., specific application and data processing software, and system integration from core systems to complicated process design solutions to meet customer needs.

- Development, Management and Service including to offer consultancy services in digital map & GIS (Geographic Information System) projects to meet customer needs and integration in GIS projects. The company also represents world's leading brand about Crisis Information Management System "WebEOC product". The Capabilities of WebEOC is the Resource Management, Interoperability. The Information Sharing between Multi-agency coordination, Creating a Common Operating Picture (COP) and Decision Management.

● Marketing and Competition

The government budget allocation as according to government policy in map data for Land, Agriculture, Transportation, Natural Disaster and Assets Management. The Company can win the constant projects from the government. The Company has the advantage over its competitors due to its highly experienced teams who have good understanding and knowledge in the offered products and services more than 10 years to achieve the large-scale projects and also the good relationship with the existing customers and partners. Its major customers are

- law enforcement entities, anticorruption agencies in both government and private sectors where vital financial information is required for investigation to prevent money laundering and abusive terrorist activities.
- the government and private sector as have the policy in map and GIS development and integration the applications on GIS core to complicated process design solutions to meet customer needs.

● Future Plans and Projects

The Company has the quality products and service to complicated process design solutions to meet customer needs. The Company also provides the products and service as the value added in the existing GIS core of customers to make the constant revenues. This will also enable the Company to expand GIS business to AEC.

Loxley Property Development Co., Ltd.

• Scope of Products or Services

Loxley Property Development Co. Ltd. carries out 2 main lines of businesses, namely:

1. Investment and Development of Real Property by making feasibility studies for investment in land, structures and development of real property projects including management of real property on a fully comprehensive basis such as leasing services for spaces, office buildings and various public utilities services.
2. Project management. In addition to its investments in real estate development projects, the Company participated in tenders for a variety of management projects, both in the public and private sectors such as construction of buildings, construction of groundwater systems, installation of system to improve qualities of potable water and so forth.

• Marketing and Competition

Last year, fluctuations continued in the real estate market and competition as the result of overall economic conditions which were beginning to pick up and impact on the household expenditure sector. Furthermore, with the market still dominated by a few major operators, signs of improvement began to show, nevertheless, from the State's supporting policy and investment in large-scale infrastructure projects which gave the Company the opportunity and a positive leeway towards developing its real business operations in a variety of forms on a fully comprehensive basis, and the potential and readiness to seek the collaboration from foreign business allies for work in the joint project development area.

• Operations in Preceding Year and Future Plans

2016 performance could still yield returns for the business on a continuous basis as the result of its joint investment in real estate development projects in several locations with good potential in the Bangkok Metropolitan areas. It also served as investment advisor and handled management of real property for landowners/co-investors with focus on

broadening its clientele-base and developing its services to keep more in line with international standards.

Furthermore, the Company won more tenders last year for works in the public sector. Works were effectively managed for on-scheduled delivery pursuant to its Plans and targets. It is anticipated that in 2017, the Company would be able to continue participating in government tenders as the result of action being expedited to push out the government's projects to develop the country's infrastructure and specific economic zones which would induce expansion of the real estate business in the overall.

The Company conducts its operations with full awareness of its social responsibilities by taking into account such factors as preservation of the environment, society, communities right through to complying with town-planning rules, operating requirements prescribed by the authorities as well as giving importance to safety, health, and other factors which are environmentally-friendly to its neighboring communities.

L Food Solutions Company Limited

• Scope of Products or Services

L Food Solutions Company Limited provides food/restaurant services as well as catering services to organizations and the general public as an expansion of its business line and to collaborate in operations with Loxley Trading Co., Ltd. to reinforce its competitive prowess for the future. The Company currently operates Japanese restaurants in the form of restaurants and product brands of its own development under the WaQ, DohTon Buri, Tetsumen and Ai Catering Brands.



WaQ Yakiniku



WaQ Shabu



DohTon Bori



Tetsumen



Ai Catering

Each brand mentioned is well-versed in diverse categories of food such as Yakiniiku, Shabu Shabu, Steak Teppanyaki, Okonomiyaki and Ramen all of which create the differences for the Department's products and services. To ensure that its services are accessible to its targeted groups, i.e. families, salaried work force and teenagers, these restaurants are strategically located in leading department stores such as Siam Paragon, with over 45,000 customers per month in its clientele base and about 300,000 followers in its Facebook Fan Page.

● Marketing and Competition

Japanese food is very popular with good and continuous growth throughout as can be seen from the increased number of Japanese restaurants and entrants of major corporations into the Japanese restaurant world and arrival of Japan-originated brands in the form of joint-venture companies with Thai partners, having considered Thailand as a springboard into other countries in the Region. This competitive situation and diverse offerings of Japanese specialty stores show signs of greater expansion and increased accessibility for consumers with upcountry expansion in economically developed large provinces as well.

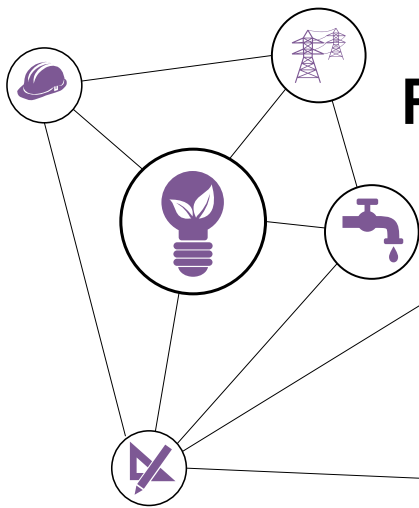
● Future Plans

Its future plans are to focus on building up the WaQ Yakiniiku brand to gain wide acceptance and good response from consumers. In 2016, WaQ Yakiniiku restaurants have been well received by the public with a sales turnover which increased by 30% vis-à-vis 2015. The Company, therefore, is planning to expand its clientele base by opening 2 more branches in 2017.

From consumer life-style which has to adjust to rapid changes with appropriate time management to meet various activities each day, plans have, therefore, been made by the Company to respond to this group's needs as well with the introduction of its Go Go Curry restaurant, a strongly curried flavor from Japan which originated in Kanasawa with over 40 branches in Tokyo and 200 branches throughout Japan. With concentrated curry flavor which is uniquely favored by Thai consumers, freshly cooked and with prompt services at appropriate prices, the introduction of this restaurant will answer the requirements of target clientele, namely students, office workers as well as the new generation families.



Moreover, the Company plans to develop the potential of procuring raw materials in collaboration with Loxley Trading Co., Ltd. so as to acquire quality raw materials and lower production costs on a continuous basis. Preparations and processing of main raw materials, i.e. beef and salmon will be handled by its expert chefs themselves before having them distributed to the various branches with the aim of controlling the qualities and conditions of raw materials and products which, indeed, is its raison d'être. This, in conjunction with good services, will increase its potential to meet competition in the restaurant line of business for its further growth.



Project Business Group



Overview

The Group is in public utility operations, e.g. TV and Radio communications, energy processes, electrical systems, waste water management, alternative energy business, including specialized tools and electronic equipment, by winning auctions organized by the government, state enterprises, and private organizations domestically and internationally covering survey processes, design, installation, customized implementation, maintenance, and consultations in various projects.

In 2016, the Group succeeded in generating increased revenue over 2015 from its engagements in various projects as the result of investment policies in the State's infrastructure projects and changes of technologies. With its expertise from longstanding operations in this sector, the Group is, indeed, in a competitive position to answer customer demands as it is well-versed with the various aspects of work and will continue with its endeavours to conduct operations with responsibilities towards the Society and the Environment such as working for the growth of Renewable Energy.

Broadcast Department

• Scope of Products or Services

Broadcast Department operates as representative or authorized dealer of television and radio transmitter and other related broadcasting product such as studio equipment. The Department also operates as a System Integrator (SI) to provide a total solution (products and services) for television and radio broadcasting organization in both private and public sector.

Another important role of our Department is to cooperate with other agencies in order to provide information to the Thai public in relation to broadcasting technology.

• Marketing and Competition

As a result of the imposed change from analog broadcasting to digital broadcasting by the National Broadcasting and Telecommunication Commission (NBTC) in 2012, this will create a lot of changes in broadcasting industry. Digital technology will certainly enhance broadcasting capability in many ways, which will in turn, increase market value and competition in both quality and quantity aspects.

The Department is existing customers are varied from both government and private sector, such as the Public Relations Department (PRD), The Royal Thai Army television and radio (CH5), MCOT Public Company Limited (CH9) and Parliament radio station.

Radio and Television Broadcasting are mainly imported equipments technology from overseas such as the United States, Europe, Japan, and together with domestic parts from the local suppliers whom with reputed capability.

• Ongoing Projects and Future Plan

In 2017, the Department has a number of major ongoing projects (regarding Digital TV transition) such as TV5 procurement of DTV network (50 stations) MCOT (Channel 9) DTV Project (33 stations) and the Public Relation Department (PRD) DTV transition from analog to digital (99 stations).

Currently, the Department has over 70% of DTV market share in the country, however, by the year 2019, the Department has plan to increase its market share to 80% mainly through digital TV and radio network project.

Control Systems Department

● Scope of Products or Services

The Department provides engineering and integration services in Automation Control Systems, Supervisory Control and Data Acquisition, (SCADA) systems and Telemetry Systems for clients in infrastructure and utilities. The provided services are based on the total-solution and turn-key basis. Our service principles are to provide the right solutions, with professionals and skills, and with total commitment.

● Marketing and Competition

Our clients are in Electricity, Oil and Gas, and Water utilities, where controls systems and SCADA applications are critical to their operation. The need for the Controls and SCADA applications are in high demands. Most of the procurements are governed by official competitive open bid processes. Competitors include leading foreign contractors and/or product owners, as well as local main contractors.

● Ongoing Projects and Future Plan

Key projects delivered in 2016 include SCADA enhancement project for Trans Thai-Malaysia Co., Ltd. Gas Pipeline in Songkla Province which is completed in April 2016. EGAT's Automatic Voltage Regulator (AVR) Revamp Project at Pak-Moon Dam Hydro Power Plant Unit 1-4 which schedule to deliver the equipment in November 2016 and installation and Commissioning in April 2017. Telemetry Revamp and Maintenance of various Basins for Royal Irrigation Department (RID) which schedule started to continue hand over from October 2016 till September 2017.

Future plan, the department will continue the current customers. Central Command Center for Water Level Monitoring and Flood Forecasting and Telemetry Revamp and Maintenance projects for Royal Irrigation Department (RID). Distributed Control System and Auxiliary System Revamp Nam Pong Power Plant, EGAT. Maintenance of SCADA and Communication Projects, Trans Thai-Malaysia Co., Ltd.

In parallel, we are exploring to expand our opportunity in SCADA applications in other industries, such as at Port Authority of Thailand, Metropolitan Water Authority, Royal Rain Department and Private Sectors.

Power Systems Department

● Scope of Products or Services

The Department is engaged in businesses related to the power systems for both public and private sectors by providing services in the form of Engineering, Procurement and Construction (EPC). Work under its mandate span over a wide range of activities such as project management, design, product procurement and installation, civil and testing so as to meet customers' requirements. Examples of activities include construction and renovation of power substations, construction of transmission lines and distribution line sales including aerial, underground and submarine cables, sourcing and installation of power substation control system, Supervisory Control and Data Acquisition (SCADA), procurement and installation of Smart Grid Electricity System, procurement and installation of generation system for Renewable Energy (RE), electricity system for manufacturing plants, high-rise buildings, public utilities system and general electricity systems services including maintenance, testing and power system consulting, etc.

The Department is aware that power substation construction may affect the environment and surrounding community, and therefore set a policy to have clear and strict preventive measures. As a result, none of the projects handled by the Department ever had problems related to adverse impact on the environment and community.

● Marketing and Competition

The government has continued to invest in expanding the electrical and power distribution systems, apart from encouraging private sectors to co-invest in all forms of power system, since they represent major factors for the country's development and people's quality of living while our neighboring countries such as Lao People's Democratic Republic and Republic of the Union of Myanmar have continued to carry out such systems. Additionally, the private sector has shown greater interest for investments in electrical and power systems-hence, reason for numerous business opportunities. Department's experience in this specialized business, recent undertaking to introduce a quality service policy, and highly experienced staffs have all contributed to the Department's valuable reputation, status, and business potential. Our current key customers include the Provincial Electricity Authority of Thailand, the Metropolitan Electricity Authority, and the Electricity Generating Authority of Thailand.

The Department offers services by submitting tenders as well as through direct selling to our prospects as a main contractor or sub-contractor. The system design, product procurement, and effective project management are the key areas of our expertise.

During the course of last year, ongoing works were undertaken by the Department to construct the 500 KV Tha Takoe Electricity Substation for the Electricity Generating Authority of Thailand which, when completed, would be considered a major opportunity for the Department to increase its potential in overall work engagements as the 500 KV system is a high-pressure transmission system used both in Thailand in in countries in the Indochina Region. Once construction is completed, the Department would be in a position to be able to accept works covering the entire region as above stated.

The Department is ready, at the same time, to accept works related to the Smart Grid system which is of great interest to the 3 electricity generating authorities which will be expediting investments to increase the efficiency in managing the electricity system on a fully comprehensive basis starting with the electricity generating system, management of transmission lines and substations and other services such as Advance Metering Infrastructure (AMD), electrical vehicles, and so forth.

● Ongoing Projects and Future Plans

Ongoing projects to be delivered to clients are as follows:

- Construction of substations for the Provincial Electricity Authority: one 115-22 KV Gas Insulated Switchgear substation and one 115-33 KV Conventional substation.
- Construction of substations for the Metropolitan Electricity Authority: three 115-24 KV Gas Insulated Switchgear substations.
- Construction of Transmission Substations for the Electricity Generating Authority of Thailand: one 500 KV Conventional substation.

Last year, the Department was awarded contracts to construct substations for the government's electricity authorities. It also sought the opportunity to enter bids for construction of electricity substations with new technologies such as Modula Substations, Containerized Substations, etc. However, the Department is still focused in strengthening

its reputation as a comprehensive electricity system service provider and gives more weight to expanding its energy system management services to cover Smart Grid which is a network of national energy control and management system by acting as the contractor and sales representative for Smart Grid equipment.

Furthermore, the Department continues with interest to expand the market to neighboring countries which have started to show signs of interest in making investment in energy generating activities and as a response to the government's policy concerning ASEAN community.

Environmental Business Department

● Scope of Products or Services

The Department provides environment-related activities including environmental balance, waste or contamination resuscitation, especially in tap water, water for industrial use, wastewater treatment/reclamation, hazardous waste treatment, and waste to energy. It provides consultation services on technical management including installation design, sale, installation, operation, and system maintenance services, which benefit the public. The Department selects highly experienced partners, manufacturers, and distributors by applying analytical and comparative procedures on their competencies in order to meet the market's demands and customers' requirements, consistently.

● Marketing and Competition

Considering high competition in environmental business, the Department emphasizes on searching partners and providers to create good services to customer groups to ensure strong customer base. Its major customers are the Provincial Waterworks Authority, the Metropolitan Waterworks Authority, and the Electricity Generating Authority. The Department also participated in small and medium-sized projects in order to expand its market in the private sector and Local Administrative Organization and increase its marketing capability through a team of experts and strong joint stock company.

The Department generally adopts the direct sales channel to bring its products and project ideas to reach its target customers both in the government and private sectors.

● Future Plans

The Department plans to focus on recurring/long term income based projects, in particularly in water supply system, water resource management wastewater treatment/ reuse for industrial estate, and waste to energy, including: concession projects of water supply systems, rental of mobile water supply system, operation and maintenance of water & wastewater treatment system, leakage survey on main and branch water pipes, Concession projects of water supply system in Lao PDR. and neighboring countries.

Special Project Department

● Scope of Products or Services

The Special Project Department is a project-based Department that provides installation, maintenance and after-sales services for specialized defense and security related equipment and systems. The Department is partnered with highly-reputable and well-established companies from the United States, Europe, Australia, and Japan providing products that emphasize technological excellence and require specialized skill training programs to operate and maintain. When possible, the Department occasionally provides locally produced systems and software that increase the capabilities of the Thai defense and security sector.

Moreover, the Department has also focused on providing first class after-sales services while ensuring that no surplus products would eventually affect the environment.

● Marketing and Competition

The Special Project Department main customers are the three branches of the Thai Armed Forces - the Royal Thai Army, the Royal Thai Navy, and the Royal Thai Airforce; government agencies; and police authorities as well as other organizations involved in various defense and security technologies. Prospective customers are approached and worked with to determine requirements that will push forward the project. The Department continuously researches and develops the products to keep up with advancement in technology and to satisfy the customer's needs and requirements.

Recently, competition from China and Eastern Bloc countries such as Russia has been on the rise since they can offer products with much lower price points. However, because of the well-proven track record, quality, and reliability of the products offered from the Department's

partners, these advantages compel the customers to seek out quality rather than cost.

The market trends mainly depend on the allocation of government budget and whether suitable products are represented. Meanwhile, the overall economical situation has slight effect on the business operations because the products and services offered are in highly specialized fields which are somewhat niche.

● On-going Projects and Future Plans

The Department has already delivered all the products and services to customers on plan for the year 2016. The Department also has continuous yearly spare part projects. In 2017, the Department will provide spare parts to the Royal Thai Army and the Royal Thai Navy. There are also phase deliverables lined up for the Department's major project with the Royal Thai Navy.

Alternative Energy Department

● Scope of Products or Services

The Department operates alternative energy sourcing business, covering solar energy, wind energy, hydro energy, biomass energy and energy-from-waste. It studies the feasibility of such energy and invests or enters into a joint venture with partners interested in alternative energy power production. The Department has been operating a model solar farm for five years and thus has expertise in solar energy business. At present, the Department is seeking new and highly potential locations to conduct feasibility study and further development. The Department also acts as a consultant to other organizations which are interested in jointly investing with the Company, which is believed to enhance its business operating performance and corporate reputation while increasing the country's energy security.

● Marketing and Competition

The National Energy Policy Office resolved to allow the Electricity Generating Authority of Thailand to purchase electricity generated from different fuel sources from small producers and increase purchase volume from 3,200 MW to 4,000 MW and implemented many policies that support alternative energy. As a result, the Department has great opportunities to invest and enter into joint venture with organizations interested in becoming very small power producers that generate electricity from different energy sources. Together with its expertise in solar energy, the

Department can expand its scope of service to cover consultancy service for organizations interested in operating as very small power producers.

● Future Projects

Action is taken on a continuous basis by the Department to find the most suitable co-investors and locations for development and to conduct feasibility studies on various projects. Other than being an electricity producer and distributor, it has also turned itself into a service provider by giving advice and recommendation for installation of the Solar Farms or installation of solar cells on building rooftops for interested parties in both the public and private sectors. Feasibility studies have also been conducted on generating wind-power electricity under the Vayubutr 1-2 Projects in Nakornsrithammarat Province as well as advice given and co-investment made in the projects to install solar rooftop generating system for several entities in the private sector.

Power Infra Department

● Scope of Products or Services

The Department procures, imports and installs high voltage transmission lines as well as offers other products to meet the clients' requirements. It imports main equipment on a complete set basis and has other equipment produced domestically so as to provide integration services to its clients.

● Marketing and Competition

Its main prospective customers include state enterprises such as the Electricity Generating Authority of Thailand and others. The Department contacts prospects directly and offers quality products and services - with its high technical skilled personnel - at reasonable prices. This has granted the Department additional advantages over its competitors.

● On-going Projects and Future Plans

The Department has projects under construction which are

- Supply and Construction of 115 kV Transmission Line 4 Projects for the Electricity Generating Authority of Thailand (EGAT)
- Supply and Construction of 230 kV Transmission Line Project in Lao P.D.R. for Nam Ngiep 1 Power Co., Ltd.

The Department expanded its policy to support the Asian Economic Community or AEC by getting its teams well prepared in areas such as marketing, procurement and project management to meet market expansion to AEC

and preparing, at the same time, to meet the increased number of overseas competitors as well. The Company is confident that, with its existing strong points, it will be able to well meet such changes in the overall.

L Solar 1 Company Limited

● Scope of Products or Services

The Company has been constructing its solar energy power plant project with capacity of 8.7 MW in 215 Rais of land in Bothong District, Kabinburi, Prachinburi where generation capability is 11-12 million kW/hour/year. Such capacity can substitute 4.35 million liters of fuel usage and reduces 6,000 tons per year of Carbon Dioxide. The Company's operations have been supported and granted permission from the government, e.g., investment promotion in solar energy power plant by the Board of Investment of Thailand (BOI) with adder benefit from Provincial Electricity Authority (PEA) for renewable energy producers. The Company received an International standard ISO 9001:2015 (Quality Management System : QMS) by UKAS and ISO 14001:2015 Environmental Management System by UKAS.

● Responsibility Towards The Society and Corporate Environment

The Company is well aware of the importance of environmental management for development of the Environment hand in hand with business development. It focusses on prevention of pollution/contamination and in making continuous improvements. The Company has handled and administrated water drainages in surrounding areas to ensure that all prevailing waters will, during the rainy season, be duly handled and drained into natural resources so as not to have an impact on the surrounding agricultural areas. Moreover, a part of the area has been allocated by the Company as the Centre for Learning on Alternative Energy and Centre of Learning on Sufficiency Agriculture through planting of crops and herbs and having these products sold at market prices to its employees and neighbouring communities which serves as a Sample Centre for the Bor-tong Community in issues on social responsibilities. The Company also participated with the communities in cleaning up the area, improving community surroundings and participating in arranging activities on various major events each year.

Currently, the Company has provided educational support in areas of subsidies and necessary equipment to 3 schools regularly every year in the area, i.e. Bor-tong Wittaya School, Ban Gung Prachasan School and Ban Nong Pai Lom.

● Marketing and Competition

At present, there are number of interested investors in natural alternative energy production. Therefore, the Company foresees the feasibility of alternative electricity generation by high energy Amorphous Silicon Thin-Film Module solar cell technology suitable for humid environment in Thailand. The solar cells can obtain sunlight from 6 AM until 6 PM in addition to future flood withstanding risk due to hilly terrain around the project location.

Work carried out by L Solar 1 Co., Ltd. last year in its determination to preserve the levels of quality of its Solar Power Electricity Plants has resulted in the Company being awarded two major prizes in the contests on renewable energy at the Thailand Energy Award 2016, the first being the Outstanding Award for On-Grid Projects for solar power plants and the second being the Outstanding Award for Projects on Adaptation of Renewable Energy for solar cells cleaning equipment. These awards are, indeed, indicative of the levels of quality of our working teams as well as their electricity plants.



● Future Plans

The Company is still in search for co-investor in solar energy power plant project under the current operation and suitable location for sustainable development. In addition to being the producer and distributor, the Company has utilized its experience by turning itself to being Solar Farm implementer and provides consultations for private companies including government registration processes, analyses of cost, return on investment, risk, and opportunity for interested investors.

Loxley Power Systems Co., Ltd.

● Scope of Products or Services

Loxley Power Systems Co., Ltd. was established in 2015 as an affiliate of Loxley Public Company Limited to conduct operations in the area of design, construction, installation and testing of electricity power system with the capabilities to provide a diversity of services to its customers such as construction of transmission cables, construction of high voltage electricity substations, construction of factories and high-rise buildings. In 2016, the Company had a total of 7 ongoing projects for the Electricity Generating Authority of Thailand, the Provincial Electricity Authority and companies in the private sector with a contract to construct Samutsakorn - Samutsongkram high-voltage transmission cables for EGAT and another contract with the Metropolitan Electricity Authority for construction of the Bangpai Substation. The Company anticipates being awarded further contracts for several other projects in 2017.

● Marketing and Competition

The government has, throughout, been formulating policies to invest in the energy sector on a continuous basis as set out in the National Economic and Social Development Plan as well as the Plan to Develop National Electricity Generating Capacities. Construction of high-voltage substations is considered a component of works in the energy sector as it is a system which will distribute electricity from its source of generation to electricity consumers. The Company was, therefore, established to support work of construction for the said high-voltage substations.

● Ongoing Projects and Future Plans

- 3 Projects to construct electricity substations for the Provincial Electricity Authority, the Metropolitan Electricity Authority and the Electricity Generating Authority of Thailand.
- 4 Projects to construct high-voltage transmission cables for the Electricity Generating Authority of Thailand.

In 2016, the Company continuously participated in submitting tenders for works to construct substations and transmission cables for the 3 Electricity Authorities to build up the opportunity for the Company to become a direct contractor with electricity authorities. This will not only boost its sales turnover but will also reinforce its construction works at the same time such that its reputation will be established and the Company well-accepted within the nearest future possible.



Trading Business Group



Overview

The Trading Business Group engages in manufacturing and distribution of consumer products, industrial chemicals, construction equipment and materials, as well as distribution of automotive parts, equipment and hand tools for automotive services. Recently the group has expanded its automotive business into body and paint repair service, including car coating, and car detailing.

From the second half of 2015 until the end of 2016, Thai economy gradually picked up. Consumption in private sector slowly improved following the higher spending power and the ease of drought crisis. Government accelerated the expenditure and investment in mega infrastructure projects as well as logistic & transportation network projects. Nevertheless, there were still uncertainty and negative impacts from external factors such as declining of crude oil price, volatility of exchange rate, lower than expectation growth from developed countries. Business sector was still in hesitation to invest given the unclear of domestic and international outlook. With prevailing uncertainty, the Group has strategically operated its business with caution and calculated risk. The Group; nevertheless, tried to create recurring revenue thru consumer products, chemical products, automotive industry in order to retain customer base and capture more market shares. An expansion into neighboring countries and China has been implemented to add more recurring revenue. The Group aimed to strengthen our network and business partners together with supply chain management by introducing Loxley's own brand and new businesses

supporting backward and forward integration as well as e-Commerce to enhance gross profit and net profit. Another achievement was revenue creation from mega projects particularly from construction materials products. The Group had more than 700 million baht order back-log on hand with growing opportunities.

Chemical Industrial Group

The Group includes the Sales and Marketing Department, Marketing Service and Logistics Department, and Green Natural Products Co., Ltd. which is a manufacturer of essential oils mainly from kaffir lime and turmeric, etc.

● Scope of Products or Services

The Group is an official distributor of both domestic and imported chemical products by including high quality product line with competitive price as well as environmentally friendly materials with latest technology in order to offer for consumer product manufacturers, e.g., detergents, cosmetics, food medical products, animal feed, ceramic glass products, paint toner, rubber plastic, petrochemical, textile, paper, agriculture, and cleaning products.

● Marketing and Competition

Relevant factors directly impacting the Group include foreign exchange rates, and oil price that affect cost and thus competitive pricing. As a result, the Group has put an emphasis specifically on risk management of foreign exchange rates and logistics.

The Group has utilized its high potential by emphasizing the management strategies and complete inventory management services including as a service provider.

● Future Plans

The Group intends to invest in high demand products with clear future, i.e., as a manufacturer, co-investment in either shareholding or takeover of high potential business in the market as well as a production of high quality products for not only local market but also ASEAN ECONOMIC Community.

Construction Materials Group

● Scope of Products or Services

The Group functions from acquiring, marketing through servicing and installing the product regarding the construction sector in 5 groups;

1) Building Envelope product including;

- NS Bluescope Lysaght metal sheet roofing
- Decra natural stone coated roof tile from New Zealand
- Aluminium Composite Panel under brand Architects from Korea and Haida from China And also with other products such as steel decking, Ranbuild pre-fabrication steel building

2) Hyundai elevator, escalator

- Elevator, Escalator under bran HYUNDAI from Korea

3) Auto parking system (APS)

- Auto Parking System (APS) from Japan, Korea and China

4) Mechanical and Electrical products

- Lighting control and home automation system under brand Bticino from Italy, Jung from Germany and AllLight (Local brand)
- Building maintenance unit under brand COXGomy from Spain and Nippon Gondola from Japan

5) Landscape Products

- Atlantis roof garden and vertical garden from Australia
- Mehler Technologies tension membrane from Germany
- Synthesis high quality shade fabric from Australia
- Greenroad soil stabilizer
- GRASS GRO® erosion and sediment control

The Group currently supplies wide range of products and continuously improves our service with an intention to create a better customer's satisfaction base on the total solution basis, also look for new products and service by means of more advance technology and higher quality.

● Marketing and Competition

Currently, the construction material market's competition is highly intensive, especially in pricing rivalry by the local manufacturers and imported products from China. As a consequence, the strategies as a provider of the wide selection of construction solution to serve each specific requirement of projects along with depth experiences in designing, consulting and installing in order to create superior business value.

As the Group now servicing both private and public sector, the direct marketing and sales are applied by cooperation of marketing team that functions as a customer approaching and product presenting forefront, and the sales team that service customers in commercial and other detail issues.

● Ongoing Projects and Future Plans

The Group currently is carrying several ongoing projects such as the MRT blue line stations and depot, the SRT red line stations and depot, the MRTA green line north station and depot and SPP power plant.

The Group aims for becoming one of a leading construction material providers with the plan to sourcing and developing new high technology and quality products in order to serve both private and government sectors.

International Trade and Business Development Group

● Scope of Products or Services

The International Trade and Business Development Group strives to promote international businesses of Loxley both in trade and investment primarily focusing in AEC (ASEAN Economic Community) countries and China. In 2013 the group, through its subsidiary in China - Loxley Intertrade (Guangzhou) Co., Ltd., has started distributing the Thai

products in southern China. The products are those of food, confectionery, and Loxley's owned brand Jasmine Rice 金利蓮 (Golden Lotus). The products are distributed through both modern trade and traditional trade channels. One of our major distribution channels is the convenient stores in SINOPEC gas stations. SINOPEC is the largest petroleum company in China operating more than 20,000 gas stations throughout the country.

Besides China, the Group also operates its businesses in 5 countries: i.e. Cambodia, Laos, Myanmar, Vietnam, and India. The products supplied to these markets are divided into 3 categories; i.e. Consumer Products, Automotive Products, and Technology & others.

The Group secures its supply sources by focusing in SME (Small and Medium Enterprise) Network Development program. The Group works closely with both public and private sectors not only to recruit quality SME products into its portfolio, but also to help SME improve their products to match with the demand of consumers in oversea markets.

● Future Plans

The Group plans to expand its distribution channel to cover more area of China markets, as well as increase variety of products offered to the market. The Group also aims to extend its business into "Automotive Service Business" by starting with Laos following by Cambodia and Myanmar.

Loxley Trading Company Limited

● Scope of Products or Service

Loxley Trading Company (LTC), a subsidiary of Loxley PCL, is one of the leading distributors of fast moving consumer goods in Thailand. For over 39 years, LTC helps clients to advance and grow their businesses in both new and existing markets by offering a complete range of distribution and marketing services. LTC has wide and deep distribution channels including wholesale stores, retail stores, modern trade stores, convenient stores, and hotels and restaurants for more than 30,000 points nationwide.

Besides, LTC also provides service of consumer research, marketing activation, sales promotion to create value for brand owners. LTC core products are grouped into five categories i.e. Grocery, Beverage, Confectionery, Chilled & Frozen and latest one Beauty, Health & Wellness.

With excellent team and services, LTC has gained trust from many leading brands such as "Cook" cooking oil, "Nongpho" UHT milk, "Tra Chang" fish sauce, "Greennut" roasted peas, and "Sealect" canned tuna, mackerel and sardine. LTC is expanding the distribution channel into online e-commerce business in order to serve a growing demand of new and younger generation of customers, begin with beauty products.

● Marketing and Competition

Retail market is highly competitive, especially on pricing and promotion of competitors. Supply chain is very dynamic in both upstream and downstream fronts creating pressure to the intermediary company. Macro economy as well as level of consumer spending has a big influence on revenue and market growth. Large retailers and key clients become more and more demanding to squeeze for a higher margin. However due to the effective management and thorough understanding of the changes and the market landscape, LTC is able to handle and reduce the external effects and still stand strong.

● Future Plan

Apart from being a leading sales and distributor, LTC has strong commitment to develop a new business platform under own brands. LTC is currently developing own branded skincare products and others, following our strategy to maximize our profit and marketing expertise.

In near future LTC planned to enter many more markets with our own branded products, by developing with our business partner with expertise in product research and development. This partnership will combine the strength of partners in terms of development and marketing, which will be highly beneficial in the competitive landscape.

LTC will also more enter to online and e-business, with new and innovative business models. This will provides LTC with the relevancy in order to compete in the digital era with the upcoming generation of consumers.

Parts Zone (Thailand) Limited

● Scope of Products and Services

The Company distributes vehicle spare parts and motorcycle spare part of the after Market as well as equipment and tools for vehicle services, industries and other uses.

Product offered are from its sole distributorship agreements and authorized distributors. Nevertheless, the Company stresses gaining sole distributorship rights for any product it considers suitable for its own marketing and pricing activities. However, for popular and highly needed products with many distributors, the Company will still pursue such orders in order to meet the exceeding demands of such market segment. The Company also has policy to develop new key products using private brand in order to increase competitive advantage in the domestic and AEC market.

In October 2015, Loxley entered into the Shareholders Agreement with Federal Mogul Motorparts Inc., a large manufacturer and distributor of automotive parts from USA, allowing Federal Mogul Motorparts to hold major shares of Parts Zone. Parts Zone will serve as the distribution hub of products such as Champion brand spark plug, wiper blade, oil filter, and Ferodo brand friction products, and etc.. Parts Zone also planned to establish 12 more branches in next 5 years to cover the whole area of Thailand, in addition to its head quarter and main distribution center in Bangkok and another 2 branches in Northern and Southern part.

● Marketing and Competition

The Company upholds the policy to generate controllable distribution channels such as its retail outlets, dealers, direct sales, or sale representatives. The Company has wholesale representatives throughout the whole country. For retailing business, the Company distributes thru its branches.

In the aftermarket of car parts and technical tools, there are a large number of direct competitors, family business is mostly. The indirect competitors are manufacturers and importers. With the Company's experienced personnel, clear business strategy and supports from major business allies, it ensures that its business will grow as planned. In addition, the Market has high potential according to the climbing growth rate of car and motorcycle sale, The Company's prospective customers are providers of repair and maintenance services for cars and motorcycles.

Referring to vehicle spare parts, vehicle technology has not changed drastically, except new car models. Nowadays, there are many spare part manufacturers and the Free Trade Area policy of the government brings more distributors in the country. Then, the Company needs to expand its area coverage and to become a market leader. Beside the head office and main distribution centre, which located in Bangkok, the Company also has branches in Chiang Mai for north region and in Surat Thani for south region. The branch will be served for parts distribution, remote office and service center for the region.

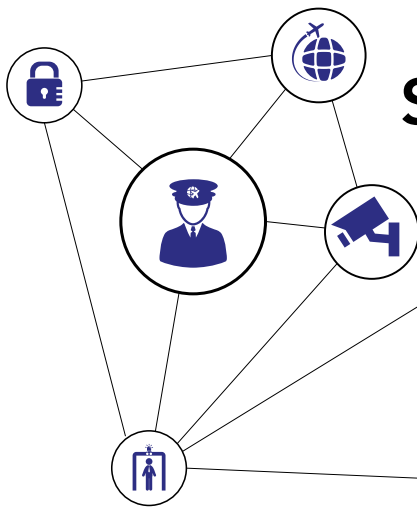
● Future Plans

The Company plans to open new branches in Bangkok and regional area in order to improve distribution coverage and after sales services.

Car Convenie Company Limited

● Scope of Products or Service

Car Convenie Co., Ltd. is a subsidiary of Loxley Plc., established as a joint venture between Loxley Plc. and Car Convenie Club Co., Ltd. from Japan who owns the quick car body and paint repair technology. Car Convenie Club Co., Ltd. covers all region of Japan through its over 900 franchisee workshops. The Company started operation of its first flagship workshop located on Rama 3 road, offering 3 main services; ie. body and paint repair, car detailing, and car coating. In 2016, the Company will expand its network through franchise system in Bangkok and vicinity.



Service Business Group



Overview

The Group provides security services for airports and aircrafts covering 4 main airports, namely Suvarnabhumi, Phuket, U-Tapao and Samui Airports. Services provided range from search/screening of passenger baggage, passenger screening/search, security patrols and controlling every entry-exit points in airports. Other than these, it also provides security services for various major locations such as hotels, goods depots, office buildings and so forth.

In addition, the Group gave emphasis to developing security and data security systems for government authorities and large cities, be they the CCTV, Smart City or Safe City systems with its efficient, updated and modern equipment and accessories.

In 2017, one expects to see demands growing continuously for security work and large-scale data systems, be they inside or outside airports. The Group has, indeed, developed the technology as well as getting its personnel readily prepared to meet such demands on a continuous basis.

Business Development Department - Service Business Group

• Marketing and Competition

In 2016, the Security/Safety business group witnessed continuous growth primarily from increased customer demands in both public and private sectors as well as from projects for residential housing, office buildings and factories in various industrial estates. As the result of past disturbances and political unrests both in Bangkok Metropolitan area and its vicinities as well as incidents arising in some provinces in the past, every sector has become aware of the need to maintain increased safety/

security measures which constituted the very factor that would drive will drive Security/Safety business to continue to grow in the future. This also led, at the same time, to an increased number of operators engaged in the Security/Safety field.

Customers can be divided into 2 main groups in this Group's line of business. One, customers in the public sector, government and state enterprise areas with enhanced levels of security measures in the parts of buildings and premises including various sensitive locations such as airports, railway stations and underground train stations as well as communication routes, public transportation terminals and various docks/ports and so forth. Two, customers in the private sector ranging from commercial banks, financial institutions, hotels, shopping malls, industrial facilities and buildings which provide car-parking rental services etc. Security personnel will be employed by this group of customers in parallel with installations of security devices and equipment.

• Scope of Products or Services

The Department is intent on seeking business opportunities with focus on those with high feasibility and potential to generate income for the Company on a continuous basis both for the short- and long-term. Support is given to enhance the potential of other Business Groups in the Company to give them their competitive edge.

Strategies were set by the Department to give competitive edge in this respect on a sustainable basis through collaboration with its business allies which are not only of good reputation and well-accepted internationally among leaders in the industries but also are themselves

manufacturers or owners of leading security products and technology. This will help boost the confidence in the quality of products and services as well ensuring good after-sale services.

In addition, the Company acts as importer and distributor of the Closed Circuit Television System (CCTV), Video Analytic Equipment, Explosive Detection System (EDS), X-ray machines, Burglary Alarms, Metal Detecting system, Access Controlling system. It makes use of updated technology of control rooms that could monitor and control hundreds of security electronic devices and equipment in one single room or what is called the Single Command Control Centre which acts as the Monitoring, Control and Surveillance Centre (MCS) for implementation of the Traceability System with highest efficiency and effective on materialization of an incident.

ASM Security Management Company Limited

• Scope of Products or Services

ASM provides security services for airports, aircrafts, good depots, office buildings, hotels and various office buildings and is going through a period of rapid and continuous growth and expansion. In 2016, airport security business witnessed a growth rate of 14% as the result of extension of contracts for the Suvarnabhumi and Phuket Airports as well as work expansion for regional airports, i.e. Samui and U-Tapao. Ground security services and security for goods depots also grew by 39%. General security services provided for hotels and retailers also witnessed a growth rate of 15% of the consolidated income.

• Marketing and Competition

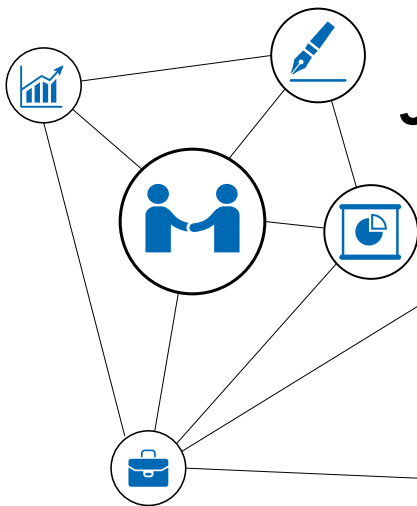
Factors which hiked up costs of Security/Safety business ensue from the Security Business Act, B.E. 2558 (2015) as well as increases in the minimum daily wages with service users' expectation of high efficiency from security personnel at the same time plus additional requirements for standardization in specialized fields. Great importance, therefore, was given by the Company to development of technologies, familiarization of ISO standards and security/safety measures in line with specific niche clientele such as the fuel industry, office buildings, hospitals, hotels, transportation and so forth. Furthermore, the Company is set on making the differences vis-à-vis its competitors more visible by setting up an Intelligence Centre, quality control, reinforcing customer relationships to maintain existing clientele as well as giving particular attention to employee welfare, labour relations and retention of personnel.

• Future Plans

Plans and directions set out by the Company for the 2017-2018 periods are as follows:

1. Business expansion in line with growth rates of airports in the various regions.
2. Business expansion in the area of training both in the region and in neighboring countries.
3. Application for certification on training course/curriculum on safety/security of the aviation business from the Office of Civil Aviation of Thailand. (OCAT).
4. Application for Certified Instructor.
5. Development of personnel at middle management level.





Joint Venture Business Group



Overview

The Company's focus is to invest in businesses with the capacity to generate income for the Company on a continuous basis, with a high potential or ability to reinforce other businesses in the Group for enhanced competitiveness. The Joint Venture Business Group will, in the interest of credibility and confidence in the qualities of its goods and services, co-invest with operators of international fame who are owners of products or leading technologies such that its various business operations have succeeded in always yielding returns as it plays an important part in the Company's profitability.

In 2016, the Company achieved satisfactory returns with the Group's good performance. Product lines were enlarged by some joint ventures to increase their clientele base with a more comprehensive coverage via expansion into our neighboring countries.

Online Lottery Department

• Scope of Products or Services

Online Lottery Department performs services for LOXLEY GTECH Technology Co., Ltd. (LGT), a lottery games system provider for Government Lottery Office (GLO) under the Lottery Games System Services Contract which LGT entered into with GLO on 29 July 2005. Services performed by the Department include preparation for installation of lottery games system, communications network and lottery terminals as well as providing lottery games system to lottery sale agents.

The Department completed the installation of lottery terminals nationwide in 2006 and provided training to 6,761 lottery terminals sale agents. Up until now, GLO has not been able to grant approval for the commencement of lottery commercial launch. However, the Department has to maintain the system in a condition so as to be ready should GLO confirms to proceed with the commercial launch.

Loxley GTECH Technology Co., Ltd.

• Scope of Products or Services

Loxley GTECH Technology Co., Ltd. (LGT) is a joint venture between Loxley Public Company Limited group and IGT Global Solutions Corporation (former name, GTECH Corporation) group and engages in the business of providing lottery games system services to LGT pursuant to Lottery Games System Services Contract. Under the Contract, LGT shall, under GLO's supervision, design, supply, install, provide online lottery games service system and install lottery terminals to sale agents authorized by GLO. The system consists of Central Lottery Games System Data Center (primary and back-up center) and communication network system.

Lottery games system is provided by IGT Global, the world's leading full-service lottery games system provider. IGT Global has expertise in designing, installing, providing computer system support and complex communication network to global leading lottery organizations. IGT Global has more than 100 customers on 6 continents.

BP-Castrol (Thailand) Limited

• Scope of Products or Services

BP-Castrol (Thailand) Limited (BP-Castrol) is a joint venture between Loxley Public Company Limited and BP Oils of United Kingdom and engages in the business of manufacturing and distributing of engine lubricants under the trademarks "Castrol" and "BP" which are well perceived and renowned to consumers. Most of raw materials used in manufacturing are from various sources within the country. BP-Castrol continues to produce high quality products that satisfy customers' demands and expectations. Moreover, BP-Castrol engages itself in continuous activities to improve and develop products technology to ensure that the products are of highest quality and suitable or meet the customers' requirements to the extent most possible.

BP-Castrol consistently improves the quality of goods distribution channels (using distributors as the primary channels) to facilitate smooth, accurate and quick delivery of goods to ensure easy supervision and the widespread reach the consumers.

● Marketing and Competition

Engine lubricants market in Thailand is highly competitive. Competitors have continuously deploy 'price cutting' strategies, promotion activities, and mass advertisements. The leading engine lubricant companies in Thailand include PTT, Shell, BP - Castrol, Caltex and Exxon/Mobil. These companies represent more than half of the total market. As one of the leading companies with high market share, BP - Castrol has continuously reviewed the growth agenda and business strategies in order to sustain its market share and the competitiveness in the market while upholds the principle of providing the superior quality products and service offers to customers and consumers. The target customers of BP - Castrol include any party that employs transportation vehicles, land and marine transportation businesses as well as industries which utilize heavy machineries.

● Future Plans

BP - Castrol's goal is to be the leader in engine lubricants market. The key strategy and policy to drive future growth are not only by developing innovative and modern technology - products which meet customers' requirements but also expanding customers base. To this end, focus will be at repair shops, spare parts shops and independent cars and motorcycles garages through strong relationship and development of these workshops so that they offer differentiated images, services and platforms and are high standard engine oil changing service centers.

Thai Fiber Optics Co., Ltd.

● Scope of Products or Services

Thai Fiber Optics Co., Ltd. is a joint venture between Loxley Public Company Limited and Bangkok Telecom Co., Ltd., a leading copper telephone cable manufacturer in Thailand under the world leading fiber optic cable design and manufacturing technology supervision from Furukawa Electric Co., Ltd. from Japan follow International Telecommunication Union (ITU). Thai Fiber is a Thailand's first optical fiber cable manufacturer who supplies optical fiber cable for 4G network operators.

Thai Fiber has been aware of the environmental impact. It designs and produces green product under RoHS (Restriction of Hazardous Substances Directive in electrical and electronic equipment) and Indoor cable standard follow IEC 60332. Thai Fiber also received the ISO 9001:2008

and ISO 14001:2004 certification from Bureau Veritas (BVQI), a renowned international organization and ready upgrade to ISO: 2015.

● Marketing and Competition

Following the 4G spectrum auction in Thailand, licensed operators have proceeded the implementation according to conditions of the license. This is to facilitate the increasing demands for high speed internet broadband and WiFi following the leaping social media users. FTTx technology has been expanded to reach more users. Ministry of Industry demands that optical fiber cable be a controlled product under Industrial Standard. The producers and importers of optical fiber cable have to obtain license to produce or import industrial products with standard controlled under the Royal Decree on the standard of optical fiber cable manufactured or imported for sale in Thailand. The quality is being improved to meet with the new ITU standard.

Thai Fiber has expanded production FTTx cable capacity to cope with the growing demand in ASEAN and domestic markets and plan to sell more FURUKAWA products in a comprehensive solution.

● Ongoing Projects and Future Plans

Thai Fiber has the opportunity for Internet Network for Villages Expansion Project which under Prime Minister Office regulations, government agencies shall procure only from the local manufacturers.

NS BlueScope (Thailand) Limited and NS BlueScope Lysaght (Thailand) Limited

● Scope of Products or Services

NS BlueScope (Thailand) Limited and NS BlueScope Lysaght (Thailand) Limited are joint venture companies between Loxley Public Company Limited and a holding company of BlueScope Steel Limited and Nippon Steel and Sumitomo Metal Corporation. BlueScope Steel is an Australian leading company and world leader in coated steel business. NS BlueScope (Thailand) manufactures and distributes zinc coated steel, prepainted steel, and aluminium/zinc alloy coated steel. BlueScope Steel's production plant located at Map Ta Phut includes metallic coating lines and painting operation. Currently, NS BlueScope (Thailand) produces coated steel and prepainted steel for construction and manufacturing sectors.

For construction sectors, NS BlueScope (Thailand) is the leader for producing coated steel sheet and prepainted steel sheet used as a material for roll-forming metal sheets for roofing and walling as well as for roll-forming and wall

structures. NS BlueScope (Thailand)'s major brands include Zinalume[®], Clean Colorbond[®] for industrial and commercial buildings, BLUESCOPE Zacs[®] and Jing Joe Lek[®] for residential housing.

For manufacturing sectors, NS BlueScope (Thailand) currently introduces products to home appliance market, under the brand SuperDyma[®] a highly corrosion resistance metal coated steel with aesthetic coating surface appearance and VIEWKOTE[™], a top prepainted steel technology from Japan.

● Marketing and Competition

Due to slowdown in investment and consumptions, steel price is currently in down trend, in line with global commodity prices. In addition, high coated steel import volume from China and Vietnam has brought high competition to the market.

However, metal sheet market has continued expanding significantly due to consumers are more aware in metal sheet roof superior performance over other roofing material such as concrete tile and fiber cement roof which make it a popular choices. Since NS BlueScope Lysaght's products are most referred to and aware in the market, the revenue from construction sector is still at satisfactory level.

● Future Plans

With the confidence on Thai economy's strong future prospects, especially the construction industry, NS BlueScope (Thailand) decided to invest in the third metallic coating line plant which its construction is underway at Map Ta Phut Industrial Estate in Rayong province with an investment value of approximately 4,500 million Baht in order to increase production capacity for premium - quality metallic coated steel to serve demand of coated steel for small buildings industry and the residential market from medium to small scale. The construction is expected to be completed with operation in July 2018.

BlueScope Buildings (Thailand) Limited

● Scope of Products or Services

BUTLER[®] and PROBUILD[®] is steel structure building designed and constructed under PRE-ENGINEERING BUILDING by BlueScope Buildings (Thailand) Limited. All structures and components are engineering designed and are of modular system character. Building components are designed and manufactured in the factory and delivered to construction site for assembling, installation with bolts, knot or knock-down. Ready-made steel buildings are suitable

for industrial factory buildings, go-downs, distribution warehouses, repair and maintenance buildings, aircraft hangars, cold storage and others.

BlueScope Buildings has realized importance of and always adhere to excellent service policy. Its scope of service consists of advisory opinion from work planning, primary design, design and estimation report, preparation of construction model, production of building components based on PRE-ENGINEERED system, as well as warranty and after sale service.

Products manufactured and services offered by BlueScope Buildings are those under trademarks "BUTLER[®]" "PROBUILD[®]" "MR-24[®]" and PRO-LOK 75[™]".

In addition to supply good products and services to customers, BlueScope Buildings has realized the importance of health, safety and environment, has made continuous improvements on these performances and intends to enforce the followings policies to ensure success:

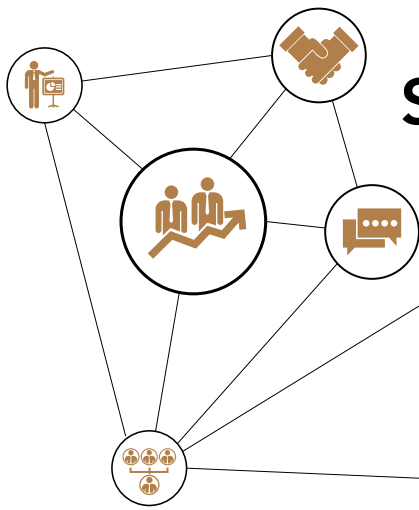
- 1) compliance with domestic laws and regulations of BlueScope Steel
- 2) participation of all employees and contractors
- 3) being good corporate citizen in the communities and respecting the values and cultural heritage of the country and local communities
- 4) ensuring that all its employees being aware of accountability to health, safety, environment and success of the communities

● Marketing and Competition

BlueScope Buildings has focused and realized the importance of AEC as it foresees that AEC shall change surrounding environment for traditional competition. The major changes will be competitors, customers and market channels that will not be limited to the domestic level, but to ASEAN countries including other countries in different regions. By adjusting internal strategy - extending opportunity to ASEAN countries, will help reducing severe domestic competition risks from local investment.

● Future Plans

Upon successful market expansion to agricultural sector and maintaining customer base from industrial sector in the previous year, BlueScope Buildings has realized the importance of business expansion to neighboring countries where economic growth and investment are increasing. Furthermore, BlueScope Buildings determined to build business allies to reduce competition while supporting each other's business.



Support Unit



Finance Group

● Functions and Responsibilities

The Group is responsible for finance, accounting, legal and credit facilities ensuing from sale of products and services by every business groups including other related investments. The Group comprises 5 departments, namely Corporate Finance & Consolidated Account, Accounting Management, Strategic Investment & Investor Relations, Finance & Credit and Legal & Securities.

● Operations in Preceding Year and 2017 Plan

Great care was exerted and importance given to the issue of managing and maintaining financial liquidity in 2016 with focus on management of credit facilities for projects and general working capital with efficient achievements in performance for the entire preceding year. By using a number of financial instruments, we were able to manage financial costs which were, indeed, competitive in the market. Studies were made to acquire appropriate financing sources to reduce financial costs in support of the Company's new lines of business. Strict and detailed measures were studied to improve credit-extension system to forestall doubtful debts hand-in-hand with expediting debt-collection process in line with the Company's policy and targets to effectively maintain the situation of liquidity. Focus was also given by the Group to adjust its work system in line with accounting systems which must be responsive to the complexities and rapid changes of the economy, technologies and laws or related regulations including development of human resources to meet continuing challenges of new transactions in this digital age. Investor Relations (IR) has the duties to liaise between the Company and its stakeholders, i.e. shareholders, investors, analysts and the mass media to receive their

understanding for overall businesses and plans of the various Groups in the Company. Focus is given to providing information that is clear, correct and continual according to rules. Last year, the Group supported and participated in the Stock Exchange of Thailand's "Meet the Investors" program when it met with analysts and investors on a number of occasions. Information presented to visiting analysts enable them to make proper presentation to shareholders and investors, with briefing made at the same time, from an outsider's point of view for senior executives in the interest of continuing development.

In 2017, the Group was entrusted by the Company with an assignment to undertake an increased workload over 2016 concerning its IT management with focus on developing financial and accounting programs as well as integrating supporting programs for various business groups in order to present correct and proper financial reports under laws governing revenue, anti-corruption practices and other related laws while, at the same time, being expedient, speedy, timely and beneficial to the various Groups' interests. The Group made opportunities to develop major skills accessible to all personnel for the sake of sustainable growth through improvements of work processes and technology systems to ensure greater efficiency in keeping with the world today as well as for the future. Personnel development, too, was aimed at enabling employees to be ready for changes and reach the stage of professionalism which will drive them together as a team in collaboration with other work units under the same affiliation and with the same targets and corporate loyalty. While the need to effectively manage its financial costs prevailed, there was nevertheless a need to expand its trade credit extensions to support investments and new businesses in the future. With

fluctuations in today's global economies which are projected to increase in severity in the future, great importance was given by the Group to the impact which could be felt by its operations. Thus, plans were formulated with even greater prudence and details particularly in areas concerning management of investment risks and project management while maintaining the balance at the same time between appropriate rates of returns and corresponding period of returns for investments which would be appropriate for each particular situation. Investment Relations continued to emphasize the need to gain an insight not only into the picture of the Company's overall business operations but also of its Plans while gathering and analyzing various comments and opinions from investors and outside analysts for further submission to the management to enable growth and prosperity in a timely manner to meet global economic changes on a sustainable basis not only for today but also for the future.

Internal Audit Department

● Functions and Responsibilities

The Internal Audit Department is an independent unit whose responsibility is to audit and verify the adequacy of the Company's and its subsidiary's internal control processes, risk assessment, related transactions, audit and verification report with respective suggestions, analysis and evaluation of operations. It also provides suggestions to ensure accuracy and reliability in the information system and financial reports within the Company and its subsidiaries to comply with related laws and regulations. Company asset protection is accurately controlled and stored to guarantee transparency with caution, efficiency, and effectiveness according to corporate goal.

● Operations in Preceding Year and 2017 Plan

The Department has prepared the annual auditing plan for approval by the Audit Committee. The Department has co-verified the corporate financial information proposed to the management as well as the internal control processes verification within the Company and its subsidiaries. It also provides assistance and support for other departments and subsidiaries' work processes in order to obtain proper internal control activities to meet with Company objectives, develop human resource on continual basis to enable smooth and effective business operation.

The Department also conducts verification of related transactions every quarter to ensure compliance with the rules and regulations set forth by the Securities and Exchange Commission and the Stock Exchange of Thailand Re: Procedures and Disclosure of Information concerning the connected Transaction of Listed Companies.

In addition, the Department viewed that recommendations and opinions of the external auditor in each quarter. In regard to result of financial statement, audit and accountability are very important and crucial to improving the Company's internal process to enhance efficiency. Constant improvement of internal audit activities is part of the Company's corporate governance practice.

Corporate Communication Administration Department

● Functions and Responsibilities

The Department's responsibilities include conducting and supporting public relation activities, manage marketing, news clipping and publishing significant company-related media, online contents and creative materials.

● Operations in Preceding Year and 2017 Plan

In 2016, the Department had public relation work and marketing-related activities that supported other business units continuously including: introducing new products, projects and business channels for Trading Business Group, ICT Business Group, Technology Business Group, Service Business Group, Project Business Group, and its subsidiaries. The Department was also responsible for supporting business information and news clipping in form of printing and online media such as Loxley website, Loxley Facebook, posters and calendars as well as organized other internal and external activities such as, the Company's golf club, the Company's staff club, welcome parties, photographic service, graphic design service, conferences; and organized social activities

In 2017, the Department will continue to support and provide services to business groups in the Company and its subsidiaries. It will focus on public relation activities, promotion of marketing-related activities, business information, and mass media connections as well as support trading in special economic zones.



Corporate Social Responsibility Activities



Mission

Prime mission of Corporate Social Responsibility Department is to coordinate work in every sector of the Company's operations to ensure consistency and compliance with its social commitments towards Social Wellness with focus on nurturing participatory attitude and the "Voluntary Mind" among its personnel. The seedling of this Voluntary Mind will be cultivated towards sustainable development for the sake of gradually enhancing the quality of life for the people of this country as a whole. With its corporate governance and social activities in a variety of dimensions, the Company has received the trust from its investors, customers, business partners and parties with vested interests which is, indeed, reflective of its Corporate Vision: **"INSPIRED CHOICE FOR CUSTOMERS, BUSINESS PARTNERS AND INVESTORS"**.

In 2016, it was the policy of the Company, via its Corporate Social Responsibility Department, to focus on creating the Shared Value with the use of its corporate resources and expertise in response to issues concerning solution of social problems, promotion of potential not only for the communities but also for those considered ignored or deprived. Participation was encouraged for network organizations in the neighbourhood such as the Penang Market Community (reinforcing stability at individual levels, both at children/youth and adult levels), Duangprateep Foundation and Sikkha Asia Foundation (financing educational activities). Other than this, its employees were given the opportunities to participate and exchange their experiences and knowledge with the locals which lead to community development, creation of networks and organizational network in their concerted efforts to work together for the good of the Society.

Work Propelled For Society

In 2016, activities were undertaken by the Corporate Social Responsibility Department in line with the Company's policy to focus on social development on a continuing basis such as support given to the public and private sectors, educational institutions, foundations and communities in the Klong Toey area. Furthermore, activities towards development of potential were arranged, as follows:

1. Support for the Para Sports under the Loxley Sports Hero Project

Since 2012, budgetary support was given by the Company on a continuous basis throughout these 5 years to provide sports training for the disabled and to give them the chance to train themselves to



the point of becoming enlisted as members of the National Para Sports Team under the **"National Association of Para Sports for the Disabled under Royal Patronage"**. With its support and encouragement, a total of 52 handicapped people have been recruited and taken on the regular payroll of the Company as well as those of its affiliates under the **"Loxley Sports Hero"** Project. Their travel expenses to participate in overseas matches, too, were partially supported by the Company. For example, in 2016, members of the Thai Para Sports teams participated in the Rio 2016 Paralympics in Brazil and succeeded in making their names and achievement known to the world by winning 18 medals in all. Furthermore, local matches were also arranged by the Company under the **Loxley Para Badminton Championship** and in 2016, this event was held in conjunction with the Pakkret Games at the badminton courts of the Royal Thai Army-Sponsored Mechanical Transportation School, Nonthaburi Province to give handicapped sportsmen an opportunity not only to show their prowess but also to develop their capabilities and to play a part in developing the para sports circles for further progress and prosperity.

As the result of past activities to develop the handicapped's potential, the Company has received the following awards from both the public and private sectors:

1. **"The Sports World's Valuable Person"** as the main supporter for Badminton Sports for the Handicapped at the Excellent Sportsmen Day held by the Association of Sports News Reporters of Thailand on 26 March 2016.



2. “Excellent Achievement on Social Development” on the Anniversary of the Foundation of the Ministry of Social Development and Human Security, from the Ministry of Social Development and Human Security on 3 October 2016.



3. “2016 Outstanding Organization for supporting work for the Handicapped” on the 2016 International Disabled Day from the Ministry of Social Development and Human Security on 2 December 2016.



2.2016 Happy Community, Penang Market Community

In 2016, the Corporate Social Responsibility Department arranged the “2016 Happy Community Project” in collaboration with the Penang Market Community Committee, Advisor for the Voluntary Mind network in order to develop communal capabilities, as follows:

2.1 Community Relations

These activities had been arranged by the Company continuously since 2009 with the aim of promoting and developing relations among residents of the Penang Market community, fostering love and unity and ensuring that they have good quality of life on a continuous basis. Various activities were arranged for 75 household-members of the Penang Market Community on different occasions

throughout the year such as celebrations for the **New Year, Children’s Day, Senior Citizens Day, Mother’s Day, Big Cleaning Day, seminar meetings for the Penang Market Community residents, and so forth.**



2.2 BY Penang Sports Day Activities

First began in 2009 with the initiating point stemming from activities called “Life Skills Activities” which led to the assembly of children and youth in the Penang Market under the name of the “BY Penang Youth Group”. The Corporate Social Responsibility Department, the Community Committee and Advisors to the Volunteer Minds Network had been consulting with one another and were of concurrence to have a forum established for children to embolden them to think and present themselves in public in a creative manner with the use of sports as the driving force behind development of these children and youth’s capabilities. Plans were set out during the first few years to formulate the process with frameworks set out for activities to be carried out by children with the Community Committee, Volunteer Minds Network Advisors and the Corporate Social Responsibility Department which gave its voice of guidance. Meetings were held by the BY Penang Youth Group with duties and roles clearly defined such as Group Leader, Sports Team and Cheering Team. BY Sports games not only made good impression on these children and youth who enjoyed themselves so much, but also gave them lasting memories of good time and excitement together. Lessons learnt from the event were analytically transcribed



later to bring out good and bad points, problems and obstacles they had gone through such that the process of learning was generated out of this “BY Penang Youth Group” via a sports arena. The results derived from the “2016 BY Penang Youth Group” can be seen in the emergence and birth of youth leaders who step forward with the support of their elders in the midst of love and unity which, indeed, is one of the vital ingredients for community and social development on a sustainable basis.



3. Creating the Shared Value

3.1 Alerting the Community on Fire-Prevention. From the outbreak of fire in the Penang Market in 2015, the Company, as a neighbor of the Penang Market Community, is extremely concerned for the safety and lives of the Penang Market residents which led to the opening of a public forum in conjunction with organizations from the public and private sectors, foundations and public disaster relief units in the Klong Toey District with the aim of transcribing what had been learnt from this event and to together help solve problems on a comprehensive basis. This led to the formulation of a programme which would create a new dimension for the Corporate Social Responsibility Department to work on and would be in line with the Company’s Mission in looking after the Society effectively and in compliance with the line of thoughts expressed by Professor Michael E. Porter and Mark Kramer in creating the Shared Value : CSV through use of an organization’s Capabilities, Knowledge and Experiences in order to solve and answer the problems of a Society in an objective manner. The Corporate Social Responsibility Department coordinated its efforts with **ASM Security Management Ltd. (ASM)**, the Company’s affiliate, which is well-versed with experience and knowledge on safety/security measures of international standards, to share its knowledge with the Penang Market Community via the “**Prevention of Risks from Fire**” activities by inviting speakers to pass on their knowledge and give demonstrations on how to use fire-fighting equipment properly with a mock-up of a real fire-fighting situation which helped create awareness, increase their skills and experiences as well as get them well-prepared to meet the challenges if a fire should break out in actuality in the Penang Market Community as all that have been imparted could be used in real-life situation.



3.2 Studies and Visits of Business Allies’ Operations

“Because the Corporate Social Responsibility Department is not to develop the Voluntary Mind and to create the Shared Value (CSV) in theory only”, all studies made, therefore, have raised the awareness of the Corporate Social Responsibility Department on the need to build up a powerful Shared Value concept. This led to assorted activities being arranged to transfer this line of thought to new employees so that they learn and understand the idea of conducting businesses in the “**Creating Shared Value Together**” manner. The Corporate Social Responsibility Department, therefore, collaborated with the Human Resources Department in holding an orientation program for new employees by taking 80 employees from the Company and its affiliates on a study visit tour of the “**Nong Pho Ratchaburi Dairy Cooperative under Royal Patronage**” which has been the Company’s long-standing business ally of over 37 years, with the aim of having its employees learn of the Company’s business ally’s operations and to let them get to understand the meaning of the CSV (Creating Shared Value) form for the conduct of business. That is to say, we shall grow together in all areas, be they in that of business, community, society or environment. Employees are given the chance to see the real situation more vividly which, indeed, creates a space for employees in each Department to arrange their activities appropriately and build up good inter-relations in their work together as well. This Cooperative was founded in 1959 and had been operating throughout along the lines of advice and wishes of His Majesty King Bhumibol Adulyadej. The Cooperative could produce both pasteurized and U.H.T. milk for nationwide distribution, with adequate production capacity to support the volume of unprocessed milk brought in for sale by dairy farmers from Nong Pho Sub-District and neighbouring areas for further processing. Nong Pho Ratchaburi Dairy Cooperative (under Royal Patronage) can, indeed, be considered a real venting outlet which helps solve problems for dairy farmers.



4. Love to Read Activities Week in collaboration with the Sikkha Asia Foundation

“Love to Read Week” was held by the Corporate Social Responsibility Department in collaboration with the Sikkha Asia Foundation to promote reading on a creative basis in the 70 Rai Community and 10 communities to promote focused reading among children and youth and create the sense of fun for them to enjoy reading. Reading is stimulated by various forms of recreation to promote good relations in families and communities as well as to create a model for Love to Read Family which would enable the communities to realize the importance of reading and to support communal activities, reinforcing the value of familial institutions and infusion of social immunity. The results obtained are seen in a much greater awareness among parents, children and youth on the value of reading than before, formation of new reading habits and how to spend their time in a worthwhile manner for their own development.

5. Loxley Voluntary Minds Activities (Loxley CSR Club)

Loxley CSR Club was founded in 2012 with two objectives the first of which is to serve as a medium to propel activities arising either from the Corporate Social Responsibility Department’s conception or from members of the Loxley CSR Club. The second objective is to give personnel a chance to participate in making useful social contributions through club activities. Programs visualized by the Corporate Social Responsibility Department in 2016 covering social, educational and environmental issues as propelled by Loxley CSR Club members’ efforts are as follows:



5.1 “Coral Planting by Loxley Volunteers”

To instill a conscientious mind for its employees to carry out good deeds for Society, Community and Environment, and to listen to comments and information concerning proper Eco-Tourism, the Corporate Social Responsibility Department arranged the “**Coral Planting by Loxley Volunteers**” activities with 50 volunteers from Loxley Plc and its affiliates for a trip to the Haad Toey Gnarm Beach under the jurisdiction of Royal Thai Marine Corps, Royal Thai Navy, Ampur Sattahip, Chonburi Province. Together, they helped implant 50 artificial coral clumps to rehabilitate Nature. They also had diving sessions to learn about marine ecology as well as visited and patronized local handicraft works at the Samae-sarn Market.

5.2 “15,000 Challenge to Do Good”

This activity gave employees a chance to put their minds to design and arrange volunteer activities as they like. Criteria were laid out by the Corporate Social Responsibility Department for projects to

pay particular importance to areas of Education, Social and Environment and a budget of Baht 15,000 was allocated for each project. This program was met with great interest from both Loxley employees and those of its affiliates who submitted their projects in the challenge, two of which were shortlisted, as follows:

5.2.1 Happy Dolls Project

The nature of this project is to sew dolls for children who are suffering from chronic illnesses in hospitals not only in Bangkok but in provincial areas as well such as the Ramathibodi Hospital, Children Hospital, Sukhothai Hospital, Chiangrai Prachanukroh Hospital and so forth. Employees whose project was selected invited teachers to give demonstrations of the doll-sewing process to 50 volunteering employees and members of the Penang Market Community. The objectives of this program is to carry out activities which would promote utilization of free time with a purpose, give meditation-wise training and build up the Voluntary Mind which would give good things back to Society. Participants would be happy with the outcome of their work which helps fill up existing vacuums. It is like expressing love to yourself and the person you love. Today, this Happy Dolls activity takes place every first Sunday of the month and volunteers are accepted through the Volunteers Bank as well.



5.2.2 “New Seedlings - Nation-Building Seedlings” Project

This is a school-lunch agricultural project. The Ta-koe Pid Tong Police Border Patrol School at Tambol Suan-pueng, Ampur Suan-pueng, Ratchaburi is located on the seam of the Thai-Myanmar border in the midst of arid land. It was founded pursuant to H.R.H. Princess Phra Dhep Rattanasuda Siam Bromratchakumari’s advice. This activity was submitted by the Employee Volunteers Group from ASM Management Security Co. Ltd. (ASM), with the undertaking to provide support of consumables to poor students who are short of learning tools. Activities would be carried out in the Project pursuant to the Royal Concept and aim at developing educational opportunities for children and youth. As the world is opened up more socially today, development on the quality of life and of education, therefore, would be an enhancement of intellectual potential for the country in the wake of the ASEAN advent. Moreover, a sense of self-dependency will be instilled in children when they grow vegetables themselves for their own lunch. Their quality of lives is improved and the children will grow up with quality, physically and intellectually. They will understand the philosophy behind the Self-Sufficiency economy and the knowledge gained will help them carry put work to look after themselves and their families. Other than filling up the young ones’ tummies, this project will also strengthen our corporate image by helping employees feel proud of their deeds in looking after the Society.



LOXLEY IS STEADFAST ON ITS MISSION TOWARDS COMMUNAL AND SOCIAL SUSTAINABILITY VIA EDUCATIONAL, SOCIAL, ECONOMIC AND ENVIRONMENTAL DEVELOPMENT

Under the context of social, educational, economic and environmental development, and from the concept and activities conducted in line with targeted groups and the Corporate Social Responsibility mission, participation in such activities had led to continuing and efficacious development of children and youth, the disadvantaged, handicapped, employees and the business sector as a whole.

Results of work performed by the Corporate Social Responsibility Department in 2016 can be summarized as follows:

IN SOCIAL AND EDUCATIONAL AREAS:

The Company is steadfast in its determination to provide support in educational and social areas on a continuous basis by instilling a sense of awareness in the disadvantaged and disabled people of their own worth and potential. Opportunities were opened for the handicapped to be employed, subsidies and equipment/supplies were donated for educational development to assist organizations and work units both in the public and private sectors and the public social sector, in the Klong Toey areas as well as in distant and arid areas on a number of major national events such as on the National Children's Day, New Year or the Songkran Festival. Learning activities that were arranged for children outside their classrooms as well as volunteer camp activities arranged by university students had propelled and uplifted the atmosphere for social care towards one another and made their surroundings a better place to live in. In addition, the Company has coordinated and collaborated with the government's educational authorities by making suggestions, giving advice and sharing valuable knowledge in order to develop the quality of Thai education and create educational opportunities as it is fully aware that Education is, indeed, a vital tool to develop children and youth to become the major force behind the country's development in the future. As for areas in the Klong Toey Community consisting of the Penang Market Community, Chua-plerng Community and 70 Rai Development Community, their potential were developed to make residents aware of the responsibilities not only to themselves but also to others with activities which created the sense of consciousness and building up social immunity among children and youth. At the same time, these activities for development of their potential helped stimulate communities to

become aware of the need for them to stand on their own feet, to be able to make proper analyses on incidents that cropped up in their midst, to develop a systematic procedure for work, to encourage participation from every sector and to build up inter-relationships between communities and network organizations with the capability to handle systematic communal management, duly supported by the Corporate Social Responsibility mission. Results achieved are seen in a marked improvement in the line of thoughts amongst community residents concerning community management. Various activities held show their clear and sustainable responses to problems. Moreover, it is the Company's policy to promote the Voluntary Spirit and to propel voluntary activities for its employees on a continuous basis to build up connections between its employees and the communities. By building up this awareness and

consciousness as well as informing employees about these volunteers, the Company is confident that its employees will all come to realize the value of giving, sharing and sacrificing for public good and to create this sense of participation to look after the Society together on a voluntary basis.

ON ECONOMIC AND ENVIRONMENTAL DEVELOPMENT

The Company is set on its tracks to promote the Innovation of Environmentally-friendly Products and Services which are conducive to creating a balance in the economy and to promote the technology of alternative energy by setting up a solar power plant at Ampur Kabinburi, Prachinburi Province, to import electric buses for commercial use in Thailand to reduce reliance on petrol, to develop the technology for mobile garbage disposal furnaces to reduce the impact on the environment and to promote solutions of problems concerning remnant garbage in densely-populated areas, to develop and design IT systems to meet competition and expansion of financial institutions, to install telecommunications systems and to manage transportation systems. All these help drive the economy, create work opportunities, generate income, build up business growth and answer the requirements for national development on an objective basis. In addition, encouragement is given for its volunteering employees and those of its affiliates to gain more knowledge on the subject of preservation of natural resources and the environment via study trips made on a regular basis every year in conjunction with activities geared towards development of the environment within a community. This leads to participation between communities and its employees as they join hands together to improve their landscapes and clean up the surroundings. Results achieved are that both communities and employees have a part in carrying out activities together, exchange their points of views and build up connections between one another which is considered a very successful achievement.

In 2017, the Company, by its Corporate Social Responsibility Department, will continue to abide by its policy to create and promote this spirit to Create the Shared Value on a continuous basis by using its existing resources and expertise to work for social, educational and environmental development, to reinforce participation by its volunteering employees in conjunction with their contribution towards economic development, job creation, income generation and to ensure compliance in every respect with the framework of the Stock Exchange of Thailand's policy.

Risk Factors

Risk Factors from Business

1. Risks from Over Dependence on Key Accounts

The majority of revenue from the Company's technology-related business units was attributed to the project implementations for only few key accounts, especially for projects related with government agencies and state enterprises. If these clients delays spending projects tied budgets, it is likely to affect the Company's business performances and financial condition. Nowadays, the business competition is intense in both domestic and international market. Such factors might impact the Company's revenue. To lower such threats, the Company focuses on improving service quality to meet the needs of customers and market trends while continuously strengthening relationship with all business partners and searching for new business opportunity.

2. Risks from Changes of Government Policies

The Technology Business Segment consists of IT and Communication, Technology, Projects (large and small projects) where most of the work are from government and state enterprises. Therefore, the main income of Technology Business Segment is significantly related to the government expenditure, political and economic situation of the country. In the other word, any changes in the rules and regulations might put the Company at risks in case the changes create negative impact on the business operations. Partially, the aforesaid income from government and state enterprises are derived on continual basis, since the projects requires ongoing service maintenance. In addition, there are Trading and Service Business as well as joint ventures and other investment projects that generate ongoing income to the Company in a long term.

3. Management and Risks from Project Delays

Most of the Company's projects in the Technology Business Segment usually have specified timeline guarantying that the project will be completed according to the signed contract. Failure to complete the project or in the event of defects that might cause damages to other persons or to collateral assets, the Company might have to pay fines as specified in the contract. Realizing the importance of risk management, the Company tries to minimize the risks by providing guidelines of implementation to prevent any occurrences of mistakes such as having insurance for each of the project, distributing risks to product owners or subcontractors as well as organizing workforce trainings to enhance skills and knowledge, enabling them to take responsibilities on the Company's relevant business matters as to reduce and prevent all possible risks.

The major factors that cause project delays usually derive from uncontrollable external factors such as the delays in delivering working areas from the project owners, the delays of product delivery from business partners, or the changes of damaged equipment. To prevent the risks in project delivery, it needs the concrete plans based on projects management. The working procedures require close follow-ups of the project; the strong and good cooperation between the Company, customers and manufacturers so that the problems can be identified in advance to prevent and reduce possible impacts. The Company commits to the above procedures to ensure the work completion within assigned time frames.

4. Risks from Dependency on Product Procurement for Trading Business

In regard to Trading Business, the Company has accepted product supply from one producer without written agreement of sale agent. The Company may encounter the risk in the event that the manufacturer will change its policy or suspend the distribution, or unable to supply products to the Company. Consequently, the shortage of such product could cause adverse impact to the customer base and revenue of the Company.

However, since the Company has maintained good relationship with this particular manufacturer for more than 20 years, without problems or issues concerning the business, in case of termination, the manufacturer will give an advance notice to the Company. The Company has wide ranges of products which are mostly supplied from more than 1 producer. Therefore, it is possible that the Company can use alternative source to ease the risk, including expansion of new product line and own brand creation.

5. Risks from Business Expansion and Investment in New Business

The Company determines to seek for new business opportunity that could create collaboration and increase additional income to its existing operations. In the meantime, the Company steps toward AEC where neighbor countries such as Myanmar, China and Vietnam and Lao where uncertain law provision, regulations, government policies, political and economic situation cause unflavored impact to the business. Such impact may include increasing cost and expenses, negative business operation, financial status or unexpected overall outcome. To lower the risks and impact from oversea business, the Company has studied the pros and cons, yield upon investment, investigate new partners, as well as study related laws and regulation of such countries carefully prior to its execution.

6. Risks from Changes of Technology

The IT Business experiences rapid and constant changes, while the competition is intense with unpredictable trends. In case of failure to follow the advance and technology development to meet the market demand, the Company could lose the customers as well as business opportunities. The Company regularly follows the news and information, new products, developments both in domestic and international markets to be able to adjust its policy and operation toward changes and trends. The technical support department, main customer service department and project bidding department are assigned to study and analyze work from our suppliers, and to follow up with latest technology trends. Moreover, the Company has provided seminars, training courses and lectures from the manufacturers to develop and improve skill on technologies among employees. Furthermore, since the Company purchases products in accordance to the contract of each project, employees are able to try new products and technologies.

Risk from Management

7. Risks from Dependence on Executive Management and Personnel

The Company has to rely on the executive management, especially in the key management positions who must have technical skills and special knowledge in technology-related businesses as well as understanding of complicated rules and regulations of the businesses. The loss of these valuable top managers and personnel might affect the Company's business performance and financial position in the future.

However, most of the executive members have worked with the Company for more than 20 years and some of them are the Company's shareholders. Being the shareholders would encourage the executives to contribute their efforts to the growth of the Company. In addition, the systematic management would lessen the dependence on some of the executive

members. Furthermore, the Company has continuously tried to improve the management system to make it more professional and has implemented systematic succession plan to promote young executives and open opportunities for them to participate in the policy-making and the Company's business development plans and appropriately delegate the decision making to them as to enhance business understandings and skills in managing the Company's businesses.

Financial Risks

8. Risks from Foreign Exchange Volatility

As the Company has to order products from business partners, both local vendors and foreign suppliers for use in operating the Company's projects and the Company has to make the payment in the foreign currencies such as in US dollars. The payment for products and having assets and debts in foreign currencies contribute to the risks in foreign exchange rate for the Company. In case the Thai Baht depreciates against the foreign currencies, it will increase of the cost of the Company's products in Thai Baht. In order to prevent such the risks in currency exchange rates, the Company has always considered it as an important policy to reduce such external risk factors by 1) Increasing the risk of currency exchange rates and take it for calculating the operation costs of the projects 2) Implementing future trading of foreign currencies to reduce the risks of fluctuating currency exchange rates and minimize the impacts on the projects.

Other Risks Factors

9. Risks from Exercise of the Warrants

As of 30 December 2016, the Company has total LOXLEY-W warrant of 66,236,667 units, 66,236,667 stock warrants. In the event that total warrants will be exercised, the percentage of shareholding of existing shareholders will reduce not more than 2.84% (calculated based on number of disposed shares as of 30 December 2016, total 2,264,954,770 shares).

Legal Disputes

Most of the legal disputes of the Company and its subsidiaries are from normal business operations, such as legal action to demand debt payment from customers. As at 31 December 2016, the Company and its subsidiaries did not have legal dispute with value higher than 5 per cent of shareholders' equity that may adversely affect the Company's business.

Loxley GTECH Technology Co., Ltd., an associate of the Company, has entered into an agreement with the Government Lottery Office (GLO) of Thailand on 29 July 2005 to service the lottery project. The term stipulated in the agreement required that the lottery commence within 7 months after the agreement has been signed. However, the date of debut sales of lottery has been delayed without definite schedule.

Since 2009 until now, the associate has submitted letters to GLO demanding that the Government should comply with the contract and compensate for losses arising from non-compliance.

Currently, the GLO has not determined the date of debut sales of lottery clearly; then, the associate has taken legal process to enforce GLO to compliance with the agreement.

Details of the Company

Company Name	: Loxley Public Company Limited
Location of Head Office	: No. 102 Na Ranong Road, Klong Toey Subdistrict, Klong Toey District, Bangkok 10110
Registration Number	: 0107536000218
Telephone No.	: 0-2348-8000
Facsimile No.	: 0-2348-8001
Type of Business	: Commerce
Number and Type of Total Issued Shares:	
Registered Capital	: Baht 2,331,250,000.00, divided into 2,331,250,000 ordinary shares
Paid-up Capital	: Baht 2,264,954,770.00, divided into 2,264,954,770 ordinary shares
Par Value per Share	: Baht 1.00

Information on Registered Capital

Date/Month/Year of Registration in Articles of Association	Increased / Decreased Capital (Million Baht)	Capital after Increase/ Decrease of Capital (Million Baht)	Reason of Capital Increase/Decrease	Number of Shares and Price of Capital Increase/ Decrease
1 April 1993	240.00	400.00	- Business expansion and increase of investment fund	- 24,000,000 shares, at Baht 10.00 per share
27 January 1995	60.00	460.00	- Reservation for the exercise of conversion right on debentures	- 6,000,000 shares, at Baht 10.00 per share
20 March 1996	60.00	520.00	- Reservation for the exercise of conversion right on debentures	- 6,000,000 shares, at Baht 10.00 per share
30 November 2000	(120.00)	400.00	- Reduction of shares for non-converted debentures	- 12,000,000 shares, at Baht 10.00 per share
4 December 2000	1,600.00	2,000.00	- Offering 65 million shares to existing shareholders - Reservation of 85 million shares for the exercise of conversion rights on debentures - Offering 10 million shares to Company directors and staffs	- 65,000,000 shares, at Baht 10.00 per share - 85,000,000 shares, at Baht 10.00 per share - 10,000,000 shares, at Baht 10.00 per share
25 December 2003	-	-	- Reduction of par value from Baht 10.00 to Baht 1.00	- 2,000,000,000 shares, at Baht 1.00 per share
3 May 2007	(1.92)	1,998.07	- Cancellation of non-issued ordinary shares	- 1,998,078,970 shares, at Baht 1.00 per share
11 May 2007	1.92	2,000.00	- Offering shares to Ekpavee Company Limited	- 2,000,000,000 shares, at Baht 1.00 per share
	650.00	2,650.00	- Reservation for the exercise of conversion right on debentures	- 2,650,000,000 shares, at Baht 1.00 per share
8 May 2008	(650.00)	2,000.00	- Reduction of reserve shares for the exercise of conversion right on debentures	- 2,000,000,000 shares, at Baht 1.00 per share
20 May 2013	331.25	2,331.25	- Supporting the stock dividend - Offering shares to general investors - Reservation for the exercise of LOXLEY-W to existing shareholders - Reservation for the exercise of LOXLEY-W to general investors who subscribe for newly issued shares	- 100,000,000 shares, at Baht 1.00 per share - 165,000,000 shares, at Baht 1.00 per share - 25,000,000 shares, at Baht 1.00 per share - 41,250,000 shares, at Baht 1.00 per share

Capital Structure

1. Securities

1.1 Ordinary shares

As of 31 December 2016, the Company's registered capital was Baht 2,331,250,000. Paid-up capital totaled Baht 2,264,954,770, divided into 2,264,954,770 ordinary shares at Baht 1 par value. The remaining of 66,295,230 shares are classified as follows:

- The remaining shares after being allocated to the existing shareholders, who is entitled to receive a stock dividend as per resolution of the annual general meeting of shareholders in 2013, are 45,230 shares. The Company will eliminate these remaining shares by decreasing its registered capital.
- The shares reserved for exercising warrants of the Company is divided as follows:
 - The amount of shares not exceeding 25,000,000 allotted to the existing shareholders who has the right to receive the stock dividend as aforesaid.
 - The amount of shares not exceeding 41,250,000 allotted to public investors who subscribe the capital shares of the Company.

1.2 Warrant (LOXLEY-W)

Type and Category	: Warrant to purchase new ordinary shares of the Company No.1 (LOXLEY-W). The Warrants are specified name and transferable.
Number of Warrants	: 66,236,667 units
Exercise Ratio	: 1 unit of warrant has the right to purchase 1 ordinary share (subjected to change in accordance with the condition for adjustment)
Exercise Price	: 7.00 Baht per share (subjected to change in accordance with the condition for adjustment)
Date of Subscription	: 13 October 2014
In the Stock Exchange	
Maturity	: 3 Years from issue date of warrant
Exercise Period	: On the last business day of March, June, September, and December throughout the tenor of LOXLEY-W, the last day of exercise is the due date of warrants on 30 September 2017.
Submission Period	: Within 7 days before each of the exercise date. Except the last exercise date, warrant holders can submit the intention form within 15 days before the last exercise date.
Adjustment of Right of the Warrant	: The Company will adjust the exercise price and/or the exercise ratio, upon the incurrence of the following events with the aim to protect the warrant holders' benefit. <ol style="list-style-type: none">1. The change to the par value resulting from the amalgamation or division of share2. The new offering of share at the low price3. When the company offers convertible bond or warrant at low price4. When the company pays partial or whole dividend by issuing new shares to shareholders5. When the company pays dividend in exceeding of the rate that specified in the term and condition of warrant adjustment6. Any other similar event to those of clause 1 to 5 which results in the warrant holder are considered less benefit

The past 9 exercise date (the latest exercise was on 30 December 2016), there was no warrant holders wished to subscribe the ordinary shares of the Company.

1.3 Other Securities

On April 29, 2015, the Company's 2015 Ordinary General Meeting of Shareholders adopted the resolutions to approve that the Company issue and make a sale offer of bonds within a line not exceeding Baht 1,000 million to be used in its operations and business expansion as well as for refinancing. To-date, the Company has already issued and offered the following bonds for sale:

- (1) A part of secured bonds No. 1/2558, Set 1, of 300,000 units with the par value of Baht 1,000 each for an aggregate total of Baht 300,000,000 at the fixed rate of interest of 3.89% per annum and date of redemption set on 18 December 2022.
- (2) A part of secured bonds No. 1/2558, Set 2, of 700,000 units with the par value of Baht 1,000 each for an aggregate total of Baht 700,000,000 at the fixed rate of interest of 3.89% per annum and date of redemption set on 18 December 2024.

Both sets of bonds are of the name-bearing type, unsubordinated and secured with nominees allowed. Credit- rating given by Tris Rating Co. Ltd. on 3 December 2015 for these bonds are at the level of A- with fixed credit trends. All bonds were offered for sale to institutional investors and major investors.

2. Shareholder

List of 10 major shareholders of the Company, as of 30 December 2016 (date of closing shareholder's register) :

No	Name	No. of shares	Percentage share
1	The Lamsam Group consisting of	703,083,269	31.05
	1.1 Ekpavee Co., Ltd.	584,158,113	25.79
	1.2 Mr. Pairote Lamsam	37,368,481	1.65
	1.3 Mr. Dhongchai Lamsam	26,732,044	1.18
	1.4 Mr. Banyong Lamsam and Mrs. Nartrudee Weeramaeteekul	20,200,000	0.89
	1.5 Mrs. Duangruthai Poomchusri	12,931,012	0.58
	1.6 M.R. Sam-aungvarn Lamsam	11,816,931	0.52
	1.7 Mr. Chalermchoke Lamsam	9,876,688	0.44
2	Mr. Kiatchai Limpichotpong	106,393,155	4.70
3	Thai NDVR Co., Ltd. *	105,725,016	4.67
4	Mrs. Charuvarn Vanasin	62,088,700	2.74
5	ML Prasopchai Kasemsant	21,420,000	0.95
6	Mrs. Benjawan Kumpanartsanyalorn	17,178,020	0.76
7	Mr. Somchai Kamolratanapiboon	15,000,000	0.66
8	XL INVESTMENTS LTD.	14,024,997	0.62
9	Mr. Chaiporn Achakul	13,400,000	0.59
10	Mr. Supachai Weeraborwornpong	13,211,700	0.58

* Thai NVDR Company Limited is a subsidiary established by The Stock Exchange of Thailand. It is automatically regarded as a listed security by SET. Those who invest in Thai NVDR receive the same full financial benefits as they would receive had they invested directly in shares, however, without any voting right in shareholders meeting.

Shareholder structure of Ekpavee Co., Ltd. as of 29 April 2016

As of 29 April 2016, Ekpavee Co., Ltd. had a total of 6,350,000 paid up shares, at Baht 100 par value. Details are as follows:

No.	Name	No. of shares	%
1	The Lamsam family (13 persons) and Lamsam Estate Co., Ltd.*	4,413,724	69.51
2	The Wanglee family (22 persons)	599,682	9.44
3	The Chatikavanij family (3 persons)	430,209	6.77
4	Mrs. Sumanta Mokkaves	147,557	2.32
5	Aran Ordinary Partnership	129,896	2.05
6	Sujit Ordinary Partnership	129,896	2.05
7	The Jutrakul family (3 persons)	107,784	1.70
8	The Sibunruang Family (3 persons)	107,784	1.70
9	The Changtrakul family (3 persons)	92,402	1.46
10	Others	191,066	3.00
Total		6,350,000	100.00

* The shareholder structure of Lamsam Estate Co., Ltd. comprises the Lamsam Family which holds 100 per cent in the registered capital.

3. LOXLEY-W warrant holder

List of 10 major warrant holders, as of 30 December 2016 (date of closing LOXLEY-W holder's register):

No.	Name	No. of units	%
1	Ekpavee Co., Ltd.	6,954,263	10.50
2	Mrs. Sureeporn Srisurapanont	1,852,900	2.80
3	Mr. Soravit Hirunrujipong	1,581,350	2.39
4	Thai NDVR Co., Ltd.	1,573,999	2.38
5	Mr. Chun Temthanarak	1,428,200	2.16
6	Mr. Suracha Tansatapornchai	1,136,200	1.72
7	Mr. Kiatchai Limpichotpong	1,049,688	1.59
8	Mr. Dhumrach Chantrakul	1,000,000	1.51
9	Mrs. Jitraporn Naowthavorn	999,950	1.51
10	Mr. Vorapong Phuetpaiboon	926,200	1.40

Dividend Payment Policy

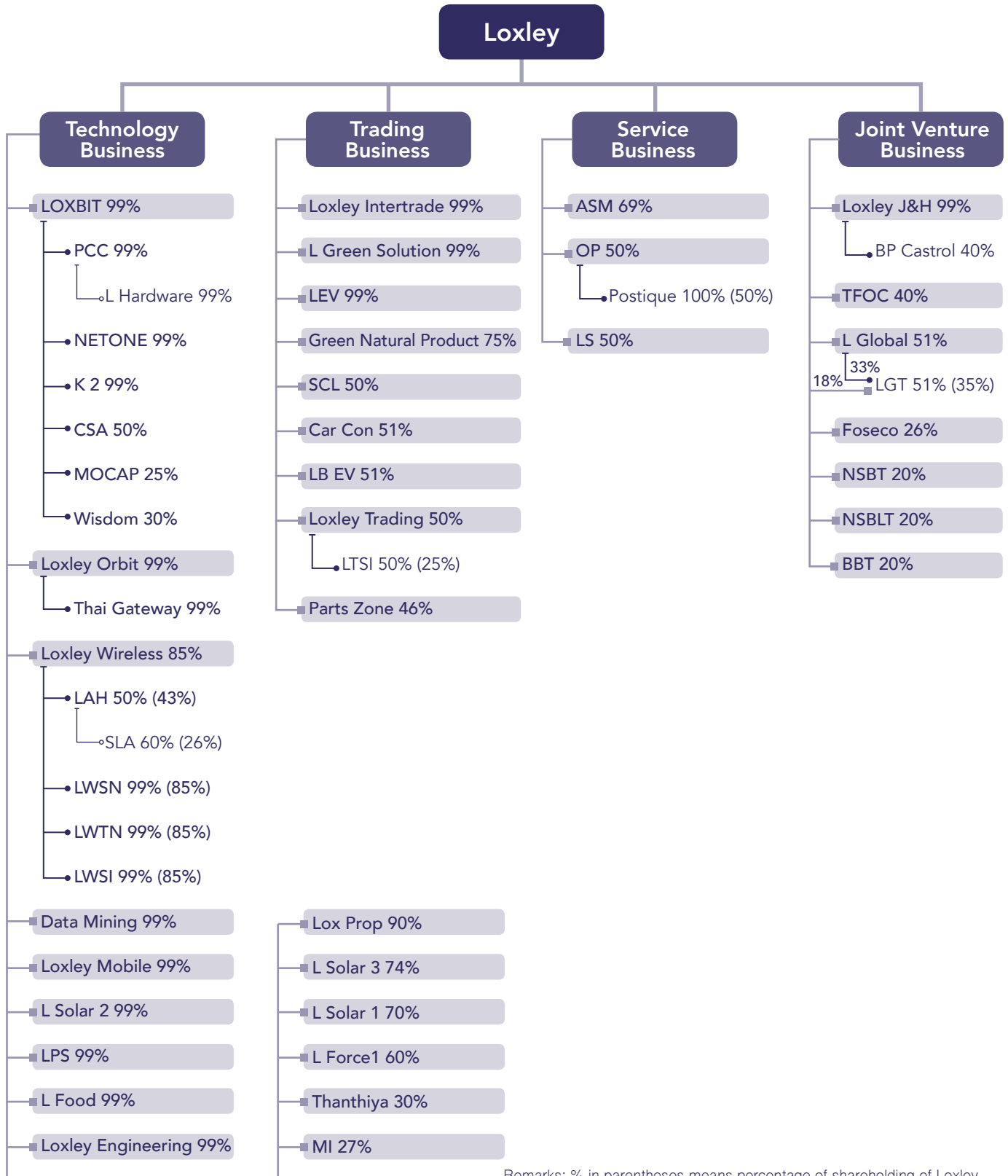
It is the Company's policy to make dividend payments of at least 40% of its net profits after corporate tax of individual financial statement and all reserves as stated in the Company's regulations and related laws. The Company considers financial status, cash flow, investment plans, business plan and other conditions and limitations (if any) as well as other administrative factors in making decision on dividend payment. The Board of Directors' resolution on dividend payment shall be approved by the shareholders' meeting, excluding interim dividend payment that the Board of Directors may resolve to occasionally pay shareholders when it is considered appropriate and should be reported in the next shareholders' meeting.

In terms of subsidiaries, the Board of Directors of subsidiaries have the policy to pay dividend based on operating performance and with consideration of each company's financial position, cash flow and investment plan.

In 2011, the Company paid dividend at Baht 0.075 per share, totaling Baht 150 million. In 2012, dividend was paid in cash at Baht 0.10 per share and in ordinary share at Baht 0.05 per share, totaling Baht 0.15 per share or Baht 300 million. In 2013, the Company paid dividend at Baht 0.095 per share, totaling Baht 200 million. In 2014, the Company paid dividend at Baht 0.10 per share, totaling Baht 226 million. And in 2015, the Company paid dividend at Baht 0.05 per share, totaling Baht 113 million,

Details of Ownership in Loxley Subsidiaries, Associates, and Joint Ventures

As of 31 December 2016, the Company holds shares, directly and indirectly, in 31 subsidiaries, 14 associates, 6 joint ventures as follows:



Remarks: % in parentheses means percentage of shareholding of Loxley

Direct subsidiaries

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of shareholding
1	Loxbit Public Company Limited (LOXBIT)	No. 102/99 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Trading of telecommunication equipment, computers and computer programs	450	99
2	Loxley Orbit Public Company Limited (Loxley Orbit)	No. 116/19 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Telecommunication and computerized database service	45	99
3	Data Mining Co., Ltd. (Data Mining)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Service of information technology equipment and computer systems	20	99
4	Loxley Joint & Hold Co., Ltd. (Loxley J&H)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Holding company	1,000	99
5	Loxley Mobile Company Limited (Loxley Mobile)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Sale and service of various prepaid electronics cash card	20	99
6	L Food Solutions Company Limited (L Food)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Provide food service	40	99
7	Loxley Intertrade (Guangzhou) Co., Ltd. (Loxley Intertrade)	Room 2011, 20 th Floor, 33 Yian Plaza, Jianshe Liu Rd., Yaexiu, Guangzhou 510060	Trading in the People's Republic of China	0.48 USD	99
8	L Green Solution Company Limited (L Green Solution)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Provide alternative energy source of all types, selling electricity and gas, and waste management	10	99
9	L Solar 2 Co., Ltd. (L Solar 2)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Solar power plant business	0.1	99
10	Loxley Power Systems Co., Ltd. (LPS)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Power system business	20	99
11	L-Elevator and Engineering Co., Ltd. (LEV)	99, 101, 103, 2 nd Floor, Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Trading and installation of elevator and escalator	3	99
12	Loxley Engineering Co., Ltd. (Loxley Engineering)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Engineering services in the telecommunication network systems	10	99
13	Loxley Property Development Co., Ltd. (Lox Prop)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Renting of building, advertising board and providing services	250	90

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of shareholding
14	Loxley Wireless Public Company Limited (Loxley Wireless)	No. 555 Rasa Tower, Phaholyothin Road, Chatuchak Subdistrict, Chatuchak District, Bangkok	Sale and service of telecommunication and information technology systems	275	85
15	Green Natural Product Co., Ltd. (Green Natural Product)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Manufacture and distribute citrus essential oil	4	75
16	L Solar 3 Co., Ltd. (L Solar 3)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Manufacture and distribute electricity, plan design, install and construct solar power plant	10	74
17	L Solar 1 Co., Ltd. (L Solar 1)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Operate solar power plant	220	70
18	Asia Security Management Co., Ltd. (ASM)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Provide security services at Suvarnabhumi Airport and others	100	69
19	L Force 1 Co., Ltd. (L Force 1)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Supply, manufacture and sell of shooting stimulation for fixed shooting and trapshooting	20	60
20	Loxley Global Co., Ltd. (L Global)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Holding company	99	51
21	LB EV Co., Ltd. (LB EV)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Manufacturing, assembly, trading electricity automotive including related equipment	40	51
22	Loxley Trading Company Limited (Lox Trading)	No. 102 Loxley Building, Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Sale of consumer products	50	50
23	Societe Commerciale Lao (SCL)	Unit 36, Bon Dongpalad, Alley 10 Chanthabouly Disttict, Vientiane, LAO. P.D.R.	Trading in Lao People's Democratic Republic	4,135 million Kip	50

Indirect subsidiaries

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of shareholding
24	NetONE Network Solution Co., Ltd. (NETONE)	No. 408/81, 19 th Floor, Phaholyothin Place Building, Phaholyothin Road, Samsean Nai Subdistrict, Chatuchak District, Bangkok	Trading of computer, computer spare parts and equipment, of all types	70	99

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of shareholding
25	Thai Gateway Company Limited (Thai Gateway)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Trading of telecommunication equipment	20	99
26	Professional Computer Company Limited (PCC)	No. 102/99 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Supply, maintenance and set up of work system, installation of computers and management of computerized center	230	99
27	L Hardware and Services Co., Ltd. (L Hardware)	No. 44/385-389 Moo 10, Navamin Road, Klong-kum Subdistrict, Bueng-kum District, Bangkok	Installation and repair of IT equipment, sale of computers and peripherals	5	99
28	K2 Venture Capital Co., Ltd. (K 2)	No. 102/99 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Venture capital	70	99
29	LWSN Company Limited (LWSN)	No. 2 Soi Phaholyothin 19, Phaholyothin Road, Chatuchak Sub-district, Chatuchak District, Bangkok	Service of telecommunication, IT systems and submarine cable network	1	85
30	LWTN Company Limited (LWTN)	No. 2 Soi Phaholyothin 19, Phaholyothin Road, Chatuchak Sub-district, Chatuchak District, Bangkok	Service of telecommunication, IT systems and fiber optic network	1	85
31	Loxley Wireless System Integrator Company Limited (LWSI)	No. 2 Soi Phaholyothin 19, Phaholyothin Road, Chatuchak Sub-district, Chatuchak District, Bangkok	Engineering services in the telecommunication network systems	10	85

Direct associates

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of shareholding
1	Oriental Post Co., Ltd. (OP)	No. 333/3 Rachadanivej Village, Soi 19, Pracha-uthit Road, Samsennok Subdistrict, Huay-kwang District, Bangkok	Advertising series post production services	150	50
2	Parts Zone (Thailand) Co., Ltd. (Parts Zone)	No. 128 Seri Thai Road, Khan Na Yao Subdistrict, Khan Na Yao District, Bangkok	Trading in automotive parts and equipment	56	46
3	Thai Fiber Optics Company Limited (TFOC)	No. 233 Moo 6, Soi Watchangrueng, Suksawat Road, Naiklongbangplakot, Phrasamutchedi, Samutprakarn	Manufacture of fiber optic	100	40

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of shareholding
4	Loxley GTECH Technology Co., Ltd. (LGT)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Sale and service of information technology and online lottery sale system	300	35
5	Thanthiya Technology Co., Ltd. (Thanthiya)	No. 288/54-56 Phaholyothin Road, Anusaowaree, Bangkhen, Bangkok	Manufacture and sale of water and waste water treatment equipment and systems	4	30
6	Mobile Innovation Co., Ltd. (MI)	No. 128/224, 227, 228 21 st Fl., Phayathai Plaza Building, Phayathai Road, Thung Phayathai Subdistrict, Rajthevi	Services of real time vehicles tracking management system	184	27
7	Foseco (Thailand) Limited (Foseco)	No. 170/69, 22 nd Floor, Ocean Tower I Building, Rajchadaphisek Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Manufacture and sale of chemicals for metal casting	10	26
8	NS BlueScope (Thailand) Limited (NSBT)	No. 2 Soi G9, Pakornsongkrohrad Road, Maptaphut Subdistrict, Muang District, Rayong	Manufacture and sale of cold rolled steel	5,000	20
9	NS BlueScope Lysaght (Thailand) Limited (NSBLT)	No. 16, Soi Phahonyothin 96, Prachathipat Subdistrict, Thanyaburi District, Patumthani	Manufacture and sale of steel roofing	600	20
10	BlueScope Building (Thailand) Limited (BBT)	No. 1010 Shinawatra Tower 3, 8 th Floor Room No.803-T, Viphavadee-Rangsit Road, Chatuchak Subdistrict, Chatuchak District, Bangkok	Provide pre-engineered building solution	360	20

Indirect associates

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of shareholding
11	Postique Co., Ltd. (Postique)	No. 333/3 Soi 19, Pracha Uthit Road, Sam Sen Nok Subdistrict, Huai Kwang District, Bangkok	Provide advanced techniques for advertising and film making services	20	50
12	BP-Castrol (Thailand) Limited (BP Castrol)	No.3, 23 rd floor, Rajanakarn Building, South-Sathorn Road, Yannawa Subdistrict, Sathorn District, Bangkok	Sale of Castrol and BP lubricant	49	40

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of shareholding
13	Wisdom Vast Company Limited (Wisdom)	No. 103 Moo 2, Bangkhungong Subdistrict, Bang Kruai District, Nonthaburi	Mobile and innovative solution provider	10	30
14	MOCAP Limited (MOCAP)	11 th Floor, Siripinyo Building 475 Sri-Ayudthaya Road, Thanon Phayathai Subdistrict, Rajthevee District, Bangkok	Outsourcing contact center	61	25

Direct joint ventures

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of shareholding
1	Car Convenie Co., Ltd. (Car Con)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	car body & paint repair services	50	51
2	LS Technology Solutions Company Limited (LS)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Operate the security technology solutions	10	50

Indirect joint ventures

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of shareholding
3	Cloud Serve Asia Co., Ltd. (CSA)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Provide Cloud computing services	1	50
4	Loxley & AIT Holding Co., Ltd. (LAH)	No. 2 Soi Phaholyothin 19, Phaholyothin Road, Chatuchak Subdistrict, Chatuchak District, Bangkok	Provide installation service of power plant telecommunication	200	43
5	SLA Asia Co., Ltd. (SLA)	No. 99/7, 29 th Floor, Software Park Building, Moo 4, Chaengwattana Road, Pakkred, Nonthaburi	Provide installation service of telecommunication	30	26
6	Loxtrade Specialty Innovation Co., Ltd. (LTSI)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Manufacture and distribute supplementary foods for health and beauty and related products	5	25

Management

Loxley's management structure comprises a company committee, whose members are experts in different fields. Sub-committees are appointed by the company committee to oversee and manage businesses. Each member of the committees has responsibilities as follows:

The Company's Board of Directors

Pursuant with the Company's Articles of Association, the Company's Board of Directors shall consist of not less than 5 and not more than 21 members of whom not less than half of that number must have residence in the Kingdom. And, the Company's directors must be qualified in accordance with the prerequisites of law.

Members of the Company's Board of Directors are:

No.	Name	Position
1	Mr. Pairote Lamsam	Chairman of the Board
2	Mr. Sukit Wanglee	Vice Chairman of the Board
3	Mr. Dhongchai Lamsam	Director, Chairman of the Executive Board and Member of the Nominating & Remuneration Committee
4	Dr. Harit Sutabutr	Independent Director and Chairman of the Audit Committee
5	Dr. Supavud Saicheua	Independent Director
6	Mr. Charoon Chinalai	Independent Director, Member of the Audit Committee, and Chairman of the Nominating & Remuneration Committee
7	Mr. Joti Bhokavanij	Independent Director and Member of the Audit Committee
8	General Vichit Yathip	Independent Director
9	Professor Rawat Chamchalerm*	Independent Director
10	Mr. Suebtrakul Soonthornthum	Director, Vice Chairman of the Executive Board and Member of the Nominating & Remuneration committee
11	Dr. Jingjai Hanchanlash	Director and Vice Chairman of the Executive Board
12	Mr. Poomchai Lamsam	Director
13	Mr. Vasant Chatikavanij	Director and Vice Chairman of the Executive Board
14	Mr. Suraphand Bhasitnirandr	Director, Vice Chairman of the Executive Board and Member of the Nominating & Remuneration Committee
15	Dr. Sompop Chareonkul	Director and Vice Chairman of the Executive Board
16	Mr. Suroj Lamsam	Director and President
17	Mr. Chalermchoke Lamsam	Director and Managing Director

Remarks: * Professor Rawat Chamchalerm was appointed to be Independent Director on 28 April 2016.

Company Secretary is Mr. Pichai Mooputtarak.

Authority of Directors and Restrictions on Authority of Directors

Number and names of the directors who are authorized to sign on behalf of the Company are as follows: Two of the following eight persons jointly sign and affix the Company's seal: Mr. Pairote Lamsam, Mr. Dhongchai Lamsam, Mr. Sukit Wanglee, Mr. Poomchai Lamsam, Mr. Vasant Chatikavanij, Mr. Suroj Lamsam, Mr. Chalermchoke Lamsam, Mr. Jingjai Hanchanlash OR any one of the eight directors above mentioned jointly signs with any one of the following directors totaling two directors and affix the Company's seal: Mr. Suebtrakul Soonthornthum, or Mr. Suraphand Bhasitnirandr, or Mr. Sompop Chareonkul.

Independent Directors

The Company's independent directors whose opinions, instructions, and warnings are independent and free from the Company's management. As a result, the Company does not authorize any independent director the rights to enter into any legally binding documentation with the Management.

An Independent Director is required to follow the guidelines as follows:

1. Holds not more than 0.5% of the common shares from the Company, its parent company, subsidiaries, joint-ventures, juristic persons with possible conflicts of interests including his/her relatives' shareholding activities.
2. Does not or has not been a director related to operation management, staff member, employee, permanent consultant, or administrative person of the Company, its parent company, subsidiaries, joint-ventures, partners, or juristic person with conflicts of interest for the past 2 years on the date of appointment.
3. Does not relate either by birth or marriage, e.g., father, mother, spouse, brother or sister, child, and child's spouse, of the Management, major shareholder, influential person, Management candidate, or influential person of the Company's subsidiaries.
4. Does not or has not related in business operations, e.g., regular business transactions, real-estate rental, asset service transaction, financial assistance, including related activities where debt payment transaction is required from 3% of the Company's net assets or Baht 20 million, whichever is less, with the Company, its parent company, subsidiaries, joint-ventures, or juristic person with possible conflict of interest affecting independent judgment, as well as not being a major shareholder, non-independent director, or management executive of the business related with the Company, its parent company, subsidiaries, joint-venture, or juristic person with possible conflicts of interest, for the past 2 years prior to the appointment.
5. Does not or has not been the Auditor of the Company, its parent company, subsidiaries, joint-venture, or juristic person with possible conflicts of interest, as well as not being a major shareholder, non-independent committee, management executive, or shareholder of Auditing office where the Auditor of the Company, its parent company, subsidiaries, joint-venture, or juristic person with possible conflicts of interest, belongs to, for the past 2 years prior to the appointment.
6. Does not or has not provided professional services including legal advice or financial advice with annual fee of over Baht 2 million from the Company, its parent company, subsidiaries, joint-venture, or juristic person with possible conflicts of interest. However, in the case when such professional is a juristic person, it would include being a major shareholder, non-independent committee, management executive or management share of such professional, for the past 2 years prior to the appointment.
7. Is not a Director appointed on behalf of the major shareholder or a shareholder related to the major shareholder of the Company.
8. Does not possess any other features that would affect independent opinion regarding Company's operations.

Furthermore, after the Independent Director has been appointed, he/she would be delegated by the Board of Directors to authorize transactions on the operations of the Company, its parent company, subsidiaries, joint-venture, or juristic person with possible conflicts of interest, under an optional collective decision.

Scope of Authority and Responsibilities of the Company's Board of Directors

1. Discharges its duties in line with the laws, Company Objectives and its Articles of Association as well as resolutions adopted by general meeting(s) of shareholders and exerts care in safeguarding the Company's interests.
2. Sets out policies, objectives, strategies, and directs the Company's course of action as well as supervises and monitors the management's activities to ensure that they are effectively implemented pursuant with the policies that had been laid down.
3. Make approvals on issues of substance such as policies, business plans, major investment and any other items as prescribed by the law unless such matters are subjected to resolutions from general meeting(s) of shareholders as required by law.
4. Nominates director(s) duly authorized to sign to bind the Company, appoints Chairman of the Board and Deputy Chairman or else assigns one or several directors or any other person(s) to carry out any action on behalf of the Board.
5. Appoints the company secretary to be responsible for any operations abide by law.

6. Convenes shareholders meetings, Board of Directors meetings and ensures that there are preparations for financial reports which shall be presented in conjunction with the Licensed Auditor's report in the annual report covering major issues pursuant with the Stock Exchange of Thailand's policy and as prescribed by the law.
7. Establishes the internal control, risk management, and regulation according to the corporate governance guidelines as well as transparent, accurate, and timely disclosure of information for shareholders, investors, and stakeholders.

The Company encourages all directors to openly express opinions related to the Company's operations in order to ensure operational efficiency, accuracy and transparency. Non-executive directors are encouraged to independently consider the Company's strategies, management, resource utilization and appointment of directors and operational standard, and to directly voice objection of actions of other directors or the management in case of disagreement on issues that may affect shareholders' equality. This will ensure appropriate check and balance. Meanwhile, the Board of Directors continues to independently perform their duties on behalf of shareholders and no specific person or group is prevented from having unlimited power.

Newly appointed directors will be informed of their roles, duty and responsibilities, nature of business and business direction by the company secretary. Directors and Executive Directors will be furnished with the Director's Manual for use as a guideline for them to perform their duties in compliance with legal requirement. The manual also includes information about the Company's operation which is regularly updated.

Meetings of the Board of Directors

The Board meetings are scheduled at least once every quarter, where special meetings may be arranged as necessary. Meeting agenda would be specified in advance which includes operation performance monitoring as one of them. During the meeting, each Board member is free to express his/her opinion and advise additional agendas where the Chairperson is responsible to manage proper timing in order for the Management to prepare documentation and information related to the agenda. The secretary to the Board is responsible for meeting appointment, document preparation, meeting invitation all of which is to be submitted at least 7 days in advance for prior consideration unless necessary including recording minutes of meeting, and safekeeping for future verification.

Meetings of the Board of Directors and Sub-Committees in 2016:

No.	Name	Frequency of Attendance/Number of Meetings			
		Board of Directors	Executive Board	Audit Committee	Nominating and Remuneration Committee
1	Mr. Pairote Lamsam	5/6	-	-	-
2	Mr. Sukit Wanglee	6/6	-	-	-
3	Mr. Dhongchai Lamsam	4/6	9/9	-	3/3
4	Dr. Harit Sutabutr	6/6	-	5/5	-
5	Dr. Supavud Saicheua	6/6	-	-	-
6	Mr. Charoon Chinalai	6/6	-	5/5	3/3
7	Mr. Joti Bhokavanij	6/6	-	5/5	-
8	General Vichit Yathip	5/6	-	-	-
9	Professor Rawat Chamchalerm*	4/4	-	-	-
10	Mr. Suebtrakul Soonthornthum	6/6	8/9	-	3/3
11	Dr. Jingjai Hanchanlash	5/6	-	-	-
12	Mr. Poomchai Lamsam	5/6	-	-	-
13	Mr. Vasant Chatikavanij	6/6	6/9	-	-
14	Mr. Suraphand Bhasitnirandr	6/6	9/9	-	3/3

No.	Name	Frequency of Attendance/Number of Meetings			
		Board of Directors	Executive Board	Audit Committee	Nominating and Remuneration Committee
15	Dr. Sompop Chareonkul	6/6	9/9	-	-
16	Mr. Suroj Lamsam	5/6	8/9	-	-
17	Mr. Chalermchoke Lamsam	4/6	8/9	-	-
18	Mr. Supat Karachalkul	-	8/9	-	-
19	Mrs. Kosoom Sinphurmsukskul	-	8/9	-	-
20	Mr. Saknarong Saengsangapong	-	5/9	-	-
21	Mr. Thongyai Chanthanawan	-	9/9	-	-
22	Mr. Karn Thongyai	-	8/9	-	-
23	Mr. Natavoot Chitasombat	-	5/9	-	-

Remarks: * Professor Rawat Chamchalerm was appointed to be Independent Director on 28 April 2016 (the Board of Director Meeting no. 3/2559 - 6/2559).

The Executive Board

Throughout 2016, it was the Executive Board's main responsibilities to manage the daily businesses in the course of the Company's operations and to generate income pursuant to the Business Plan as it has been doing in years past. It was around the end of 2016, however, when the Company saw it fit to re-structure its internal management in keeping with current business environment and changing technologies as well as opening up opportunities for the new generation of executives to have an increased role in the Company's management. With consideration to knowledge, capabilities and experience of each member of this new executive generation, the Executive Board was, therefore, separated into two parts, namely, the Executive Board and the Management Board effective from 1 January 2017 onwards as detailed below.

Members of the Executive Board are:

No.	Name	Old Position	New Position (effective since 1 January 2017)
1	Mr. Dhongchai Lamsam	President	Chairman of the Executive Board
2	Mr. Suebrakul Soonthornthum	Senior Executive Vice President	Vice Chairman of the Executive Board
3	Dr. Jingjai Hanchanlash* ¹	-	Vice Chairman of the Executive Board
4	Mr. Vasant Chatikavanij	Senior Executive Vice President	Vice Chairman of the Executive Board
5	Mr. Suraphand Bhasitnirandr	Senior Executive Vice President	Vice Chairman of the Executive Board
6	Dr. Sompop Chareonkul	Senior Executive Vice President	Vice Chairman of the Executive Board
7	Mr. Suroj Lamsam	Senior Executive Vice President	President
8	Mr. Chalermchoke Lamsam	Senior Executive Vice President	Managing Director
9	Mr. Supat Karachalkul	Executive Vice President	First Executive Vice President
10	Mrs. Kosoom Sinphurmsukskul	Executive Vice President	First Executive Vice President
11	Mr. Saknarong Saengsangapong	Executive Vice President	First Executive Vice President
12	Mr. Thongyai Chanthanawan	Executive Vice President	First Executive Vice President
13	Mr. Karn Thongyai	Executive Vice President	First Executive Vice President
14	Mr. Natavoot Chitasombat* ²	Executive Vice President	-

Remarks: *¹ Dr. Jingjai Hanchanlash was appointed to be Vice Chairman of the Executive Board on 1 January 2016.

*² Mr. Natavoot Chitasombat was retired on 31 December 2016.

The Executive Board is the Company's Management in accordance with the notification of the SEC.

Secretary to the Executive Board is Mr. Pichai Mooputtarak.

Scope of Authority and Responsibilities of the Executive Board

1. Determine Business Plans, both for the long and short-term, strategies, budgets and core management structures for business operations and various management authorities as recommended by the Management Board to ensure that they are in line with the Company's Vision, Mission and Sustainable Growth before submitting them to the Company's Board of Directors for approval.
2. Check and follow up on performance of the Management Board to ensure that they are in compliance with the proposed Business Plans. Provide support for the Management Board's income-generating work as well as monitoring operating costs to ensure effective and efficient implementation of Business Plans.
3. With the Chairman of the Executive Board's authorized signature, consider matters concerning recruitment, appointment, employment, transfer, discharge or job swab, suspension and termination as well as determining remuneration including expenses and facilities for employees from the levels of Vice President upwards including directors of affiliated companies.
4. With the power to approve disbursements of expenses or extension of credit, investment, exploitation for opportunities, new business undertakings, purchase/sale of Company's fixed assets, procurement, participation in tenders, purchase of goods, execution of contracts or any juristic acts as well as undertaking the Company's various operations which are normal conduct of businesses or in relation to its normal course of operations pursuant to the Company's objectives, as follows:
 - 4.1 Participate in a tender for a project, execute any contract or juristic act in connection with the Company's businesses or in relation to the Company's normal course of business within a line not exceeding Baht 6,000 million for each project or each tender. And, the Chairman of the Executive Board shall have the power to approve a line of not more than Baht 500 million.
 - 4.2 Application for credit facilities in a variety of forms or for an increased or extended line of such facilities with every bank or financial institution for opening or closure of accounts - these matters shall be approved by the Executive Board and the CFO.
 - 4.3 Borrowing, lending, provision of guarantee or creating any binding obligations on the Company with any person or subsidiary, or associated company or other legal entities that are not banks or financial institutions including making investment, joint ventures, undertaking new business venture within a line not exceeding Baht 50 million each time. Compliance, however, shall be made pursuant to the Stock Exchange's rules governing acquisition and/or disposal of assets as well as relevant laws and shall also be reported to the Company's Board of Directors at its next meeting that follows.
 - 4.4 Chairman of the Executive Board shall be authorized to approve borrowings, lendings, provision of guarantee or creation of any binding obligations on the Company with any person or subsidiary, or associated company or other legal entities that are not banks or financial institutions including investment, joint ventures, undertaking of new business venture within a line not exceeding Baht 10 million each time.
 - 4.5 In case that specific details are clearly stated in business plan or budget already approved by the Board of Directors, the Executive Board can take action as allowed by the Board of Directors' resolution.
5. For transactions with related persons which may be considered as related parties' transaction, the Executive Board has to propose to the Board of Directors for approval with presence of independent directors or the Audit Committee. Persons with conflict of interest shall not attend the meeting and do not vote, except for normal items with regular trade terms and conditions allowed by the Company's policy and criteria that are earlier approved. In addition, the Executive Board will have to strictly follow the SET's regulations on related parties' transactions.
6. The Executive Board may sub-assign the authority to the Chairman of the Executive Board, any executive or individual to take action on any one or several matters as it deems fit which, however, shall not be involved with an approval of an inter-related transaction, an issue which may be one with conflict of interests or a transaction in which the Executive Board is a party with vested interest under criteria defined by a regulatory authority unless such is an issue that is in line with the policy and criteria already approved by the Company's Board of Directors.

7. Takes action on various matters as assigned by the Company's Board or shareholders or as required by the laws or the Company's Articles of Association which includes screening various matters for submission to the Company's Board.

The Management Board

Members of the Management Board are:

No.	Name	Position
1	Mr. Suroj Lamsam	President and Chairman of the Management Board
2	Mr. Chalermchoke Lamsam	Managing Director
3	Mr. Supat Karachalkul	First Executive Vice President
4	Mr. Saknarong Saengsangapong	First Executive Vice President
5	Mr. Thongyai Chanthanawan	First Executive Vice President
6	Mr. Karn Thongyai	First Executive Vice President
7	Mr. Pattara Pojanapanich	Executive Vice President
8	Mr. Nimit Prasertsuk	Executive Vice President
9	Mr. Kittichai Raktakanit	Executive Vice President
10	Mr. Nattapon Dejvitak	Executive Vice President
11	Dr. Dawarit Tansuphasiri	Executive Vice President

Secretary to the Management Board is Mr. Bongkarn Jiraboonsri.

Scope of Authority and Responsibilities of the Management Board

1. To submit Business Plans, both long- and short-term, strategies, budgets and management structures of business units and work units under the jurisdiction of the Management Board which shall be in line with the Company's Vision, Mission and Sustainable Growth, to the Company's Executive Board and Board of Directors for their respective approval.
2. Conduct business operations and income-generating activities pursuant to the Company's policy and Business Plans that have been approved by the Board as well as controlling operating costs to ensure effective and efficient implementation of operations by taking into account risk management factors for business operations to ensure that they are maintained at appropriate levels, and carry out work as assigned by the Executive Board or the Board of Directors.
3. With the President's authorized signature, consider matters concerning recruitment, appointment, employment, transfer, discharge or job swab, suspension and termination as well as determining remuneration including expenses and facilities for employees from the levels of Assistant Vice President downwards.
4. With the power to approve procurement, participation in tenders, purchase of goods, execution of contracts or any juristic acts as well as undertaking the Company's various operations which are normal conduct of businesses or in relation to its normal course of operations pursuant to the Company's objectives, as follows:
 - 4.1 Participate in a tender for a project, execute any contract or juristic act in connection with the Company's businesses or in relation to the Company's normal course of business within a line not exceeding Baht 3,000 million for each project or each tender.
 - 4.2 Borrowing, lending, provision of guarantee or creating any binding obligations on the Company with any person or subsidiary, or associated company or other legal entities that are not banks or financial institutions including making investment, joint ventures, undertaking new business venture within a line not exceeding Baht 30 million each time. Compliance, however, shall be made pursuant to the Stock Exchange's rules governing acquisition and/or disposal of assets as well as relevant laws and shall also be reported to the Company's Board of Directors at its next meeting that follows.
 - 4.3 In case that specific details are clearly stated in business plan or budget already approved by the Board of Directors, the Management Board can take action as allowed by the Board of Directors' resolution.

5. For transactions with related persons which may be considered as related parties' transaction, the Management Board has to propose to the Executive Board for consideration prior to propose to the Board of Directors for approval with presence of independent directors or the Audit Committee. Persons with conflict of interest shall not attend the meeting and do not vote, except for normal items with regular trade terms and conditions allowed by the Company's policy and criteria that are earlier approved. In addition, the Executive Board will have to strictly follow the SET's regulations on related parties' transactions.

Management Authorization to the President

In reference to the Company's Board of Directors Meeting no.5/2559 held on 14 November 2016. The Board approved the President's scope of authority and responsibilities as follows:

1. Monitoring the performance of work units under the Management Board's jurisdiction to ensure their implementation pursuant to the requirements set by the Company's Board of Directors.
2. Conduct the operations and approve a variety of issues in the normal course of the Company's businesses to ensure uninterrupted continuity.
3. Duly authorized to look after, manage, undertake and carry out regular work in the normal course of business in the Company's interest and to ensure that they are in compliance with Company's Objectives and Charter as well as rules, resolutions, policies, plans and budgets that have been duly authorized or approved by the Company's Executive Board or Board of Directors or which have been assigned by either of them to be performed under the framework of the relevant laws.
4. With the power to approve procurement, participation in tenders, purchase of goods, execution of contracts or any juristic acts as well as undertaking the Company's various operations which are normal conduct of businesses or in relation to its normal course of operations pursuant to the Company's objectives, as follows:
 - 4.1 Participate in a tender for a project, execute any contract or juristic act in connection with the Company's businesses or in relation to the Company's normal course of business within a line not exceeding Baht 300 million for each project or each tender.
 - 4.2 In case that specific project details are clearly stated in business plan or budget already approved by the Board of Directors, the President can take action as allowed by the Board of Directors' resolution.
5. For transactions with related persons which may be considered as related parties' transaction, the President has to propose to the Executive Board prior to propose to the Board of Directors for approval with presence of independent directors or the Audit Committee and the persons with conflict of interest shall not attend the meeting and do not vote, except for normal items with regular trade terms and conditions allowed by the Company's policy and criteria that are earlier approved. In addition, the President will have to strictly follow the SET's regulations on related parties' transactions.

On this matter governing the normal signing of approval for various matters for the Company and its subsidiaries, the Company normally has a policy in place which sets out the scope of authority concerning the signing for approval of such matters which are in a form that will be decentralizing power by setting out the line and matters for which an executive at any specific level will be authorized to approve. Review, improvement and changes will also be made appropriately in accordance with the circumstances. As for other matters which are of material importance to the Company, the Company has prescribed that two directors signing jointly under affixment of the Company's seal will have the authority to act on its behalf.

The Audit Committee

The Audit Committee is an independent entity which will give its support to, and act in the name of, the Company's Board of Directors in order to review financial information to be submitted to shareholders and other relevant parties, review internal control system set up by management and the Company's Board and the internal audit procedure as well as communicating with the Company's auditor.

The Company has specified the qualifications of the Audit Committee in the Audit Committee Charter as follows:

1. Holds not more than 0.5% of the common shares from the Company, its parent company, subsidiaries, joint-ventures, juristic persons with possible conflicts of interests including his/her relatives' shareholding activities.

2. Does not or has not been a committee related to operation management, staff member, employee, permanent consultant, or administrative person of the Company, its parent company, subsidiaries, joint-ventures, partners, or juristic person with conflicts of interest for the past 2 years on the date of appointment.
3. Does not relate either by birth or marriage, e.g., father, mother, spouse, brother or sister, child, and child's spouse, of the Management, major shareholder, influential person, Management candidate, or influential person of the Company's subsidiaries.
4. Does not or has not related in business operations, e.g., regular business transactions, real-estate rental, asset service transaction, financial assistance, including related activities where debt payment transaction is required from 3% of the Company's net assets or Baht 20 million, whichever is less, with the Company, its parent company, subsidiaries, joint-ventures, or juristic person with possible conflict of interest affecting independent judgment, as well as not being a major shareholder, non-independent director, or management executive of the business related with the Company, its parent company, subsidiaries, joint-venture, or juristic person with possible conflicts of interest, for the past 2 years prior to the appointment.
5. Does not or has not been the Auditor of the Company, its parent company, subsidiaries, joint-venture, or juristic person with possible conflicts of interest, as well as not being a major shareholder, non-independent director, management executive, or shareholder of Auditing office where the Auditor of the Company, its parent company, subsidiaries, joint-venture, or juristic person with possible conflicts of interest, belongs to, for the past 2 years prior to the appointment.
6. Does not or has not provided professional services including legal advice or financial advice with annual fee of over Baht 2 million from the Company, its parent company, subsidiaries, joint-venture, or juristic person with possible conflicts of interest. However, in the case when such professional is a juristic person, it would include being a major shareholder, non-independent director, management executive or management share of such professional, for the past 2 years prior to the appointment.
7. Is not a Director appointed on behalf of the major shareholder or a shareholder related to the major shareholder of the Company.
8. Is not a Director delegated by the Board of Directors to make a decision on behalf of the Company, its parent company, subsidiaries, joint-venture, or juristic person with possible conflicts of interest.
9. In the case when an Independent Director is appointed as an Independent Director in the Company, its parent company, subsidiaries, he/she is required to disclose information related to such position including remuneration received in Form 56-1 and 56-2, accordingly.
10. Does not possess any other features that would affect independent opinion regarding Company's operations.

The Audit Committee of Loxley Public Company Limited consists of:

No.	Name	Position
1	Dr. Harit Sutabutr	Chairman of the Audit Committee
2	Mr. Charoon Chinalai	Audit Committee Member
3	Mr. Joti Bhokavanij*	Audit Committee Member

Remarks: * Mr. Joti Bhokavanij possesses accounting and finance experience.

Secretary to the Audit Committee is Mrs. Preeyanuch Paiboonsithiwong.

Scope of Authority and Responsibilities of the Audit Committee

1. The Audit Committee is responsible for the following functions specified by the Board of Directors:
 - 1.1 Verify the Company's financial reports
 - 1.2 Optimize the Company's Internal Control and Internal Audit processes properly and efficiently as well as verify the independence of the Internal Auditor including consideration of appointment, transfer, and dismiss the Internal Auditor or related agency responsible for Internal Audit
 - 1.3 Follow Securities and Exchange Regulations and Rules of the Stock Exchange of Thailand, Public Company Act, Accounting Act, or related laws
 - 1.4 Optimize the Company's financial risk management properly and effectively
 - 1.5 Nominate an independent candidate as an Internal Auditor as well as his/her salary including participation in auditor's meeting with the absence of the Management at least once a year

- 1.6 Verify all related transactions or transactions with possible conflicts of interests according to the law and Securities and Exchange regulations to ensure integrity for the Company's maximum benefit
- 1.7 Prepare the Audit Committee Report to be included in the Company's Annual Report and signed by the Audit Committee Chairperson with the following details:
 - 1.7.1 Opinion on integrity and confidence of the Company's Financial Report
 - 1.7.2 Opinion on the adequacy of the Company's Internal Control
 - 1.7.3 Opinion on the compliance to the Securities and Exchange regulations, Stock Exchange rules, or related business laws
 - 1.7.4 Opinion on the Auditor's qualification
 - 1.7.5 Opinion on the transactions with possible conflicts of interests
 - 1.7.6 Number of Audit Committee meetings and each Committee member's participation
 - 1.7.7 Opinion or suggestion of the Audit Committee by complying with the Charter
 - 1.7.8 Other transactions worth for the shareholders and general investors under the assigned roles and responsibilities from the Board of Directors
- 1.8 Perform additional assignment from the Board of Directors with an approval from the Audit Committee

On performing the activities specified in the first paragraph, the Audit Committee is directly accounted for the Board of Directors where the Board of Directors is accounted for the Company's operation to the public.

Whenever the Audit Committee's duties are changed, the Company shall prepare the change of duty policy and the updated member and duties of the Audit Committee set forth by the Stock Exchange to be submitted to the Stock Exchange by 3 days after such changes according to the Stock Exchange's guidelines on electronic reporting.

2. Should the Audit Committee find or suspect any of the following transactions or actions that would significantly affect the Company's financial status or operations, the Audit Committee shall report the Board of Directors in order to adjust such items accordingly on time:
 - 2.1 Errors or incomplete transaction record in Accounting or Financial Reports
 - 2.2 Improper or inefficient Internal Control and Internal Audit
 - 2.3 Inefficient financial risk management
 - 2.4 Transactions with conflict of interest
 - 2.5 Fraudulent or significant defects in Internal Control
 - 2.6 Breaching of Securities and Exchange Regulations, Stock Exchange rules or related laws

Should the Board of Directors or the Management does not correct such impairment specified in the first paragraph, an Audit Committee member may report such impairment to the Securities and Exchange Commission or the Stock Exchange directly.

The Nominating & Remuneration Committee

The Nominating & Remuneration Committee consists of:

No.	Name	Position
1	Mr. Charoon Chinalai	Chairman of the Nominating & Remuneration Committee
2	Mr. Dhongchai Lamsam	Member
3	Mr. Suebrakul Soonthornthum	Member
4	Mr. Suraphand Bhasitnirandr	Member

The Secretary of this Committee is Dr. Dawarit Tansuphasiri.

Scope of Authority and Responsibilities of the Nominating & Remuneration Committee

1. Searches for a suitable list of directors and senior executives from the positions of executive directors upwards from individuals inside or outside the Company.
2. Submits nominations of members of the Board of Directors and senior executives who have been short-listed as well proposing their remuneration and other fringe benefits for the approval by the Company's Board or shareholders.
3. Reviews the ratio, number and qualifications as well as performance evaluation guidelines for directors.
4. Conducts studies in order to make proposals for policies, criteria governing payment of remuneration as well as payment of remuneration and other fringe benefits for the Company's Board, members of other committee(s) or sub-committee(s) appointed by the Company's Board. Data for such studies will be compiled by work units in the Company's organization.
5. Takes other action as assigned by the Company's Board or the Chairman of the Board or pursuant to Rules of the Office of the Securities and Exchange Commission (SEC) or the Stock Exchange or other laws.

Selection Procedures of Directors and Sub-Committee Members

As far as search for the Company's Board of Directors, President and members of the Executive Board right through to members of the sub-committees is concerned, they will be first short-listed and selected from those already screened by the Nominating and Remuneration Committee and then submitted to the Company's Board of Directors and/or the shareholders meeting for further consideration. Action in this respect will be taken in line with the Company's policy and matters as suitable qualifications, adeptness and capabilities as well as ability to devote adequate time to the Company's operations will always be taken into consideration.

Appointment and removal of directors will be made by majority votes adopted by meeting(s) of shareholders in accordance with the following criteria and procedure:

1. One shareholder will have one vote for one share.
2. Each shareholder must cast all the votes he/she holds under (1) to select one or several person(s) as director(s) although they may not share out their votes in any more or less manner to any candidate.
3. Person(s) receiving the maximum number of votes in the respective order will be appointed as director(s) for the number of directors to be selected or appointed on that occasion. Where persons selected in the next sequence receive equal votes which exceed the number of director(s) to be selected or appointed on that occasion, the decisive vote shall be cast by the chairman of that meeting.

At each Annual Ordinary General Meeting, one-third members of the Board shall retire. The number of directors to retire if there is a fraction of this number shall be the nearest figure to this one-third.

Directors to retire in the first and second years after the Company's incorporation will be decided by lots. For subsequent years, however, director(s) with the longest term in office shall retire. However, those who retire at the end of their term may be re-elected.

A vacancy in the Board by reasons other than retirement at the end of the term will be filled at the next Board meeting by a qualified person selected by the Board who must not also be subjected to any restriction by law unless the remaining term of that director is less than two months. The replacing director will remain in his/her post only for the remaining term of the directors/he replaces.

The Board's resolution under paragraph one shall consist of not less than three-fourths of votes from the remaining directors.

Executive Remuneration

1) Remuneration:

- 1.1 Total remuneration for 19 members of the Company's Board of Directors was Baht 15,750,000. (constituting meeting allowances and remuneration*)
- 1.2 Total remuneration for the Audit Committee and Nominating & Remuneration Committee members was Baht 1,920,000. (constituting meeting allowances)
- 1.3 Total remuneration for 13 Executive Board members was Baht 50,700,000 (constituting salaries, performance pay, and other benefits).

Remarks * The 2016 Annual General Meeting of Shareholders approved payment of remuneration of Baht 16.50 million, used in actuality according to cycles of shareholders meetings of Baht 15.95 million (May'16 - Apr'17) which varies from the results of computation under the fiscal year accounting of Baht 15.75 million (Jan.'16 - Dec.'16) = Baht 200,000. Such remuneration, however, does not include payment of compensation and welfare paid to directors as employees or members of sub-committees in the Company's various working groups.

Details were as follows:

(Unit : Baht)

Name		Company's Directors	Remuneration	Audit Committee Members	Nominating & Remuneration Committee Members
1.	Mr. Pairote Lamsam	1,200,000	500,000	-	-
2.	Mr. Sukit Wanglee	600,000	300,000	-	-
3.	Mr. Dhongchai Lamsam	600,000	300,000	-	240,000
4.	Dr. Harit Sutabutr	600,000	300,000	360,000	-
5.	Mr. Sirin Nimmanahaeminda	-	200,000	-	-
6.	Dr. Supavud Saicheua	600,000	300,000	-	-
7.	Mr. Charoon Chinalai	600,000	300,000	240,000	360,000
8.	Mr. Joti Bhokavanij	600,000	300,000	240,000	-
9.	Dr. Anusorn Sangnimnuan	-	250,000	-	-
10.	General Vichit Yathip	600,000	-	-	-
11.	Professor Rawat Chamchalerm	400,000	-	-	-
12.	Mr. Suetrakul Soonthornthum	600,000	300,000	-	240,000
13.	Dr. Jingjai Hanchanlash	600,000	300,000	-	-
14.	Mr. Poomchai Lamsam	600,000	300,000	-	-
15.	Mr. Vasant Chatikavanij	600,000	300,000	-	-
16.	Mr. Suraphand Bhasitnirandr	600,000	300,000	-	240,000
17.	Dr. Sompop Chareonkul	600,000	300,000	-	-
18.	Mr. Suroj Lamsam	600,000	300,000	-	-
19.	Mr. Chalermchoke Lamsam	600,000	300,000	-	-
Total		10,600,000	5,150,000	840,000	1,080,000

2) Other Compensation

- None-

3) Provident Funds

To encourage savings for its employees and to ensure that they will be equipped with additional welfare measures in time of necessity and on their retirement, the Company and some of its subsidiaries have set up a Contributory Fund and a Provident Fund for permanent employees in which respect monthly contributions will be made by employees at the rate of 5% of their monthly salaries while the Company and its subsidiaries will also make their contributions towards such Contribution Funds and Provident Funds in accordance with rules/regulations set up by that particular company.

Corporate Governance

Fully recognizing its importance, it is the intention of Loxley Public Company Limited's Board of Directors to conduct its operations pursuant to the principles of Good Corporate Governance. It has, therefore, issued its policy pertaining to supervision and administration of work to be used by its executives and employees with adherence to the Stock Exchange of Thailand's Good Practice to help towards systematic and effective corporate reinforcement to enhance its competitive capacity which will give confidence to its shareholders and all relevant parties. In 2016, the Company carried out its work in line with the principles of Good Corporate Governance and made major achievements both in the areas of business operations and activities to create the Shared Value, as follows:

- Evaluation scores of 100% for its arrangements for the 2016 Annual Ordinary General Meeting.
- Evaluation scores at VERY GOOD level for its Corporate Governance in 2016.
- Received the 2016 Outstanding Award for Corporate Support for the Handicapped from the Ministry of Social Development and Human Security.
- Awarded the Shield of Honour for Excellent Corporate Work for Social Development in the category of company or business sector with excellent CSR performance.
- Awarded the Shield and Certificate as a business operator in the private sector which gave budgetary support for 2016 Projects for the Office of the Deputy Prime Minister, General Prajin Juntong on the issue of Disadvantaged Schools in each Region for a total of 14 schools.
- The Company, by L. Solar 1 Co. Ltd., won 2 major prizes for work in the area of renewable energy in "Thailand Energy Awards 2016" contest, arranged by the Ministry of Energy. They were Outstanding Award in the area of renewable energy under the category of Project of renewable energy which is connected to the electricity transmission line system for 2016: 8 MW Solar Power Plant Project and Outstanding Prize for Renewable Energy on: Adapted use of renewable energy project for 2016: cleaning devices for solar cell panels.

The Company has performed in line with all 5 sectors governing Good Corporate Governance, as follows:

1. Right of Shareholders

The Company resolved to call an Annual General Meeting of Shareholders for the Year 2016 on 28 April 2016 at Montien Riverside Hotel, Rama 3 Road, Bangkok, by notifying shareholders not less than 30 days prior to the meeting. The notice of the annual general meeting which clearly specifies information on agenda items together with the opinions of the Board of Directors shall be made available at the corporate website for the shareholders to prepare themselves in joining the meeting. In addition to all proxy forms and the information related to voting decision, the annual report is available for them in CD-ROM in both Thai and English versions, and in publishing material for those who request. In case of inquiry or additional information request, there is a help desk telephone number available.

The Company is aware of the shareholders' rights in terms of receiving adequate information and be able make the decisions of significant issues, based on the good corporate governance and to comply with laws as follows.

1. Fundamental Right of the Shareholders

- The right to receive a share certificate, to transfer share, and to be proposed adequate information in timely manner and in appropriate form before making a significant decision.
- The rights to vote and participate in the decision of important issues, which may affect the Company, for instance, the approval of the Board of Directors' remuneration.
- The rights to select or remove of the Board of Directors and approve the appointment of auditors.
- The rights to share profit/dividend.

2. The invitation letter of the Annual General Meeting which clearly specifies meeting venue, date, time, agenda, and matters to be proposed to the meeting shall be sent to the shareholders at least 21 days ahead of the meeting date. The information must also be announced in the newspaper for 3 consecutive days and at least 3 days prior to the meeting date.
3. In the Election of the individual Director, each shareholder shall have one vote on each share. The Company shall enclose the Brief Background of all candidates concerning their education, profession, role of the Director in other organizations, and stake holding.
4. In every shareholders' meeting, the Chairman, directors and relevant executives are responsible to attend the meeting in order to answer questions from the shareholders. Before commencement, the Chairman will declare to the shareholders how to exercise their right and vote in line with the agenda. During the meeting, the Chairman shall open the opportunity for every shareholder to express his/her opinion and recommendation, and inquire in each agenda, and shall give the sufficient time for discussion. The Chairman, the directors and the executives, and relevant Sub-Committees shall pay attention to every question and answer every question clearly and shall summarize each agenda by voting and counting the number of votes.
5. After the meeting, the resolution on this agenda item along with the minutes of the meeting shall be posted on the Company's website within 14 days after the meeting date.

2. Equitable Treatment of Shareholders

The Company realizes to protect and due care for the interests of all major and minor shareholders or institutional investors as fairly basis. The meeting is conducted to be in line with the agenda without any additional topic, if not necessary, from what have been expressed in the invitation letter. In addition, the Company provides the opportunity for shareholders to exercise the rights to propose agenda items, qualified nominees for election as directors and questions in advance during the period specified by the Company at least 3 months ahead of the Annual General Meeting date by publishing the procedure through the electronic system on SET's as well as the Company's website. The shareholders will receive adequate information equally and timely. In the meeting, voting cards are provided for each agenda, especially, the agenda of appointment of directors of which been appointed by individual and such significant agenda as the acquirement or dismissal of asset or connected transaction. For those who are not able to participate the meeting, proxy form shall be distributed to the shareholders who would like to appoint proxy while their votes are equal to the number of their shares. However, for those who have no idea about their proxy, the Company allows them to appoint proxy to one of the independent Directors, with stamp duty available for registration.

In additions to the abovementioned meeting, the Company also offers the equality of obtaining accurate and timely information of the Company by normally disclosing the information via the Stock Exchange of Thailand's system and then via other mass media in order to be in compliance with the rules, and the shareholders or investors including general people shall realize the information for making decisions regarding the investment.

Moreover, the Company shall prevent abuse of internal information for personal benefit which could exploit other shareholders. The Company's Management must disclose their own interest as well as their related persons in the Company's transactions and avoid any decision making on such transaction to ensure other executives can make decision based on the Company's benefits. Furthermore, legal measure is also applied, e.g., the Directors and the Management must report changes of personal assets to the Office of Securities and Exchange Commission according to section 59 of the Securities and Exchange Act 1992 on every sale, transfer, or acquisition of the Company's assets within 3 days after the transaction date, etc.

Furthermore, the Company prohibits the executives or units from disclosing the inside information to outsiders or persons who do not have relevant duties and must maintain the important and undisclosed information as confidential, and must not purchase and sell the Company's securities within 1 month before the disclosure of quarterly and yearly financial statement to the public. Finally, the Company also identifies the rule to prohibit each director and employee from using their duties and authorities or opportunity of working to seek the benefit for themselves or others. If any one violates this rule, he/she shall obtain the disciplinary punishment immediately.

3. Role of Stakeholders

The Company always realizes the importance to the corporate governance that is aligned with the responsibility to all stakeholders (CSR), i.e. shareholders, employees of the Company, customers, competitors, suppliers/creditors, communities, societies and environment. By being aware of their rights based on the appropriate consideration, the Company has set policy and activities to respond the stakeholders' needs as follows.

Responsibility to Shareholders

- The Company shall respect shareholders' rights and treat shareholders equally.
- All Committees is responsible for ensuring that the Company is well managed and becomes a quality and strong organization that creates sustainable growth and returns to shareholders in the long run.
- The Board of Directors and management shall perform their duties at their best capacity and with the integrity and carefulness that business operators shall perform under the same situation.
- The Company has to accurately report its status and operating performance.
- The Company is open to receive recommendations useful for management and administration improvement that will create added-value to the Company. Such information and recommendations are treated as confidential and passed directly to the Board of Directors.

Responsibility to Employees and Executives

- Provide fair and proper compensation in line with the labor market environment, knowledge, ability, responsibility, and performance of each person, together with the Company's performance in each year.
- Improve and provide good employee benefits that match well with the Company's positioning, cost of living and other benefits as deemed appropriate, including travel insurance for employees who have to perform their duty out of office, medical allowance, provision of doctor and nurse at infirmary located at the Company's office, financial assistance to employees in case of death of a family member, provident fund, annual health check-up, provision of drinks, fitness area, sales of special-priced consumer goods from Loxley Trading Company Limited twice a months, etc.
- Ensure workplace safety, hygiene and convenience to support employees' performance, including 24-hour security guard service, regular maintenance of infrastructure, monthly insecticide spray, basic fire extinguishing training, fire drill and earthquake drill for employees at the headquarters and branch offices.
- Treat employees fairly and value their development, knowledge, and competency transfer through extensive and regular opportunities given to them, particularly promoting new young executives.
- Promote accessibility for internal communication in order to keep employees posted on both internal and external current news through "CONNECT", a company's periodical, and intranet system for two-way communication, enabling employees to post their views.
- Build up the morals and spirits for employees who have discharged their work with excellence or who are good examples to other employees throughout the Company with the use of various media inside the Company such as praising a security personnel for his honesty in discharging his duties by returning lost property to a customer or security personnel who helped customers out of a dangerous situation, etc.
- Provide a channel for complaints to reduce or eliminate problems that may affect employee's morale by clearly specifying scope and process of complaint making, investigation, consideration and complainant and related persons protection. Such information has been communicated to employees in the "Work Rule Manual" that is distributed to all new employees.
- Encourage and support staff clubs and corporate social responsibility activities that are beneficial to employees, communities and the society.
- Distribute the "Work Rule Manual" to every employee. The manual is designed to give employees good understanding and awareness of their benefits and responsibilities in order to ensure discipline and good practice as a team. The manual is prepared in print version and also published on the Company's Intranet system to which all employees can have easy access anytime and from anywhere.

Responsibility to Customers and General Public

- Fix the proper prices for products and services based on their quality and market needs.
- Fairly determine trade conditions and business negotiation in line with the trade with general individual.
- Procure and provide services based on trade conditions with high responsibility.
- Disclose thorough information on product and service in accuracy.
- Pay attention to the views and comments of all customers and third parties in a fair manner for product and service improvement.
- Treat customers' confidential information as ours by refraining from seeking undue benefits for oneself and related parties by exploiting customers' information.

Responsibility to Business Partners and creditors

- Refrain from deliberately specifying a certain product or tending to do so by stressing on a certain product, unless there is a rational backup reason. Inform customers on the change of product or its unique qualification. In case of re-proposing the price, the bidder who propose the unused price deserves a right to take this opportunity as well.
- Select a fair bidder who is truly focusing on proposing price. Do not attempt to gather bidders just to meet the requirement, but to provide fair bidding while thoroughly providing information details and conditions in written paper with no exception.
- Stringently observe contracts, agreements, and conditions given to creditors. If conditions cannot be observed, negotiate with business partners well in advance to jointly find remedies and prevent damage.

Responsibility to Business Competitors

- Comply with the rules of fair competition and treat business competitors fairly while refraining from defaming business competitors through slander.
- Emphasize on competing towards product and service quality by taking the optimum customer satisfaction into account.

Responsibility to Community, Society, and Environment

- Establish an organization directly responsible for corporate social responsibility activities with policy to focus on projects and activities that improve quality of life and environment of the surrounding community. Such activities also include continuous support for sports training for the disabled.
- Support eco-friendly business operations by giving importance to increasing selection of eco-friendly products and services such as setting up alternative energy business group comprising electricity businesses, pollution-free electric buses and so forth.
- Encourage executives and employees to effectively optimize the Company's assets and natural resources, such as implementing the power automatic system that automatically turn off electricity in some parts of the office during lunch break, turning off air-conditioning system of the entire building 10 minutes before the end of work hours, reduction of elevators during off-peak hours, etc.
- Formulating policy and practice guideline related to copyright, such as ensuring all employees to install computer program detecting the use of illegal software, activate firewall system detecting accessing improper websites, etc.
- Formulating policies with respect to human rights by encouraging its personnel to respect human rights and basic freedom of individuals with adherence to international human rights rules as well as not giving support to activities which are in contravention of the law and international human right principles.

4. Disclosure and Transparency

In response to SET's policy, the Company has strong determination to reveal accurate complete, consistent and transparent information, both financial and general information that related to Company's business. Such information is disclosed to shareholders, investors and any related parties via the following channels.

1. Disclose corporate information through Company's website (www.loxley.co.th) as one of the channels for those who are interested in corporate business anywhere and anytime. The Company's website is now under the updating process.

2. The Company shall assign the Securities Division to disclose significant information regarding the Company, including importance transactions, performance, financial reports (by quarterly and yearly), and other information as stipulated by SEC and SET.
3. Apart from the financial statements, the Company shall further report accurately and timely on the responsibilities of the Board of Directors for the financial statements, which appear together with the report of the independent auditors, and the Management Discussion and Analysis (MD&A) in the annual report(Form 56-1), in accordance with stipulation of SEC and SET.
4. The Company shall disclose structure, roles and responsibilities of the Board as well as the number of meetings and that of attendances of the Board and each Committee in 2016.
5. The Company shall disclose the Directors and Management's Remunerations of 2016 that reflect their duties and responsibilities individually: Policy of Directors' Remuneration has been set to be comparable to the general practice in same industry.
6. The Company assigned the President, high-level executives, Strategic Investment and Investor Relations Department to be responsible for investor relations activities and communicate with investors to ensure they receive the correct and clear information. Investors can contact the Investor Relations at the Company's head office or at phone number 0-2348-8141, or the Company's website or email boonlertj@loxley.co.th.

Apart from the information disclosure required by law and other related parties, the Company has established Investor Relations (IR) unit to communicate with shareholders, investors, analysts, press, and other relevant parties to make sure that every party has a similar understanding towards the disclosed information especially in terms of the correctness of operating performance and the progress of projects on hand. In addition, a meeting with the Company's management is held as appropriate so that some enquiries regarding to the Company can be clarified to the public. These activities are essential channels that all relevant parties can used to get connected with the Company directly and clearly. The Company can also collect the opinions and the suggestions from public to improve its operating performance as well as other services provided. Through time, the management has supported IR unit well and consistently.

In 2016, IR unit consistently participated in various activities to present the Company's business plan, operating performance, as well as other important financial information. The activities in 2016 included Opportunity Day, quarterly performance presentations both through the meetings and the company's website, analyst meeting, domestic roadshow to meet with the investors, brokers and the analysts from both Thailand and overseas countries, publications about the operating performance, and information disclosure to the analysts. The analysts gathered and analyzed the information to support the investors' decision to invest.

In 2017, IR unit has a plan to reinforce a good relationship between every relevant external party and the Company. The unit will use the received opinions from shareholders, investors, and analysts to continuously improve the Company's operation and its service especially in terms of quality of the disclosed information which has to be correct, fair, and consistent.

In addition to disclosure of financial information and operating performance, the Company ensures the appropriate disclosure of report on changes to the portfolio of its Directors, executives and Company Secretary as follows:

No.	Name	Number of Shares		Number of Shares Increased (Decreased)	Percentage of Shareholding (%)	Warrants (units)	
		31 Dec 2015	31 Dec 2016			31 Dec 2015	31 Dec 2016
1	Mr. Pairote Lamsam spouse and underage children	37,368,481 -	37,368,481 -	- -	1.65 -	444,862 -	444,862 -
2	Mr. Sukit Wanglee spouse and underage children	4,892,832 -	4,892,832 -	- -	0.22 -	- -	- -
3	Mr. Dhongchai Lamsam spouse and underage children	26,732,044 1,168,513	26,732,044 1,168,513	- -	1.18 0.05	318,238 13,910	318,238 13,910
4	Dr. Harit Sutabutr spouse and underage children	55,125 -	55,125 -	- -	0.002 -	656 -	656 -
5	Dr. Supavud Saicheua spouse and underage children	- -	- -	- -	- -	- -	- -
6	Mr. Charoon Chinalai spouse and underage children	- -	- -	- -	- -	- -	- -
7	Mr. Joti Bhokavanij spouse and underage children	- -	- -	- -	- -	- -	- -
8	Gen. Vichit Yathip spouse and underage children	- -	- -	- -	- -	- -	- -
9	Professor Rawat Chamchalem* spouse and underage children	- -	- -	- -	- -	- -	- -
10	Mr. Suebrakul Soonthornthum spouse and underage children	- -	- -	- -	- -	- -	- -
11	Dr. Jingjai Hanchanlash spouse and underage children	630,000 2,621,850	630,000 2,621,850	- -	0.03 0.12	7,500 31,212	7,500 31,212
12	Mr. Poomchai Lamsam spouse and underage children	1,050,000 58,012	1,050,000 58,012	- -	0.05 0.002	12,500 690	12,500 690
13	Mr. Vasant Chatikavanij spouse and underage children	2,242,478 -	2,242,478 -	- -	0.10 -	23,123 -	23,123 -
14	Mr. Suraphand Bhasitnirandr spouse and underage children	- -	- -	- -	- -	- -	- -
15	Dr. Sompop Chareonkul spouse and underage children	840,000 -	720,000 -	(120,000) -	0.03 -	10,000 -	10,000 -
16	Mr. Suroj Lamsam spouse and underage children	1,670,707 -	1,670,707 -	- -	0.07 -	19,889 -	19,889 -
17	Mr. Chalermchoke Lamsam spouse and underage children	9,876,688 3,920,437	9,876,688 3,920,437	- -	0.44 0.17	117,579 46,671	117,579 46,671
18	Mr. Supat Karachalkul spouse and underage children	- -	- -	- -	- -	- -	- -
19	Mrs. Kosoom Sinphurmsukskul spouse and underage children	- 5,250	- 5,250	- -	- 0.000	- 62	- 62

No.	Name	Number of Shares		Number of Shares Increased (Decreased)	Percentage of Shareholding (%)	Warrants (units)	
		31 Dec 2015	31 Dec 2016			31 Dec 2015	31 Dec 2016
20	Mr. Saknarong Saengsangapong	-	-	-	-	-	-
	spouse and underage children	-	-	-	-	-	-
21	Mr. Thongyai Chanthanawan	-	-	-	-	-	-
	spouse and underage children	-	-	-	-	-	-
22	Mr. Karn Thongyai	-	-	-	-	-	-
	spouse and underage children	5,000	5,000	-	0.000	-	-
23	Mr. Natavoot Chitasombat	-	-	-	-	-	-
	spouse and underage children	-	-	-	-	-	-
24	Mr. Pichai Mooputtarak	21,000	21,000	-	0.001	250	250
	spouse and underage children	25,200	25,200	-	0.001	300	-

Remarks: * Professor Rawat Chamchalerm was appointed to be Independent Director on 28 April 2016. The number of shares and warrants disclosed and hold by him, his spouse and underage children shown during the period of his term only.

5. Board Responsibilities

Corporate governance principles are defined as a process under which there is a structure and an internal managing mechanism connecting relationship between the board, the management, employees and shareholders, particularly reflecting governing principles in multiples areas toward the Board responsibilities to deliver transparency, integrity, and efficiency as listed in the following areas:

5.1 Structure of the Board of Directors

The Board of Directors has a total of 17 members, consisting of 8 executive directors, 9 non-executive directors, and 6 of non-executive directors are independent directors, some are in the audit committee.

The Board of Directors comprises directors who have knowledge and expertise in different fields that fit well with the Company's nature of business, including engineering/science (5 directors), accounting/finance (5 directors), economics/management (3 directors) and administration/laws (4 directors). All directors have the desired qualities and do not have legally prohibited qualifications according to the Public Company Limited Act B.E. 2535 and the Securities and Stock Exchange Act B.E. 2535.

The independent directors and those from outside the company are ready to take part in setting out the Company goals, carry out all the management and strategic policies, appoint the Board, and deliver an effective resource utilization plan. They must hinder all actions which, by other directors or managements, may cause conflicts affecting the equity of all stockholders. Therefore, for best benefit of the shareholders and to strike a balance of power within the Company, the Board of Directors is totally aware of such concern while freely perform as the representative of shareholders, not endlessly enabling power to any particular individual or parties.

The Company has set the roles of independent directors stronger than the notification of SEC and SET, with an objective to provide them true independence.

The Company has clearly segregated positions, responsibility and authority. The Chairman of the Board is not the same person as the President and is not an employee or executive of the Company. The Chairman of the Board acts as Chairman of the Company. The President acts as the head of the executives. Specific executive director is assigned to oversee finance, accounting and investment. The Chairman of the Board shall not hold position in any committee. The scope responsibility of

the Board of Directors and Committees, such as the Audit Committee and the Nominating and Remuneration Committee, are clearly and separately specified. The chairman of each committee is independent director in order to maintain independence of the committee. Committee members retain independence in expressing opinions towards the Company's operations to ensure efficiency, accuracy and transparency. The Board of Directors is responsible for formulating policy, strategy, meeting and protection of shareholders' right. The Executive Board is responsible for daily operations and operational performance and ensuring that the Company's goal is met.

5.2 Sub Committee

To achieve the ultimate corporate objectives, the committee should have specific skill that suitable for the Company business, vision, and help the Board for consideration in significant matters for best benefit of the Company. Nowadays, with clear separate roles and responsibilities, the Sub Committee includes the Executive Board which, in 2017, was divided into 2 committees - the Executive Board and Management Board, Audit Committees, Nominating and Remuneration Committee. (More details regarding the roles and responsibilities in Management Section).

5.3 Roles, Duties and Responsibilities of Committee

The Company has realized the importance of its Board of Directors' performance with responsibilities and honesty. Therefore, the Corporate Governance policy guideline has been delivered to the Board to help them manage their operation as expected by the Corporate Committee and by law. The guideline includes vital information related to the business operations, which will be updated periodically. The Corporate Governance Policy has also been updated for the new executives by the company secretary to remind them on their roles and responsibilities. The Corporate Board of Directors and other committees have played the important role to lead the team and have responsibilities based on hierarchy while having a full right to raise their opinions towards Company's vision, strategies, business plans and budget. The Company has publicized a manual book called "Business Ethics" as a mutual guideline. This is to ensure that all employees will continue their duty with honesty, integrity, and morality not only to the Company, but also to all stakeholders and other related parties. The Company frequently communicates with the employees and monitors their behaviors in order to ensure that they strictly comply with such policy.

Besides, the Board has set the policy regarding the prevention of plausible conflicts of interest. In case that it is inevitable to do so, the business principles shall be complied as normal basis as treating the third parties. In case of failure to do so, the Company shall follow the procedures of approval for related items, which the stakeholders in this case shall not be allowed to vote.

The Board of Directors involved and agreed on set out the Company's Governance principles for the executive boards as well as management with effective internal control system which allows frequently measurable process. When the unusual situation occurs, the deep investigation process shall be conducted prior to the prompt solutions. The internal control system is considered a key of business management in terms of lowering risks, cultivating growth, and achieving business targets. In addition, it aids in protecting corporate assets as well as shareholders' investment fund.

5.4 Board of Directors' Meeting

The Board of Directors' Meeting schedules have been set ahead yearly, unless an additional unscheduled agenda has been called on by the Chairman of the Board of Directors or an appropriate number of the Board Committee to fulfill the requirement of the Company. The meeting shall be conducted with transparency as well as adequate time for raising significant issues and question answering. The meeting schedule will be sent to each director by the Company Secretary for preparation and arrangement for meeting participation. After the meeting, the written meeting document shall be prepared and filed neatly for audit purposes by quarterly basis. Other Sub Committee meetings have been set separately, as mentioned earlier.

The Company allows independent and non-executive directors to hold meetings to discuss administrative issues and problems without presence of the management.

When significant issues are raised in the Audit Committee meeting, the committee's secretary shall prepare a written report of such cases and inform the Board of Directors and President after the meeting.

5.5 Self-Evaluation of Directors

The Company assigns the Nominating and Remuneration Committee conduct an evaluation of the entire board to enable them to review problems and obstacles occurred during the past year. Evaluation results are used to improve and develop performance of directors according to the guidelines recommended by the SET.

The evaluation divided into 6 topics: 1) Structure and qualifications of directors, 2) roles, duties and responsibilities of the board of directors, 3) meeting of the board of directors, 4) performance of the directors, 5) relationship with the management, and 6) self-development of the directors and development of executives. The result of self-evaluation of the board of directors was approximately 92.4%.

The board of directors also determined evaluation on the president to compare work performance according to the guidelines recommended by the SET; the result was approximately 94.6%. The board of directors have assigned the chairman of the board to report the result to the president and the board of directors.

5.6 Directorship

The Company disclosed information about Directorship of individual director in the Information of Company Executives Section. In case a director holds position in other company, a director shall ensure that such position does not obstruct his/her ability to perform duty as the Company's Director.

5.7 Development of Directors and Management

The Company will provide Directors the effective and quality development programs to uphold up-to-date views towards competitive business management through periodical seminars, trainings, conferences, and brainstorming activities. All these development activities have been led by renowned specialists in numerous fields. In addition to the development of management skills, the Company supports the increase of business ethics and self-personalities of the directors through multiple trainings in the field, all of which shall be disclosed in the Corporate Governance Report of the Human Resources Department.

Being part of the promoting programs, all new executives or management should be qualified by attending and passing such mentioned programs to ensure their capabilities. Each program is designated in accordance with the level of position and shall be disclosed in the Corporate Governance Report for the Board of Directors' meeting.

In 2016, Mr. Saknarong Saengsangapong, member of the Executive Board attended the development and training course which is the Executive Program in Energy Literacy for a Sustainable Future, Thailand Energy Academy.

5.8 Remuneration

The Nominating and Remuneration Committee is responsible for considering director remuneration and present to the Board of Directors and shareholders' meeting approval. The Nominating and Remuneration Committee shall compare the Company's remuneration against other business in the same industry and ensure that the remuneration is not unnecessary high but attractive enough to attract and maintain quality directors. Remunerations for the directors are unveiled in the annual report as required by the Securities and Exchange Commission.

5.9 Company Secretary

The Company appointed a Company Secretary in accordance with the Section 89/15 in the Securities and Exchange Act (No. 4) B.E. 2551. The Company Secretary shall prepare and keep the Company's significant document as required by law and is responsible for ensuring that the Board of Directors and Executives activities fully comply with the legal framework.

Role and responsibility of the Company Secretary is clearly stated in the Company's Corporate Governance Policy and in other related document announced by the Capital Market Committee.

Anti-Corruption

The Company is well aware that corruption damages the fair competition and affect development of economic and society. Therefore, the resolution of the meeting of the board of directors no. 1/2015 held on 2 March 2015 approves to pass an anticorruption guideline and practice for employees in written form together with existing corporate governance and business code of conduct. The anticorruption policy has been disseminated in the Company's website. In 2016, the Company's executives participated in the seminar on **"Measures from the Business Sector to Counter Corruption and Bribery"** arranged by the Office of the National Counter Corruption Commission which suggested that legal entities in the private sector prepare **"measures of appropriate internal control to prevent bribery being offered to state officials"** and have them declared effective and in force in their companies to let every employee know and collaborate in work by not giving or accepting bribes. The Company is now in the process of preparing such measures to ensure that they are adequate and appropriate in practice.

In executing transactions with the public sector, the Company signed the "Integrity Pact of Cooperation on Counter-Corruption in the State's Procurement of Works/Supplies" to ensure transparency and fairness. Since 2015, the Company participated in activities to promote the "Building of a Good Ethical Person" for the sake of the Nation, Religion and Monarchy at Wat Dhepsirin Dharavas in conjunction with various work units and networks on a continuous basis. Personnel are expected to be able to use the knowledge and understanding they have gained by their participation in these activities, with relevant adaptations, in their daily lives, work and a creative society.

Complaint receiving

The Company opens opportunities for the general public to file a complaint in case an inappropriate action of the Directors, Management and employees or the actions that are breaches of Code of Conduct or other issues that may cause damage to the Company or the Board of Directors. Complaints and clues can be reported through independent directors or the Audit Committee via the following channel:

The Secretary to the Audit Committee
Loxley Public Company Limited
102 Na Ranong Road, Khlong Toey, Khlong Toey, Bangkok 10110
Or email: ac@loxley.co.th

The Company shall consider all requests and complaints and take appropriate action in equitable, transparent and justly to all related parties within the appropriate timeframe, and keep the information as confidential to protect the complainant. The independent directors or Audit Committee will investigate and directly report to the Board of Directors.

Internal Information Management

The Company has established a policy to avoid the use of internal information by Directors for self interest such as legal stock trading. The company has encouraged the Board of Directors to report asset movements to SEC and SET within 3 days from the transaction or transfer date, according to the Securities and Exchange Act B.E. 2535. Besides, any departments or Directors who are notified of internal information should not disclose to other parties and any individuals who are not involved with this matter. The significant information shall be treated confidentially and circulated merely in the associated group of Executive Board. In the period of 1 month prior to the publicly disclosure of quarterly financial report and annual report, both direct and indirect proposing for corporate stock trading or even the intention to do so should be completely prohibited. This is to ensure the consistent and appropriate compliance with existent internal control as well as strengthen the confidence of management and stakeholders. The Company organized that good internal control allows the Company to notice irregularity and gives early warning for possible risks of inappropriate behavior as well as set penalties for those who avoid doing so.

Personnel

The Company has never had any labor argument for the past 3 years. As at 31 December 2016, it had 837 permanent staff, and 70 contract staff, divided by groups as follows:

Segment	Total (Personnel)
ICT Group	56
Technology Business Group	220
Project Business Group	176
Trading Business Group	182
Joint Venture Business Group	13
Service Business Group	25
Office of the President	81
Finance Group	79
Human Resources and Administration Group	63
Internal Audit Department	7
Corporate Communication Department	5
Total Employees	907

Total Personnel Remuneration of Company staff from January to December 2016 in form of salaries, wages, overtime, and bonus was Baht 579 million.

Loxley's Staff Welfare and Benefits

The Company by Human Resources Department has provided staff welfare and benefits in various forms such as:

- Provident fund for long term saving after retirement or a separation from the Company
- Emergency loan to staffs who face with emergency difficulties
- Long service recognition to those who has been working with the Company for more than 10 years
- Company products at discount price
- Loxley also encourages good health and build good relationships among staffs and family through many activities of Loxley Staff Club.

Policies on Human Resources Development

Plans for personnel development in their career path had been set by the Company for potential successors of corporate positions in the future. Moreover, it gives advice in its position as an active business ally to help formulate strategic plans for implementation of the Company's Vision and Mission. It is the Department's duty, therefore, to act as the Change Agent in the face of digitalization and innovations today to link external factors up with existing human resources management at the same time which, indeed, would not be limited to looking within at internal factors alone. Thus, the Department must conduct its work with professionalism in order to get its personnel ready to step forward and enable the organization to stride forth into the future with confidence and strength.

From the policy to build Corporate Culture imbued with the right spirit and core value, which is one of human resources management strategies and in line with HR Philosophy, the Company is intent in helping employees achieve Happiness, Success, Security and Wealth in the course of their employ by emphasizing the 4 Concepts, as follows:

1. Acquiring Happiness.
2. Reinforcing the Inner Self and Building up Team Workmanship.
3. Building up Efficient Employees.
4. Building up the Future.

1. Acquiring happiness: in order to achieve increased love and loyalty for the organization and to promote work in contentment, the Department has conducted an Engagement Survey so as to collate information from the work force for analysis and further adjustment in order to gain an insight into their points of view as much as possible and to further formulate corporate development plans. Moreover, activities were arranged to promote internal communications and employee-relations activities in a variety of forms for increased personnel participation and good relationships amongst them.

2. Reinforcing the Inner Self and Building up Team Workmanship: to ensure recruitment and employment of qualified and capable personnel who fit in with the Corporate Culture, the Department has screened students from top-tier educational institutions and from the technical/vocational line particularly technicians to participate in a bipartisan project in which they will receive training and then accepted for employment with the company. Moreover, there are HR Visits to various departments for discussion sessions to find ways and formulate plans for care and development of employees to ensure that they stay with the organization for a long time in contentment and efficiency.

3. Building up efficient employees: with emphasis on development of training and continuous learning and on creating leaders in various lines of work, particularly executives at the elementary, intermediate and upper levels. Averaged training provided in 2016 came to 10 hours per person per annum. Major courses of training arranged by the Department for its executives and employees were as follows:

- Executive Development Program: to reinforce leadership in executives from the levels of vice president such as the Higher Certificate course on Politics and Government in the Democratic System, from King Prajadhipok's Institute and a course for the Certificate on Thai and ASEAN Community in the Global Eco-Politics World, etc.
- Advance Team Quality Management (Advance TQM): to enhance management skills for executives at the levels of senior managers to assistant vice president.
- Leadership Development Program #1: development of coaching skills with 18 modules for managers and senior managers to reinforce their coaching skills for the benefit of their teams in enhancing their skills and performance.
- Project Management Program: with efficiency which provides training at several levels such as fundamental, managerial and executives handled by speakers from PMP Thailand.
- HR for non-HR program: for heads of work units or managers of each work line, with emphasis on getting participants to understand the philosophy and method of managing and developing human resources in an organization, to learn modern techniques and directions for development of human resources as well being able to apply what they had learnt for appropriate use in management of personnel under their jurisdiction.
- Professional Supervisor Skills Program: for elementary executives to build up their skills for team management. This program is arranged for employees at supervisory levels.
- etc. -

4. Building up the Future: in order to prepare for development of personnel with the potential to be promoted as successors in various positions in the future, selections were made by HR and plans formulated in conjunction with various Business Units to develop Young Talents and Successors in an objective manner.

Moreover, the application of technology to help support HR work cannot be ignored, as it will enhance and expedite work for greater efficiency, shorten steps and can be thus considered a tool to increase efficiency and productivity. HR has, therefore, replaced its existing system with HRIS system under the Coach Brand which created the One Database, Less Paper system. It also brought in the Dashboard HR system to enhance data analytics for the benefit of formulation of HR strategic plans in the Department's management works.

For 2017, policies were formulated and plans set out aggressively in response to the 4 Concepts and to reinforce corporate capacities, be they through selection of quality personnel via the appointed Interviewing Committee, recruitment of bright and good students into its Management Trainee Program, adjusting the initial rates of remuneration in line with the new minimum wages published so as to be competitive and serve as an inducement. Moreover, emphasis is given to continuing personnel development particularly in preparing Individual Development Plans for the Talents or qualified and capable employees. These plans must be made in line with the remunerative structures and various evaluation systems.

As for the 2017 HRIS system, starting with the Coach System - Phase 2 : performance evaluation will be developed for greater efficiency and in keeping with the Company's policy to use a remunerative system in the form of Variable Bonus based on the Performance-based Pay for increased effectiveness and efficiency geared towards achievement of targets. Thus, entry into HR Disruptions with the use of various technologies for systems improvement is one of the plans set to meet future changes which would, indeed, be in line with the government's policy for Thailand to enter into its 4.0 phase with the need to adjust itself to timely meet the changing currents of the world in the future.

Occupational Safety, Health, and Working Environment

Loxley has complied to all rules and regulations in regards to occupational safety, health, and working environment in order to maintain a healthy working condition to all staffs. We request our directors, executives, and staff to participate in various activities to create awareness and understanding in occupational safety, health, and working environment.

Performance follow-up/monitor

We state that it is a duty and responsibility of all directors, executives, and staffs to be aware, understand, and follow all procedures on these issues. During 2016, we have conducted many activities relevant to safety and occupational health such as

- Annual medical health check to all staffs
- Improve working environment physically
- Improve working environment in relations to toxic and hazardous
- Annual building check and get a certificate on building electricity
- Annual fire evacuation drill and training on basic fire fighter
- Staff training on occupational safety, health, and working environment

In 2016, there were 2 cases of work-related accidents reported without materialization of any walk-outs or work-related casualties.

Information of Company Executives

1. Mr. Pairote Lamsam Chairman	Age (years) 83 Since 1 April 1993	
Education/Training	- B.A. (Commerce) University of Manchester, England - Director Accreditation Program 17/2004, Thai Institute of Directors Association	
Expertise	Management	
Listed Companies (2)	1993-present 2000-present	Chairman, Loxley Plc / Technology and trading business Advisor to the Board, Kasikorn Bank Plc / Banking Service
Non-Listed Companies/ Other Business (11)	<u>Direct Subsidiaries (3)</u> 2010-present 1995-present 1989-present	- Director, Loxley Joint and Hold Co., Ltd. / Holding company - Chairman, Loxley Trading Co., Ltd. / Sale of consumer products - Chairman, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services
	<u>Direct Associates (3)</u> 1995-present 1995-present 1991-present	- Director, NS BlueScope (Thailand) Limited / Manufacture and sale of cold rolled steel - Director, NS BlueScope Lysaght (Thailand) Limited / Manufacture and sale of steel roofing - Director, BP-Castrol (Thailand) Limited / Sale of Castrol and BP lubricant
	<u>Other (5)</u> 1990-present 1981-present 1972-present 1969-present 1960-present	- Chairman, Ekpavee Co., Ltd. / Holding company - Director, Loxley International Co., Ltd. / Provide maintenance services for computer, communication systems and project consultant - Director, Zin Suapah Co., Ltd. / Parking Service - Chairman, Siam Sanitary Ware Co., Ltd. / Sale of sanitary wares - Managing Director, Lamsam Estate Co., Ltd. / Holding company
Work Experience for the Past 5 years	-	
Shareholding of Loxley	- Own: 37,368,481 shares or 1.65% - Spouse or Underage Children: None	Loxley-W: 444,862 units Loxley-W: None
Family Relationship among Executives	Brother of Mr. Dhongchai Lamsam and Mr. Poomchai Lamsam, Brother-in-Law of Dr. Jingjai Hanchanlash, Uncle of Mr. Vasant Chatikavaniij, Mr. Suroj Lamsam, and Mr. Chalermchoke Lamsam	
2. Mr. Sukit Wanglee Vice Chairman	Age (years) 86 Since 1 April 1993	
Education/Training	- Mechanical Engineering, Leicester College, England - Director Accreditation Program 12/2004, Thai Institute of Directors Association	
Expertise	Management and Engineering	
Listed Companies (3)	2010-present 2003-present 1993-present	- Chairman, Thai Metal Drum Manufacturing Plc / Producer and supplier of steel drum containers - Chairman, Rojana Industrial Park Plc / Property development - Vice Chairman, Loxley Plc / Technology and trading business
Non-Listed Companies/ Other Business (3)	1996-present 1990-present 1984-present	- Chairman, Poonphol Co., Ltd. / Holding company and trader of agricultural products - Director, Ekpavee Co., Ltd. / Holding company - Director, Siam Sanitary Ware Co., Ltd. / Sale of sanitary ware
Work Experience for the Past 5 years	-	
Shareholding in Loxley	- Own: 4,892,832 shares or 0.22% - Spouse or Underage Children None	Loxley-W: None Loxley-W: None
Family Relationship among Executives	None	

3. Mr. Dhongchai Lamsam	Age (years) 70	
- Director	- Since 1 April 1993	
- Chairman of the Executive Board	- Since 1 January 2017	
- Nominating & Remuneration Committee Member	- Since 14 November 2003	
Education/Training	- Honorary PhD Degree, Business Administration, Kasem Bundit University - Bachelor of Science (Honors), Chemical Technology, Chulalongkorn University - M.Sc. Industrial Engineering Illinois Institute of Technology, U.S.A. - Advanced Management Program, Harvard Business School, U.S.A. - Director Accreditation Program 12/2004, Thai Institute of Directors Association	
Expertise	Management and Science	
Listed Companies (1)	2017-present	- Chairman of the Executive Board, Loxley Plc / Technology and trading business
	2003-present	- Nominating & Remuneration Committee, Loxley Plc / Technology and trading business
Non-Listed Companies/ Other Business (17)	<u>Direct Subsidiaries (8)</u>	
	2012-present	- Chairman, L Food Solutions Co., Ltd. / Food service
	2010-present	- Director, Loxley Joint and Hold Co., Ltd. / Holding Company
	2006-present	- Chairman, ASM Security Management Co., Ltd. / Security service
	2006-present	- Director, Loxley Global Co., Ltd. / Holding Company
	2001-present	- Chairman, Loxley Wireless Plc / Sale and service of telecommunication and information technology systems
	1995-present	- Chairman, Data Mining Co., Ltd. / Service of information technology equipment and computer systems
	1989-present	- Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services
	1977-present	- Director, Loxley Trading Co., Ltd. / Sale of consumer products
	<u>Direct Associates (3)</u>	
	2003-present	- Director, Loxley GTECH Technology Co., Ltd. / Sale and service of information technology and online lottery sale system
	1996-present	- Director, Thai Fiber Optics Co., Ltd. / Manufacture of fiber optic
	1989-present	- Director, NS BlueScope (Thailand) Limited / Manufacture and sale of cold rolled steel
	<u>Indirect Associates (1)</u>	
	1994-present	- Director, BP-Castrol (Thailand) limited / Sale of Castrol and BP lubricant
	<u>Others (5)</u>	
	2005-present	- Director, L-TAG Technologies Co., Ltd. / Sale of construction materials and installation service of waste water treatment system and other sanitation
	1990-present	- Managing Director, Ekpavee Co., Ltd. / Holding Company
	1981-present	- Managing Director, Loxley International Co., Ltd. / Maintenance services for computer, communication systems and project consultant
	1972-present	- Director, Zin Suapah Co., Ltd. / Parking service
	1960-present	- Director, Lamsam Estate Co., Ltd. / Holding Company
Work Experience for the Past 5 years	2000-2016	- Director, Law Enforcement Technology Solutions Co., Ltd. / Design and installation services of security systems
	1993-2016	- President, Loxley Plc / Technology and trading business
Shareholding in Loxley	- Own: 26,732,044 shares or 1.18%	Loxley-W: 318,238 units
	- Spouse or Underage Children: 1,168,513 shares or 0.05%	Loxley-W: 13,910 units
Family Relationship among Executives	Brother of Mr. Pairote Lamsam and Mr. Poomchai Lamsam, Brother-in-law of Dr. Jingjai Hanchanlash, Cousin of Mrs. Kosoom Sinphurmsukskul, Uncle of Mr. Vasant Chatikavanij and Mr. Suroj Lamsam, Father of Mr. Chalermchoke Lamsam	

4. Dr. Harit Sutabutr - Independent Director - Chairman of the Audit Committee	Age (years) 80 Since 1 April 1993 Since 14 December 2008
Education/Training	- Ph.D. Mechanical Engineering, University of California, Berkeley - Director Accreditation Program 16/2004, Thai Institute of Directors Association
Expertise	Management and Engineering
Listed Companies (1)	1993-present - Independent Director, Loxley Plc / Technology and trading business 2008-present - Chairman of the Audit Committee, Loxley Plc / Technology and trading business
Non-Listed Companies/ Other Business (2)	2002-present - Senior Adviser to the President, National Science and Technology Development Agency / Government entity 1998-present - Vice Chairman of the University Council King Mongkut's University Technology Thonburi / University Council
Work Experience for the Past 5 years	-
Shareholding in Loxley	- Own: 55,125 shares or 0.002% Loxley-W: 656 Units - Spouse or Underage Children: None Loxley-W: None
Family Relationship among Executives	None

5. Dr. Supavud Saicheua Independent Director	Age (years) 60 Since 28 February 2007
Education/Training	- Ph.D. in Economics, University of Hawaii at Manoa, U.S.A. - M.A. in Economics, University of the Philippines (Diliman), Philippines - B.A. in Economics, Victoria University of Wellington, New Zealand - Director Accreditation Program 36/2005, Thai Institute of Directors Association
Expertise	Economics
Listed Companies (2)	2007-present - Independent Director, Loxley Plc / Technology and trading business 2005-present - Executive Director, Managing Director (Head of Research) Pattra Securities Plc / Securities services
Non-Listed Companies/ Other Business (5)	2017 - Expert Member of Investment Committee Government Pension Fund / Independent entity under the supervision of Ministry of Finance 2013-2016 - Special Expert, Thailand Creative Economy Agency / Government entity 2012-2016 - Advisor of Investment Committee Government Pension Fund / Independent entity under the supervision of Ministry of Finance 2006 - present - Sub-Committee, The National Economic and Social Development Board (NESDB) / Government entity 2006 - present - Trustee, Kenan Institute Asia / Non-Profit organization
Work Experience for the Past 5 years	2011 - 2014 - Commission Member, Office of the Police Commission / Government entity 2011 - 2013 - Committee, Strategic Committee for Reconstruction and Future Development / Government entity 2008 - 2011 - Investment Expert of Investment Committee Government Pension Fund / Independent entity under the supervision of Ministry of Finance
Shareholding in Loxley	- Own: None Loxley-W: None - Spouse or Underage Children: None Loxley-W: None
Family Relationship among Executives	None

6. Mr. Charoon Chinalai	Age (years) 78
- Independent Director	- Since 1 April 1993
- Audit Committee Member	- Since 27 December 2001
- Chairman of Nominating & Remuneration Committee	- Since 29 February 2012
Education/Training	- Civil Engineering, King's College London University, England - Director Accreditation Program 12/2004, Thai Institute of Directors Association
Expertise	Engineering
Listed Companies (1)	2012-present - Chairman of Nominating & Remuneration Committee, Loxley Plc / Technology and trading business 2001-present - Audit Committee, Loxley Plc / Technology and trading business 1993-present - Independent Director, Loxley Plc / Technology and trading business
Non-Listed Companies/ Other Business (2)	2002-present - Independent Director, NS BlueScope Lysaght (Thailand) Limited / Manufacture and sale of steel roofing 1992-present - Director, Parinda Plc. / Quarry concession and stone mill factory
Work Experience for the Past 5 years	1980-2016 - Director, Coffral-Thai Co., Ltd. / Construction equipment rental service 1980-2016 - Director, EkThana Engineering Co., Ltd. / Rental of construction equipment
Shareholding in Loxley	- Own: None Loxley-W: None - Spouse or Underage Children: None Loxley-W: None
Family Relationship among Executives	None

7. Mr. Joti Bhokavanij	Age (years) 74
- Independent Director	- Since 30 April 2012
- Audit Committee Member	- Since 20 June 2012
Education/Training	- Fellow of the Association of Chartered Certified Accountants, England - Programme for Management Development, Harvard Business School, U.S.A. - Marketing Management Programme, Stanford University, Graduated School of Business, U.S.A. - Director Accreditation Program (DAP), Thai Institute of Directors Association - Chairman 2000, Thai Institute of Directors Association - Director Certification Program (DCP), Thai Institute of Directors Association - IOD National Director Conference 2012-Moving Corporate Governance Forward: Challenge for Thai Directors, Thai Institute of Directors Association - Monitoring the Quality of Financial Reporting (MFR), Thai Institute of Directors Association - Successful Formulation & Execution of Strategy (SFE), Thai Institute of Directors Association - How to Measure the Success of Corporate Strategy (HMS), Thai Institute of Directors Association - Monitoring Fraud Risk Management (MFM) - Monitoring the Internal Audit Function (MIA) - Monitoring the system of Internal Control and Risk Management (MIR)
Expertise	Accounting
Listed Companies (5)	2013-present - Chairman, Bangkok Ranch Plc / Provide product from duck meat 2013-present - Independent Director and Audit Committee Member, Siam Makro Plc / Wholesale business 2012-present - Independent Director and Audit Committee Member, Loxley Plc / Technology and trading business 1999-present - Independent Director, Member of the Audit Committee, Member of the Finance Committee and Member of the Compensation and Nominating Committee, True Corporation Plc / Information and communication services

Non-Listed Companies/ Other Business (4)	2009-present	- Director, Thai Smart Card Co., Ltd. / Additional service to financial institutions
	2002-present	- Director, Bangkok Inter Teletech Plc. / Holding Company
	2002-present	- Director, True Move Co., Ltd. / Mobile phone operator and distributor
	1999-present	- Director, Kingfisher Holdings Limited / Frozen seafood business
Work Experience for the Past 5 years	-	
Shareholding in Loxley	- Own: None	Loxley-W: None
	- Spouse or Underage Children: None	Loxley-W: None
Family Relationship among Executives	None	

8. General Vichit Yathip Independent Director	Age (years) 70 Since 17 December 2015	
Education/Training	<ul style="list-style-type: none"> - Master of Public Administration, Bangkokthonburi University - Command and General Staff College Class 60 - B.A., Chulachomklao Royal Military Academy Class 20 - Armed Forces Academies Preparatory School Class 9 - Director Certification Program 105/2008, Thai Institute of Directors Association - National Defence Program, Joint Public Private Sectors, Class 9, the National Defence College - Modern Management Class 1, the National Defence College - Top Management Program, Class 7/2008, Capital Market Academy - Politics and Government in Democratic Systems for Executive class 12, King Prajadhipok's Institute - Top Executive Program in Commerce and Trade class 3, Commerce Academy (TEPCoT3) - Advanced Political and Electoral Development Program (APED II), Political and Electoral Development Institute, Office of the Election Commission of Thailand - Advanced Security Management Program Class 3 - Bhumipalung Phandin for Executive Class 1 - OIC Advanced Insurance Program Class 2 - Thammasat Leadership Program (TLP) Class 3 - Executive Program for Management Development (Mahanakorn 4) 	
Expertise	Political Science	
Listed Companies (5)	2015-present	- Independent Director, Loxley Plc / Technology and trading business
	2014-present	- Independent Director and Chairman of the Audit Committee, Three Sixty Five Plc / Public relations and advertising services
	2013-present	- Independent Director and Member of the Audit Committee, Bangkok Airways Plc / Airline, airport services
	2012-present	- Chairman of the Board, Nippon Pack (Thailand) Plc. / Manufacture and sale of flexible plastic packaging
	2010-present	- Independent Director and Member of the Audit Committee, Vanachai Group Plc / Manufacture of wood - based panels
Non-Listed Companies/ Other Business (5)	2015-present	- President, Thailand-Cambodia Friendship Association
	Present	- Chairman of Advisor Tipco Group
	Present	- Graduate Vice President, Nakhon Phanom University Council
	Present	- Director, Thai-Chinese Culture and Economy Association
	2010-present	- Director, Singstanyerpao Co., Ltd.
Work Experience for the Past 5 years	2014-2016	- Independent Director, MC Group Plc / Retailing business of apparels and Lifestyle
	2014-2015	- Member of National Reform Council
	2008-2011	- Chairman, MWA Board of Directors
Shareholding in Loxley	- Own: None	Loxley-W: None
	- Spouse or Underage Children: None	Loxley-W: None
Family Relationship among Executives	None	

9. Professor Rawat Chamchalerm Independent Director	Age (years) 72 Since 28 April 2016	
Education/Training	<ul style="list-style-type: none"> - Master Degree of Laws, Chulalongkorn University - Bachelor of Laws, Thammasat University - Barrister at Law, Thai Bar Association - Director Certification Program/2008, Thai Institute of Directors Association - Director Accreditation Program/2004, Thai Institute of Directors Association - SMART GO/2004, Thai Institute of Directors Association 	
Expertise	Law	
Listed Companies (4)	2016-present	- Independent Director, Loxley Plc / Technology and trading business
	2011-present	- Independent Director, Serm Suk Plc / Beverage manufacturer and distributor of both soft drinks and non-carbonated soft drinks
	2010-present	- Chairman of the Board, Sino-Thai Engineering and Construction Plc. / Engineering and construction
	2010-present	- Independent Director, True Corporation Plc. / IT and communication business
Non-Listed Companies/ Other Business (16)	Present	- Vice Chairman, Don Muang Tollway Plc.
	Present	- Adjunct Professor, Faculty of Law, Chulalongkorn University
	Present	- Adjunct Professor, Institute of Legal Education, Thai Bar Association
	Present	- Adjunct Professor, Master Degree, Mahidol University
	Present	- Adjunct Professor, Doctoral, Bangkokthonburi University
	Present	- Adjunct Professor, Faculty of Law, Mae Fah Luang University
	Present	- Lecturer in Justice Affairs, The Ministry of Justice
	Present	- Lecturer in Department of Special Investigation, The Ministry of Justice
	Present	- Lecturer in Administration Development, The Ministry of Interior of Thailand
	2004-present	- Special Lecturer, Office of the Attorney General, Ministry of Interior of Thailand
	2004-present	- Advisor, Athletic Association of Thailand Patron : His Majesty the King
	2004-present	- Expert Member in Law Special Committee in the Council of State
	2002-present	- Director, Thai National Food Commission
	2001-present	- Board of Directors on Disclosure of Information
	2001-present	- Board, Office of the Council of State
	1995-present	- Director, National Olympic Committee of Thailand
Work Experience for the Past 5 years	2007-2015	- Vice Chairman, Nakhonluang Leasing Factoring Plc.
	2002-2014	- Expert Member of the Special Investigation Board, Department of Special Investigation
	2002-2014	- Director, the Office of Board of Royal Thai Police
	2002-2006	- Chairman and Independent Director, MCOT Plc. / Multi-media businesses
	2003-2005	- Director, Krung Thai Bank Plc. / Banking Business
	2003-2005	- Legal Counsel, Thai Airways International Plc. / Transportation & Logistics
	2003-2004	- Attorney, General Office of the Attorney General
Shareholding in Loxley	- Own: None	Loxley-W: None
	- Spouse or Underage Children: None	Loxley-W: None
Family Relationship among Executives	None	

10. Mr. Suebrakul Soonthornthum	Age (years) 74 ๖๓																										
- Director	- Since 1 April 1993																										
- Vice Chairman of the Executive Board	- Since 1 January 2017																										
- Nominating & Remuneration Committee Member	- Since 14 November 2003																										
Education/Training	- MBIM, Hon.Dlitt : Curtin University, Australia - PMD. Harvard University, Graduate School of Business Administration - U.S.A. - National Defense College - Thailand - Director Accreditation Program 17/2004, Thai Institute of Directors Association																										
Expertise	Accounting and Management																										
Listed Companies (5)	<table> <tr> <td>2017-present</td> <td>- Vice Chairman of the Executive Board, Loxley Plc. / Technology and trading business</td> </tr> <tr> <td>2016-present</td> <td>- Chairman of the Audit Committee, Phatra Leasing Plc. / Provide professional car leasing management and administration for juristic persons</td> </tr> <tr> <td>2004-present</td> <td>- Director, United Overseas Bank (Thai) Plc / Banking service</td> </tr> <tr> <td>2003-present</td> <td>- Nominating & Remuneration Committee, Loxley Plc. / Technology and trading business</td> </tr> <tr> <td>2000-present</td> <td>- Chairman, Muang Thai Real Estate Plc / Real estate business</td> </tr> <tr> <td>1996-present</td> <td>- Independent Director, Vanachai Group Plc / Creates quality wood-based panels to substitute natural wood</td> </tr> </table>	2017-present	- Vice Chairman of the Executive Board, Loxley Plc. / Technology and trading business	2016-present	- Chairman of the Audit Committee, Phatra Leasing Plc. / Provide professional car leasing management and administration for juristic persons	2004-present	- Director, United Overseas Bank (Thai) Plc / Banking service	2003-present	- Nominating & Remuneration Committee, Loxley Plc. / Technology and trading business	2000-present	- Chairman, Muang Thai Real Estate Plc / Real estate business	1996-present	- Independent Director, Vanachai Group Plc / Creates quality wood-based panels to substitute natural wood														
2017-present	- Vice Chairman of the Executive Board, Loxley Plc. / Technology and trading business																										
2016-present	- Chairman of the Audit Committee, Phatra Leasing Plc. / Provide professional car leasing management and administration for juristic persons																										
2004-present	- Director, United Overseas Bank (Thai) Plc / Banking service																										
2003-present	- Nominating & Remuneration Committee, Loxley Plc. / Technology and trading business																										
2000-present	- Chairman, Muang Thai Real Estate Plc / Real estate business																										
1996-present	- Independent Director, Vanachai Group Plc / Creates quality wood-based panels to substitute natural wood																										
Non-Listed Companies/ Other Business (13)	<p><u>Direct Subsidiaries (5)</u></p> <table> <tr> <td>2010-present</td> <td>- Director, Loxley Joint and Hold Co., Ltd. / Holding company</td> </tr> <tr> <td>2006-present</td> <td>- Director, ASM Security Management Co., Ltd. / Security service</td> </tr> <tr> <td>2004-present</td> <td>- Director, Data Mining Co., Ltd. / Service of information technology equipment and computer systems</td> </tr> <tr> <td>1994-present</td> <td>- Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services</td> </tr> <tr> <td>1977-present</td> <td>- Director, Loxley Trading Co., Ltd. / Sale of consumer products</td> </tr> </table> <p><u>Direct Associates (5)</u></p> <table> <tr> <td>2013-present</td> <td>- Director, BlueScope Buildings (Thailand) Limited / Provide pre-engineered building solution</td> </tr> <tr> <td>1999-present</td> <td>- Director, BP-Castrol (Thailand) Limited / Sale of Castrol and BP lubricant</td> </tr> <tr> <td>1992-present</td> <td>- Chairman, Foseco (Thailand) Limited / Manufacture and sale of chemicals for metal casting</td> </tr> <tr> <td>1987-present</td> <td>- Director, NS BlueScope (Thailand) Limited / Manufacture and sale of cold rolled steel</td> </tr> <tr> <td>1987-present</td> <td>- Director, NS BlueScope Lysaght (Thailand) Limited / Manufacture and sale of steel roofing</td> </tr> </table> <p><u>Other (3)</u></p> <table> <tr> <td>1990-present</td> <td>- Director, Ekpavee Co., Ltd. / Holding company</td> </tr> <tr> <td>1987-present</td> <td>- Independent Director, Muang Thai Life Assurance Plc. / Life insurance business</td> </tr> <tr> <td>1972-present</td> <td>- Director, Zin Suapah Co., Ltd. / Parking Service</td> </tr> </table>	2010-present	- Director, Loxley Joint and Hold Co., Ltd. / Holding company	2006-present	- Director, ASM Security Management Co., Ltd. / Security service	2004-present	- Director, Data Mining Co., Ltd. / Service of information technology equipment and computer systems	1994-present	- Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services	1977-present	- Director, Loxley Trading Co., Ltd. / Sale of consumer products	2013-present	- Director, BlueScope Buildings (Thailand) Limited / Provide pre-engineered building solution	1999-present	- Director, BP-Castrol (Thailand) Limited / Sale of Castrol and BP lubricant	1992-present	- Chairman, Foseco (Thailand) Limited / Manufacture and sale of chemicals for metal casting	1987-present	- Director, NS BlueScope (Thailand) Limited / Manufacture and sale of cold rolled steel	1987-present	- Director, NS BlueScope Lysaght (Thailand) Limited / Manufacture and sale of steel roofing	1990-present	- Director, Ekpavee Co., Ltd. / Holding company	1987-present	- Independent Director, Muang Thai Life Assurance Plc. / Life insurance business	1972-present	- Director, Zin Suapah Co., Ltd. / Parking Service
2010-present	- Director, Loxley Joint and Hold Co., Ltd. / Holding company																										
2006-present	- Director, ASM Security Management Co., Ltd. / Security service																										
2004-present	- Director, Data Mining Co., Ltd. / Service of information technology equipment and computer systems																										
1994-present	- Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services																										
1977-present	- Director, Loxley Trading Co., Ltd. / Sale of consumer products																										
2013-present	- Director, BlueScope Buildings (Thailand) Limited / Provide pre-engineered building solution																										
1999-present	- Director, BP-Castrol (Thailand) Limited / Sale of Castrol and BP lubricant																										
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1990-present	- Director, Ekpavee Co., Ltd. / Holding company																										
1987-present	- Independent Director, Muang Thai Life Assurance Plc. / Life insurance business																										
1972-present	- Director, Zin Suapah Co., Ltd. / Parking Service																										
Work Experience for the Past 5 years	<table> <tr> <td>1993-2016</td> <td>- Senior Executive Vice President, Loxley Plc. / Technology and trading business</td> </tr> <tr> <td>2006-2016</td> <td>- Director, Loxley Global Co., Ltd. / Holding company</td> </tr> <tr> <td>2003-2016</td> <td>- Director, Loxley GTECH Technology Co., Ltd. / Sale and service of information technology and online lottery sale system</td> </tr> </table>	1993-2016	- Senior Executive Vice President, Loxley Plc. / Technology and trading business	2006-2016	- Director, Loxley Global Co., Ltd. / Holding company	2003-2016	- Director, Loxley GTECH Technology Co., Ltd. / Sale and service of information technology and online lottery sale system																				
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2003-2016	- Director, Loxley GTECH Technology Co., Ltd. / Sale and service of information technology and online lottery sale system																										
Shareholding in Loxley	- Own: None - Spouse or Underage Children: None																										
	Loxley-W: None Loxley-W: None																										
Family Relationship among Executives	None																										

11. Dr. Jingjai Hanchanlash		Age (years) 74
- Director		- Since 1 January 2014
- Vice Chairman of the Executive Board		- Since 1 January 2017
Education/Training		- Doctoral d'University de CAEN, France - Certificate in Project Analysis, University of Connecticut, U.S.A. - Certificate in Mid-Career Management Training, University of Western Ontario, Canada - Director Accreditation Program 1/2003, Thai Institute of Directors Association - Audit Committee Program 19/2007, Thai Institute of Directors Association
Expertise		Law
Listed Companies (5)	2017-present 2015-present 2014-present 2001-present 2000-present	- Vice Chairman of the Executive Board, Loxley Plc. / Technology and trading business - Independent Director, Thai Wah Plc / Manufacture and distribute various products - Vice Chairman, Muang Thai Insurance Plc. / Insurance business - Board Member, Asian Phytoceuticals Plc. / Manufacture of dietary supplements, cosmetics and personal care products developed from natural plant and botanical extracts - Independent Director, Laguna Resorts & Hotel Plc. / Hotel operations
Non-Listed Companies/ Other Business (13)	<u>Direct Subsidiaries (2)</u> 2016-present 2016-present <u>Others (11)</u> 2014-present 2009-present 2007-present 2005-present 2004-present 1997-present 1996-present 1996-present 1996-present 1996-present present	- Director, Societe Commerciale Lao / Trading in Loas - Director, Loxley Simulation Technology Co., Ltd. / Virtual learning services - Director of the Executive Board, King Prajadhipok Institute / Government Entity - Expert Director Member, The Thailand Research Fund (TRF) / Government Entity - Director, Office of the Public Sector Development Commission / Government Entity (Ministry of Foreign Affairs of The Kingdom of Thailand) - Member of the Council, King Prajadhipok Institute / Government Entity - Member, Saranrom Institute of Foreign Affairs Foundation - Board Member, SPIE Oil & GAS Service (Thailand) Ltd. / Oil & Gas exploration & production - Member, Chumbhot-Pantip Foundation Council / Foundation - President, Alliance Francaise / Association - Honorary Consul, Honorary Consulate of Jamaica to Thailand / Consulate - Vice Chairman, The Thai Chamber of Commerce and Board of Trade of Thailand - Board, Jenlak Vie Consulting / Consulting Business
Work Experience for the Past 5 years		-
Shareholding in Loxley	- Own: 630,000 shares or 0.03% - Spouse or Underage Children: 2,621,850 shares or 0.12%	Loxley-W: 7,500 units Loxley-W: 31,212 units
Family Relationship among Executives	Brother-in-Law of Mr. Pairote Lamsam, Mr. Dhongchai Lamsam and Mr. Poomchai Lamsam, Uncle-in-law of Mr. Vasant Chatikavanij, Mr. Suroj Lamsam and Mr. Chalermchoke Lamsam	
12. Mr. Poomchai Lamsam		Age (years) 68
Director		Since 1 April 1993
Education/Training		- B.A. Political Science, (1973) University of Colorado, U.S.A. - Strayer College, U.S.A. - Trent College, England - Saint Gabriel, Thailand - Director Accreditation Program 28/2004, Thai Institute of Directors Association
Expertise		Management
Listed Companies (3)	2010-present 1993-present 1987-present	- Advisor Muang Thai Insurance Plc. / Insurance business - Director Loxley Plc. / Technology and Trading business - Vice Chairman Phatra Leasing Plc. / Car Leasing management and administration for juristic persons
Non-Listed Companies/ Other Business (3)	2010-present 2010-present 1988-present	- Director and Advisor, Muang Thai Life Assurance Plc. / Life insurance business - Director, Muangthai Holding Co., Ltd. / Holding Company - Director, Muangthai Real Estate Plc. / Real Estate business

Work Experience for the Past 5 years	-
Shareholding in Loxley	- Own: 1,050,000 shares or 0.05% Loxley-W: 12,500 units - Spouse or Underage Children: 58,012 shares or 0.002% Loxley-W: 690 units
Family Relationship among Executives	Brother of Mr. Pairote Lamsam and Mr. Dhongchai Lamsam, Brother-in-law of Dr. Jingjai Hanchanlash, Uncle of Mr. Vasant Chatikavanij, Mr. Suroj Lamsam, and Mr. Chalermchoke Lamsam

13. Mr. Vasant Chatikavanij	Age (years) 60
- Director	- Since 1 April 1993
- Vice Chairman of the Executive Board	- Since 1 January 2017
Education/Training	- M.S. Chemical Engineering, Lehigh University, U.S.A. - B.S.E. Chemical Engineering, Princeton University, U.S.A. - Director Accreditation Program 12/2004, Thai Institute of Directors Association
Expertise	Engineering and Management
Listed Companies (1)	2017-present - Vice Chairman of the Executive Board, Loxley Plc. / Technology and trading business
Non-Listed Companies/ Other Business (12)	<u>Direct Subsidiaries (4)</u> 2011-present - Chairman, Loxley Mobile Co., Ltd. / Sale and service of various prepaid electronics cash card 2007-present - Director, Loxley Wireless Plc. / Sale and service of telecommunication and information technology systems 1999-present - Chairman, Loxley Orbit Plc. / Software solution provider 1995-present - Director, Data Mining Co., Ltd. / Service of information technology equipment and computer systems <u>Indirect Subsidiaries (2)</u> 2016-present - Director, LWSN Co., Ltd. / Telecommunication, IT systems and submarine cable network services 2016-present - Director, LWTN Co., Ltd. / Telecommunication, IT systems and fiber optic network services <u>Indirect Joint Ventures (1)</u> 2012-present - Director, Loxley & AIT Holding Co., Ltd. / Regional Information and Communication Technology (ICT) Network Provider <u>Direct Associates (1)</u> 2007-present - Director, Mobile Innovation Co., Ltd. / Service of real time vehicles tracking management system <u>Other (4)</u> 2016-Present - Director, Loxley Simulation Technology Co., Ltd. / Virtual simulation solutions and services 2009-present - Director, Muangthai Asset Co., Ltd. / Holding Company 1990-present - Director, Ekpavee Co., Ltd. / Holding Company 1981-present - Director, Loxley International Co., Ltd. / Maintenance services for computer, communication systems and project consultant
Work Experience for the Past 5 years	2006-2016 - Chairman, NetONE Network Solution Co., Ltd. / Sale and service of IT systems 1993-2016 - Senior Executive Vice President, Loxley Plc. / Technology and Trading Business 1993-2016 - Chairman, LOXBIT Plc. / Trading of telecommunication equipment, computers and computer programs 1989-2016 - Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services 2008-2014 - Director, Ecartstudio Co., Ltd. / Develop and offer software consultation
Shareholding in Loxley	- Own: 2,242,478 shares or 0.10% Loxley-W: 23,123 units - Spouse or Underage Children: None Loxley-W: None
Family Relationship among Executives	Nephew of Mr. Pairote Lamsam, Mr. Dhongchai Lamsam, Mr. Poomchai Lamsam and Dr. Jingjai Hanchanlash, Cousin of Mr. Suroj Lamsam and Mr. Chalermchoke Lamsam

14. Mr. Suraphand Bhasitnirandr	Age (years) 65
- Director	- Since 1 February 1999
- Vice Chairman of the Executive Board	- Since 1 January 2017
- Nominating & Remuneration Committee Member	- Since 14 November 2003
Education/Training	- Master Degree in Business Administration, University of West Los Angeles, U.S.A. - Bachelor Degree in Accountancy (Honours), Chulalongkorn University - Director Accreditation Program 12/2004, Thai Institute of Directors Association - Certificate Politics and Government in Democratic Systems for Executives Course, King Pradjadhipok's Institute 10/2006 - Certificate Capital Market Academy Leader Program, Capital Market Academy 5/2007 - Certificate Top Executive Program in Commerce and Trade (TEPCoT 5), University of the Thai Chamber of Commerce 5/2012
Expertise	Accountancy and Business Management
Listed Companies (1)	2017-present - Vice Chairman of the Executive Board, Loxley Plc. / Technology and Trading business 2003-present - Nominating & Remuneration Committee, Loxley Plc. / Technology and Trading business
Non-Listed Companies/ Other Business (16)	<u>Direct Subsidiaries (7)</u> 2015-present - Director, L Food Solutions Co., Ltd. / Food service 2012-present - Chairman, Loxley Intertrade (Guangzhou) Co., Ltd. / Trading in the People's Republic of China 2012-present - Chairman, L Green Solution Co., Ltd. / Provide alternative energy 2011-present - Director, SCL Co., Ltd. / Trading in Lao People's Democratic Republic 2008-present - Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services 2007-present - Director, Loxley Trading Co., Ltd. / Sale of consumer products 2005-present - Chairman, L-Elevator and Engineering Co., Ltd. / Sale and Installation of elevators and escalators <u>Direct Joint Ventures (1)</u> 2014-present - Chairman, Car Convenie Co., Ltd./ Provide quick car body and paint repair and sell franchise of "Car Con" car body and paint repair workshops <u>Direct Associates (2)</u> 2015-present - Chairman, Parts Zone (Thailand) Co., Ltd./ Trading in automotive parts and equipment 2013-present - Director, BlueScope Buildings (Thailand) Limited / Provide pre-engineering building solution <u>Indirect Joint Venture (1)</u> 2016-present - Director, Loxtrade Specialty Innovation Co., Ltd. / Manufacture and distribute supplementary foods <u>Other (5)</u> 2015-present - Vice Chairman, Thai National Shipper's Council 2014-present - Chairman, Solana Marketing Co., Ltd./ Provide services on Event Organizing; eg. Concerts, Sport Games 2012-present - Chairman, Mainstay Property Solutions & Security Services Co., Ltd./ Provide security service, general cleaning service and pest control 2012-present - Director, Nakhon Prathom Rajabhat University / Government educational institution 2012-present - Director, L-TAG Technologies Co., Ltd./ Sale of construction materials and installation service of waste water treatment system and other sanitation
Work Experience for the Past 5 years	2008-2016 - Senior Executive Vice President, Loxley Plc. / Technology and Trading Business 1999-2007 - Executive Vice President, Loxley Plc. / Technology and Trading Business
Shareholding in Loxley	- Own: None Loxley-W: None - Spouse or Underage Children: None Loxley-W: None
Family Relationship among Executives	None

15. Dr. Sompop Chareonkul	Age (years) 68
- Director	- Since 15 May 2001
- Vice Chairman of the Executive Board	- Since 1 January 2017
Education/Training	<ul style="list-style-type: none"> - B Commerce (1st Class Honours), Chulalongkorn University - MBA, (Marketing), University of Wisconsin-Madison, U.S.A. - M.S. (Business Administration), University of Wisconsin- Madison, U.S.A. C225 - Ph.D. (Business Madison, U.S.A Administration), University of Wisconsin- Madison, U.S.A. - National Defense College (4212) - Director Accreditation Program 15/2004, Thai Institute of Directors Association - Advanced Security Management Program, National Defense College Association of Thailand - Top Executive Program in Commerce and Trade: TEPCoT 4 (Commerce Academy) - Poompalungpandin Program (RIAL I), Chulalongkorn University - Advanced Political and Electoral Development Program APED IV, Political and Electoral Development Institute, Office of The Election Commission of Thailand - The 3rd Metropolis Development Programmer for Top Executive (the Meropolis 3) - Thammasat Leadership Program (TLP VII)
Expertise	Commerce and Business Management
Listed Companies (1)	2017-present - Vice Chairman of the Executive Board, Loxley Plc. / Technology and Trading business
Non-Listed Companies/ Other Business (4)	<u>Subsidiaries (2)</u> 2008-present - Chairman of the Executive Board, ASM Security Management Co., Ltd. / Security service 2007-present - Director, Loxley Trading Co., Ltd. / Sale of consumer products <u>Direct Joint Ventures (1)</u> 2013-present - Chairman, LS Technology Solutions Co., Ltd. / Operate the security technology solutions in Asian region <u>Other (1)</u> 2008-present - Chairman of the Executive Board, Law Enforcement Technology Solutions Co., Ltd. / Design and installation services of security systems
Work Experience for the Past 5 years	2001-2016 - Senior Executive Vice President, Loxley Plc. / Technology and Trading business 2008-2015 - Director, Postique Co., Ltd. / Advertising and film services 1998-2015 - Executive Director, Oriental Post Co., Ltd. / Advertising series post production service
Shareholding in Loxley	- Own: 720,000 shares or 0.03% Loxley-W: 10,000 units - Spouse or Underage Children: None Loxley-W: None
Family Relationship among Executives	None

16. Mr. Suroj Lamsam	Age (years) 50	
- Director	- Since 27 April 2004	
- President	- Since 1 January 2017	
Education/Training	- MM. Sasin Graduate Institute of Business Administration of Chulalongkorn University - MA., Communications, New York University, New York U.S.A. - BA., Marketing and Consumer Studies, Syracuse University, Syracuse New York - Graduate Diploma in Management of Public Economy, King Prajadhipok's Institute - Director Accreditation Program 40/2005, Thai Institute of Directors Association	
Expertise	Management	
Listed Companies (1)	2017-present	- President, Loxley Plc. / Technology and Trading business
Non-Listed Companies/ Other Business (16)	<u>Direct Subsidiaries (7)</u> 2016-present - Chairman, Loxbit Plc. / Trading of telecommunication equipment and programs 2016-present - Director, Loxley Trading Co., Ltd. / Sale consumer products Nov 2016-present - Director, Loxley Global Co., Ltd. / Holding company 2012-present - President, L Food Solutions Co., Ltd. / Food service 2011-present - Director, Loxley Mobile Co., Ltd. / Sale and service of various prepaid electronics cash card 2008-present - President, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services 2008-present - President, Data Mining Co., Ltd. / Service of information technology equipment and computer systems <u>Indirect Subsidiaries (1)</u> 2000-present - President, Thai Gateway Co., Ltd./Trading of Telecommunication equipment <u>Direct Associates (1)</u> 2016-present - Director, Loxley GTECH Technology Co., Ltd. / Sale and service of information technology and online lottery system <u>Others (7)</u> 2005-present - Director, Ekpavee Co., Ltd. / Holding Company 1999-present - Director, Thanakorn Vegetable Oil Co., Ltd. / Manufacture and sale of vegetable oil 1999-present - Director, Navakij Co., Ltd. / Holding Company 1999-present - Director, Lamsam Estate Co., Ltd. / Holding Company 1997-present - Director, L Business Process Outsourcing Co., Ltd. / Sale of printing ink and printing services present - Director, Phatra Samphant Co., Ltd. / Holding Company present - Director, Point Asia Land Development Co., Ltd. / Geological service	
Work Experience for the Past 5 years	2011-2016	- Senior Executive Vice President, Loxley Plc. / Technology and Trading business
	1999-2016	- Director, Loxley Orbit Plc. / Telecommunication and computerized database service
	2011-2014	- Director, National Innovation Agency / Public organization
Shareholding in Loxley	- Own: 1,670,707 shares or 0.07%	Loxley-W: 19,889 units
	- Spouse or Underage Children: None	Loxley-W: None
Family Relationship among Executives	Nephew of Mr. Pairote Lamsam, Mr. Dhongchai Lamsam, Mr. Poomchai Lamsam, and Dr. Jingjai Hanchanlash, Cousin of Mr. Vasant Chatikavanij and Mr. Chalermchoke Lamsam	

17. Mr. Chalermchoke Lamsam	Age (years) 43	
- Director	- Since 22 December 2010	
- Managing Director	- Since 1 January 2017	
Education/Training	- Bachelor of Business Administration, Chulalongkorn University - MBA., Seattle University, U.S.A. - Public Administration and Public Laws, King Prajadhipok's Institute - Director Accreditation Program 106/2013, Thai Institute of Directors Association	
Expertise	Business Management and Accounting	
Listed Companies (1)	2017-present	- Managing Director, Loxley Plc. / Technology and trading business
Non-Listed Companies/ Other Business (23)	<u>Direct Subsidiaries (13)</u>	
	2017-present	- Director, Loxbit Plc. / Trading of telecommunication equipment and programs
	2016-present	- Director, L Solar 3 Co., Ltd. / Manufacture and distribute electricity from solar power
	2016-present	- Director, Loxley Wireless System Integrator Co., Ltd. / Telecommunication System Integrator
	2015-present	- Director, LB EV Co., Ltd. / Manufacturing and trading electricity automotive
	2015-present	- Director, Loxley Power Systems Co., Ltd. / Construction of electrical substation & transmission and provide electrical system
	2014-present	- Director, L Solar 2 Co., Ltd. / Operate solar power plant
	2012-present	- Director, L Green Solution Co., Ltd. / provide alternative energy
	2012-present	- Director, Green Natural Products Co., Ltd. / Manufacture and sale of kaffir oil, essential oil and other healthcare products
	2011-present	- Director, L Force 1 Co., Ltd. / Supply, manufacture and sell of shooting stimulation for fixed shooting and trapshooting
	2011-present	- Director, Loxley Mobile Co., Ltd. / Sale and service of various prepaid electronics cash card
	2010-present	- Director, Loxley Wireless Plc / Sale and service of telecommunication and information technology systems
	2010-present	- Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services
	2010-present	- Director, L Solar 1 Co., Ltd. / Operate solar power plant
	<u>Direct Joint Ventures (1)</u>	
	2013-present	- Director, LS Technology Solutions Co., Ltd. / Operate the security technology solutions in Asian region
	<u>Indirect Joint Ventures (1)</u>	
	2014-present	- Director, SLA Asia Co., Ltd. / Installation of telecommunication
	<u>Direct Associates (1)</u>	
	2005-present	- Director, Thai Fiber Optics Co., Ltd. / Manufacture of fiber optic
	<u>Others (7)</u>	
	2014-present	- Director, GMP (Thailand) Co., Ltd. / Manufacture, sale and import-export seafood and processed foods
	2005-present	- Director, L-TAG Technologies Co., Ltd. / Sale of construction materials and installation service of waste water treatment system and other sanitation
	2005-present	- Director, Ekpavee Co., Ltd. / Holding Company
	2002-present	- Director, Law Enforcement Technology Solutions Co., Ltd. / Design and installation services of security systems
	2000-present	- Executive Director, Loxley International Co., Ltd. / Provide maintenance services for computer, communication systems and project consultant
	1998-present	- Director, LTS Travel Service Co., Ltd. / Tourism business and sale of plane tickets
	present	- Director, Point Asia Land Development Co., Ltd. / Geological service
Work Experience for the Past 5 years	2010-2016	- Senior Executive Vice President, Loxley Plc. / Technology and Trading Business
	2008-2010	- Executive Vice President, Loxley Plc. / Technology and Trading Business
Shareholding in Loxley	- Own: 9,876,688 shares or 0.44%	Loxley-W: 117,579 units
	- Spouse or Underage Children: 3,920,437 shares or 0.17%	Loxley-W: 46,671 units
Family Relationship among Executives	Son of Mr. Dhongchai Lamsam, Nephew of Mr. Pairote Lamsam, Mr. Poomchai Lamsam and Dr. Jingjai Hanchanlath, Cousin of Mr. Vasant Chatikavanij and Mr. Suroj Lamsam	

18. Mr. Supat Karachalkul	Age (years) 52	
- First Executive Vice President	- Since 1 January 2017	
- Chief Financial Officer	- Since 1 January 2011	
Education/Training	<ul style="list-style-type: none"> - B.A. Accountancy, Assumption University - LLB, Laws, Thammasat University - Director Accreditation Program 99/2012, Thai Institute of Directors Association - Director Certification Program 168/2013, Thai Institute of Directors Association - Successful Formulation & Execution of Strategy (SFE 18/2013) - How to Measure the Success of Corporation Strategy (HMS 2/2013) - Anti-Corruption for Executive Program 12/2014 - IOD's 3rd National Director Conference 2014 "Improving Corporate Governance: Key to Advancing Thailand" - Director Certification Program 3/2015, Thai Institute of Directors Association - Chief Financial Officer Certification Program CFO 19, Federation of Accounting Professions 	
Expertise	Accountancy and Laws	
Listed Companies (2)	2017-present	- First Executive Vice President, Loxley Plc. / Technology and Trading business
	2011-present	- Chief Financial Officer, Loxley Plc. / Technology and Trading business
Non-Listed Companies/ Other Business (8)	<u>Direct Subsidiaries (6)</u>	
	2017-present	- Director, LOXBIT Plc. / Trading of telecommunication equipment, computers and programs
	2013-present	- Director, L Green Solution Co., Ltd. / Provide alternative energy
	2013-present	- Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services
	2010-present	- Director, L Solar 1 Co., Ltd. / Operate solar power plant
	2006-present	- Director, Loxley Global Co., Ltd. / Holding Company
	2006-present	- Director, ASM Security Management Co., Ltd. / Provide security service
	<u>Direct Joint Ventures (2)</u>	
	2014-present	- Director, Car Convenie Co., Ltd./ Provide quick car body and paint repair and sell franchise of "Car Con" car body and paint repair workshops
	2013-present	- Director, LS Technology Solutions Co., Ltd./ Operate the security technology solutions in Asian region
Work Experience for the Past 5 years	2012-2016	- Executive Vice President, Loxley Plc / Technology and trading business
	2006-2011	- Senior Vice President of Financial Management Dept., Loxley Plc. / Technology and Trading business
Shareholding in Loxley	- Own: None	Loxley-W: None
	- Spouse or Underage Children: None	Loxley-W: None
Family Relationship among Executives	None	

19. Mrs. Kosoom Sinphurmsukskul	Age (years) 63
First Executive Vice President	Since 1 January 2017
Education/Training	<ul style="list-style-type: none"> - Master of Business Administration (MBA), University of Dallas, U.S.A. - Finance & Accounting for the non-Financial Professionals, Double Digits Ltd. - Senior Executive, Sasin Graduate Institute of Business Administration of Chulalongkorn University, Bangkok - Director Accreditation Program 99/2012, Thai Institute of Directors Association - Financial Statements for Directors 2012, Thai Institute of Directors Association - Top Executive Program in Commerce and Trade, Commerce Academy University of the Thai Chamber of Commerce
Expertise	Management
Listed Companies (1)	2017-present - First Executive Vice President, Loxley Plc / Technology and trading business
Non-Listed Companies/ Other Business (4)	<p><u>Subsidiaries (3)</u></p> <ul style="list-style-type: none"> 2015-present - Director, Loxley Intertrade (Guangzhou) Co., Ltd. / Trading in Republic of China 2012-present - Director, L Food Solutions Co., Ltd. / Food service 2000-present - Managing Director, Loxley Trading Co., Ltd. / Sale consumer products <p><u>Indirect Joint Venture (1)</u></p> <ul style="list-style-type: none"> 2016-present - Director, Loxtrade Specialty Innovation Co., Ltd. / Manufacture and distribute supplementary foods
Work Experience for the Past 5 years	<ul style="list-style-type: none"> 2012-2016 - Executive Vice President, Loxley Plc / Technology and trading business 2012-2016 - Director, Thai Herbal Product Co., Ltd. / Produce herbal products in phytopharmaceutical style 2005-2012 - Director, L-TAG Technologies Co., Ltd. / Sale of construction materials and installation service of waste water treatment system and other sanitation
Shareholding in Loxley	<ul style="list-style-type: none"> - Own: None - Spouse or Underage Children: 5,250 shares or 0.000% <p style="text-align: right;">Loxley-W: None Loxley-W: 62 units</p>
Family Relationship among Executives	Cousin of Mr. Dhongchai Lamsam

20. Mr. Saknarong Saengsangapong	Age (years) 55
First Executive Vice President	Since 1 January 2017
Education/Training	<ul style="list-style-type: none"> - Master Degree, Business Administration (International Program), Bangkok University - Bachelor of Science, Chiangmai University - Certificate in Advance Computer Engineering, CICC, Tokyo, Japan - Columbia Senior Executive Program, Columbia University, U.S.A. - Advance Certificate in politics & Governance in Democratic Systems for Executives, King Prajadhipok's Institute - National Defence Program for public and private Executive 23 (NDC 2010), National Defence College - Director Accreditation Program 99/2012, Thai Institute of Directors Association - Executive Program for Management Development (Mahanakorn 2), Urban Green Development Institute Bangkok - The Rule of Law Democracy, College Constitution (Version 1), Institute of Constitution Studies, The Office of the Constitute Court - Executive Program for Senior Administrative justice class 5, The Administrative Court - Executive Program (CMA. 19), Capital Market Academy - Executive Program in Energy Literacy for a Sustainable Future, Thailand Energy Academy
Expertise	Business Administration, Science and Computer Engineering
Listed Companies (1)	2017-present - First Executive Vice President, Loxley Plc / Technology and trading business

Non-Listed Companies/ Other Business (5)	<u>Direct Subsidiaries (1)</u>	
	2006-present	- President & CEO, LOXBIT Plc. / Trading of telecommunication equipment, computers and computer programs
	<u>Indirect Subsidiaries (4)</u>	
	2016-present	- Director, K2 Venture Capital Co., Ltd. / Holding company
	2004-present	- Director, L Hardware & Services Co., Ltd. / Installation and repair of IT equipment, sale of computers and peripherals
	1998-present	- Director, NetONE Network Solution Co., Ltd. / Sale and service of IT systems
	1993-present	- President, Professional Computer Co., Ltd. / Supply, maintenance and set up of work system, installation of computers and management of installation of computers and management of computerized center
Work Experience for the Past 5 years	2012-2016	- Executive Vice President, Loxley Plc / Technology and trading business
Shareholding in Loxley	- Own: None	Loxley-W: None
	- Spouse or Underage Children: None	Loxley-W: None
Family Relationship among Executives	None	

21. Mr. Thongyai Chanthanawan	Age (years) 59	
First Executive Vice President	Since 1 January 2017	
Education/Training	- Bachelor in Electrical Engineering (Power), Kasetsart University - Director Accreditation Program 99/2012, Thai Institute of Directors Association - Director Certification Program 168/2013, Thai Institute of Directors Association	
Expertise	Engineering	
Listed Companies (1)	2017-present	- First Executive Vice President, Loxley Plc / Technology and trading business
Non-Listed Companies/ Other Business (4)	<u>Direct Subsidiaries (1)</u>	
	1997-present	- Managing Director, Loxley Wireless Plc. / Sale and service of telecommunication and information technology systems
	<u>Indirect Subsidiaries (2)</u>	
	2015-present	- Director, LWSN Co., Ltd. / Telecommunication, IT systems and submarine cable network services
	2015-present	- Director, LWTN Co., Ltd. / Telecommunication, IT systems and fiber optic network services
	<u>Indirect Joint Ventures (1)</u>	
	2012-present	- Director, Loxley & AIT Holding Co., Ltd. / Provide installation service of power plant telecommunication
Work Experience for the Past 5 years	2012-2016	- Executive Vice President, Loxley Plc / Technology and trading business
Shareholding in Loxley	- Own: None	Loxley-W: None
	- Spouse or Underage Children: None	Loxley-W: None
Family Relationship among Executives	None	

22. Mr. Karn Thongyai First Executive Vice President	Age (years) 56 Since 1 January 2017
Education/Training	- Master Degree of Computer and Information Science, University of New Haven, U.S.A. - The National Defence College 2012 - Advanced Security Management Program 2 - Financial Statement for Director 4/2009, Thai Institute of Directors Association
Expertise	Security Service Business Management
Listed Companies (1)	2017- Present - First Executive Vice President, Loxley Plc./Technology and trading business
Non-Listed Companies/ Other Business (3)	<u>Direct Subsidiaries (1)</u> 2006-Present - Chief Executive Officer, ASM Security Management Co., Ltd. / Provide security service <u>Direct Joint Ventures (1)</u> 2013-Present - Director, LS Technology Solutions Co., Ltd. / Operate the security technology solutions in Asian region <u>Others (1)</u> 2006-Present - Director, Law Enforcement Technology Solutions Co., Ltd. / Design and installation of security system
Work Experience for the Past 5 years	2014-2016 - Executive Vice President, Loxley Plc./Technology and trading business
Shareholding in Loxley	- Own: None - Spouse or Underage Children: 5,000 shares or 0.0000% Loxley-W: None Loxley-W: None
Family Relationship among Executives	None

23. Mr. Pichai Mooputtarak Company Secretary	Age (years) 58 Since 11 January 2008
Education/Training	- LL.B., Ramkhamhaeng University - Certificate in Law and Regulations for Company Secretary in accordance with the law of SET and mai - Company Secretary Program 27/2008 (CSP), Thai Institute of Directors Association - Effective Minutes Taking 11/2008 (EMT), Thai Institute of Directors Association - Anti-Corruption for Executive Program 12/2014, Thai Institute of Directors Association - Verifying the CAC Checklist: Experience Sharing from Auditors - Anti-Corruption in Thailand: Sustaining the Momentum, IOD
Expertise	Laws
Listed Companies (1)	2017-present - Senior Vice President, Legal & Securities Dept., Loxley Plc. / Technology and Trading business 2008-present - Secretary to the Board of Directors, Loxley Plc. / Technology and Trading business
Non-Listed Companies/Other Business	None
Work Experience for the Past 5 years	2010-2016 - Vice President, Legal & Securities Dept., Loxley Plc. / Technology and Trading business 2006-2009 - Assistant Vice President, Legal & Securities Dept., Loxley Plc. / Technology and Trading business
Shareholding in Loxley	- Own: 21,000 shares or 0.001% - Spouse or Underage Children: 25,200 shares or 0.001% Loxley-W: 250 Units Loxley-W: None
Family Relationship among Executives	None

Information of Directors in the Related Parties as of 31 December 2016

Director	Company	Direct and Indirect Subsidiaries																																
		1. Loxley Wireless Public Company Limited	2. Data Mining Co., Ltd.	3. Loxbit Public Company Limited	4. Loxley Joint and Hold Co., Ltd.	5. Loxley Mobile Company Limited	6. L Food Solutions Company Limited	7. Loxley Intrade (Guangzhou) Co., Ltd.	8. L Green Solution Company Limited	9. ASM Security Management Co., Ltd.	10. Loxley Property Development Co., Ltd.	11. Societe Commercial Lao	12. L Force 1 Co., Ltd.	13. Loxley Global Co., Ltd.	14. Loxley Trading Co., Ltd.	15. Green Natural Product Co., Ltd.	16. L-Elevator and Engineering Co., Ltd.	17. Loxley Power Systems Co., Ltd.	18. L Solar 1 Co., Ltd.	19. LB EV Co., Ltd.	20. Professional Computer Company Limited	21. Loxley Orbit Public Company Limited	22. NetOne Network Solution Co., Ltd.	23. Thai Gateway Company Limited	24. L Hardware & Services Co., Ltd.	25. L Solar 2 Co., Ltd.	26. LWSN Company Limited	27. LWTN Company Limited	28. L Solar 3 Co., Ltd.	29. K2 Venture Capital Co., Ltd.	30. Loxley Engineering Co., Ltd.	31. Loxley Wireless System Integrator Company Limited		
1. Mr. Pairote Lamsam	C			/					C					C																				
2. Mr. Sukit Wanglee	/																																	
3. Mr. Dhongchai Lamsam	P	C	C	/	C				C	/				C	/																			
4. Dr. Harit Sutabutr	/																																	
5. Dr. Supavud Saicheua	/																																	
6. Mr. Charoon Chinalai	/																																	
7. Mr. Joti Bhokavanij	/																																	
8. Gen. Vichit Yathip	/																																	
9. Prof. Rawat Chamchalerm	/																																	
10. Mr. Suebrakul Soonthornthum	//	/	/	/				/	/			/	/		/	/																		
11. Dr. Jingjai Hanchanlash	/									/																								
12. Mr. Poomchai Lamsam	/																																	
13. Mr. Vasant Chatikavanij	//	/	/		C			/														C	C			/	/							
14. Mr. Suraphand Bhasitirandr	//				/	C	C	/	/					/	C																			
15. Dr. Sompop Chareonkul	//							/						/																				
16. Mr. Suroj Lamsam	//	P	C	/	P			P						/									/											
17. Mr. Chalermchoke Lamsam	//	/	/	/	/	/	/	/	/	/	/	/	/	/	/	C	/	/							/		/		/				/	
18. Mr. Supat Karachalkul	///		/				/	/	/				/									/												
19. Mrs. Kosoom Sinphurmsukskul	///				/	/								P																				
20. Mr. Saknarong Saengsangapong	///		P																		P	/	/						/					
21. Mr. Thongyai Chanthanawan	///	P																									/	/						
22. Mr. Karn Thongyai	///							P																										
23. Mr. Natavoot Chitasombat	///						/											/																

Remarks : C = Chairman P = President / = Director // = Senior Executive Vice President /// = Executive Vice President

(Director No. 1-3 and 10-17 are directors who have the authorizes to sign and binding the Company specified in Company's Certificate.)

Information of Directors in the Subsidiaries

Company	Direct and Indirect Subsidiaries																																
	1. Loxley Wireless Public Company Limited	2. Data Mining Co., Ltd.	3. Loxbit Public Company Limited	4. Loxley Joint and Hold Co., Ltd.	5. Loxley Mobile Company Limited	6. L Food Solutions Company Limited	7. Loxley Intrade (Guangzhou) Co., Ltd.	8. L Green Solution Company Limited	9. Asia Security Management Co., Ltd.	10. Loxley Property Development Co., Ltd.	11. Societe Commercial Lao	12. L Force 1 Co., Ltd.	13. Loxley Global Co., Ltd.	14. Loxley Trading Co., Ltd.	15. Green Natural Product Co., Ltd.	16. L-Elevator and Engineering Co., Ltd.	17. Loxley Power Systems Co., Ltd.	18. L Solar 1 Co., Ltd.	19. LB EV Co., Ltd.	20. Professional Computer Company Limited	21. Loxley Orbit Public Company Limited	22. NetOne Network Solution Co., Ltd.	23. Thai Gateway Company Limited	24. L Hardware & Services Co., Ltd.	25. L Solar 2 Co., Ltd.	26. LWSN Company Limited	27. LWTN Company Limited	28. L Solar 3 Co., Ltd.	29. K 2 Venture Capital Co., Ltd.	30. Loxley Engineering Co., Ltd.	31. Loxley Wireless System Integrator Co., Ltd.		
Director																																	
1. Mr. Tim Tak Timothy Wong	/	/	/			P	/																/										/
2. Mr. Werachai Kitsirisin	/																																
3. Mrs. Jitwatana Jaruwatanachai	/																																
4. Mr. Chakri Chanruangvanich	/																																
5. Mr. Somnuk Chaidajsuriya	/																																
6. Prof.Dr.Supalak Phinitphuwadol	/																																
7. Mrs. Vanida Viriyatharangkunr			/																/					/									
8. Mr. Ali Bin Hussan Aljunied			/																				/										
9. Mr. EK-Khun Boonpiti			/																														
10. Mrs. Vongthip Chumpani			/																														
11. Mrs. Sudkanueng Malithong		/																															
12. Mrs. Suganya Ungpakorn		/		/	/				/							/								/									
13. Mr. Pakorn Apaphant		/																															
14. Mrs. Wanida Saengkaew				/																													
15. Dr. Dawarit Tansuphasiri					/										/						/												
16. Mr. Manit Lohatepanont					/																												
17. Mr. Charaspong Lamsam					/																												
18. Mr. Nattapon Dejvitak						/	/									/																	
19. Mr. Kittichai Raktakanit								P								/																	/
20. Mr. Arthur Graham Storah						/																											
21. Adm. Taveechai Liengphiboon									/																								
22. AM. Adireg Sastararuchi									/																								
23. Mr. Orent Sapare									/																								
24. Mr. Chai Meirav									/																								
25. Mr. Ehud Herbst									/																								
26. Mr. Vichaya Chatikavanij									/																								
27. Mr. Viphet Sihachakr									/																								
28. Mr. Oudet Souvannavong									/																								
29. Mrs. Sangmanee Viyagate									/																								
30. Mr. Sounthone Phommachakr									/																								
31. Mr. Piboon Piboontum											/							P						/							P		
32. Mr. Pongphan Wadwieng											/																						
33. Mr. Pattara Pojanapanich											/																						
34. Mr. Tachit Tivaruangrong											/																						
35. Mr. Kanchit Songsiengchai											P																						
36. Mr. Pairoj Jutisatiankul											/																						
37. Mr. Chistopher Sze Hoo Lam												/																					
38. Mr. Gerald Hin Tsun To												/																					

Remarks : P = President / = Director

Company	Direct and Indirect Subsidiaries																																					
	1. Loxley Wireless Public Company Limited	2. Data Mining Co., Ltd.	3. Loxbit Public Company Limited	4. Loxley Joint and Hold Co., Ltd.	5. Loxley Mobile Company Limited	6. L Food Solutions Company Limited	7. Loxley Intertrade (Guangzhou) Co., Ltd.	8. L Green Solution Company Limited	9. Asia Security Management Co., Ltd.	10. Loxley Property Development Co., Ltd.	11. Societe Commercial Lao	12. L Force 1 Co., Ltd.	13. Loxley Global Co., Ltd.	14. Loxley Trading Co., Ltd.	15. Green Natural Product Co., Ltd.	16. L-Elevator and Engineering Co., Ltd.	17. Loxley Power Systems Co., Ltd.	18. L Solar 1 Co., Ltd.	19. LB EV Co., Ltd.	20. Professional Computer Company Limited	21. Loxley Orbit Public Company Limited	22. NetOne Network Solution Co., Ltd.	23. Thai Gateway Company Limited	24. L Hardware & Services Co., Ltd.	25. L Solar 2 Co., Ltd.	26. LMSN Company Limited	27. LMTN Company Limited	28. L Solar 3 Co., Ltd.	29. K 2 Venture Capital Co., Ltd.	30. Loxley Engineering Co., Ltd.	31. Loxley Wireless System Integrator Co., Ltd.							
Director																																						
39. Mr. Kim Pun Wong												/																										
40. Mr. Pheat Wanglee													/																									
41. Mr. Adul Premprasert													/																									
42. Mr. Wachra Asvanuwatra														P																								
43. Mr. Thongchai Kongdakphaisal													/																									
44. Mr. Chudak Dirakwattanachai													/																									
45. Mr. Visan Kanokpongsuk													/																									
46. Mr. Tanu Sirisaowalak													/																									
47. Mrs. Sirinan Lamsam																					/																	
48. Miss Duangmanee Boonpong																					/																	
49. Mr. Hasan Malik																					/																	
50. Mr. Aisoon Pichatejamruscheep																					/																	
51. Miss Kamolthorn Malavichai																				/			/															
52. M.R. Pornrapee Abhakom																				/		/																
53. Mr. Sanit Ratanavadi															/																							
54. Mr. Paritwat Tharincharoen																						/																
55. Mr. Kreangsak Chana															/								/															
56. Gen. Nipon Siriporn																	/							P		/												
57. Mr. Nimit Prasertsuk																	P																			/		
58. Mr. Boonlert Jaimun															/	/																						
59. Mrs. Hathairat Somsiripat																/																						
60. Col. Prasert Shusang																	/																					
61. Mrs. Suree Ono																	/																					
62. Gen. Yongyuth Makarath																	/																					
63. Mr. Kosol Surakomol																		/																				
64. Mr. Pratya Indranupakorn																		/																				
65. Mr. Liu Xue Liang																		/																				
66. Mr. Gu Yi																		/																				
67. Mr. Bongkam Jiraboonsri																										/	/										/	
68. Mr. Kitti Jongcharoenkijkarn																								/														
69. Mr. Somphop Pitaksiripun																							/															
70. Miss Teeraya Kritsadapong																												/										
71. Mr. Stanley Chun Wang																																				/		
72. Mr. Allen Ya-Lun Wang																																			/			
73. Mr.Sith Chokpipatpaiboon																																				/		
74. Mr. Boonsiri wattanarojananikom																																				/	/	
75. Mr. Yuthaporn Chitakasem																																				/		

Remarks : P = President / = Director

Internal Control and Audit

The Company has emphasized on the internal control and audit system. The Company has had comprehensive internal control covering the areas of finance, administration and operation, ensuring working efficiency and compliancy with related laws, rules and regulations. Working descriptions of the operators, executives are clearly assigned. The Company's assets are effectively managed. Works of internal control staffs and monitoring staffs are separated for transparency and reciprocal examination. Monthly financial reports are presented to relevant departments. The Company has transparently disclosed information in related transactions to ensure confidence and financial report credibility.

The Audit Committee is responsible for considering the nomination, transfer and termination of the head of the Internal Audit Department or other organizations responsible for internal audit. Moreover, the Audit Committee has to consider and agree with the proposed appointment of the Internal Audit Director (the head of Internal Audit Department). The heads of the Internal Audit Department in 2016 was Mrs. Preeyanuch Paiboonsithiwong who has the required qualifications, knowledge, skills, experience and ability to efficiently perform the duty.

The Audit Committee has assessed the Company's internal control and audit processes including encouraging risk management processes and various advices as well as emphasizing the importance of the auditor's remarks. The Committee concluded that the Company and its subsidiaries have adequately established proper internal control processes. The established Internal Audit Department is responsible for auditing of internal control processes according to its annual audit planning with monitoring, correction of significant issues and report to the Audit Committee according to the Stock Exchange of Thailand's regulations.

1. Control Environment

The Company has determined vision, objective, strategy, budget, and ethics. The Company has continuously restructured itself according to the concurrent business planning to ensure efficient operations of the management that can be clearly monitored, verified, and assessed-which is considered as the essence of the internal control. The Company has set good work environment and regulations that covers every type of transactions, including continue human resource's development and delegation of responsibilities to ensure efficient operations.

2. Risk Assessment

The management has verified the risk management policies both internal and external factors in order to prevent or lessen impacts in business performance, operations, financial management, safety management, and significant risks affecting corporate performance. Various action were taken by the Company to reduce, avoid and participate in risks management in order to ensure that its risks are maintained at an appropriate and acceptable level by supporting various work units in the Company to recognize their risks and to ensure that appropriate and efficacious action are taken to manage risks at every levels in the Company.

3 Control

Duties and responsibilities in the Company are divided into groups according to the business category in order to efficiently spread out its work administration to ensure that they are performed in line with the Company's policy and achieve its targets. Policies and various measures as well as operating procedures were set up in writing and announced for the information of all to ensure that there is an inter-control and that risks will be reduced or controlled. Furthermore, follow-up of its performance as well as those of its affiliates are conducted on a regular basis with its director(s) or executive(s) sitting in the board(s) of its affiliates to keep a close watch on their management where joint meetings will be held every month.

4. Internal Information and Communications

The Company also provides information on operations, rules and regulations, job function handbook, and related regulations within its corporate website to provide information access for all staff and precise operations. There are internal and external communications and corporate website to distribute current information or notices for all staff. The Company has established adequate information system and financial information system. The Company has encouraged communications via e-mail and other internal channels among management executives and staff.

5. Monitoring and Assessment

The Company has established the monitoring and assessment processes for the management and executive committee from the assessment reports of corporate performance monthly compared with the budget and plan. Additionally, the Internal Audit department will independently monitor and assess by directly reporting to the management with suggestions for improvement to prevent possible damage and avoid risks to raise confidence in the management through its adequate and proper internal control processes.

Report of Board's Responsibility for Financial Report

The Company's Board of Directors is responsible for the financial statements of the Company and its subsidiaries as well as the financial data shown in the Annual Report. Such financial statements are prepared according to the accounting standards generally accepted in Thailand by adoption of appropriate accounting policies and with constant practices, utmost care and discretion. Moreover, essential information is sufficiently disclosed in the notes to the financial statements.

The Company's Board procures an efficient internal control system to ensure proper and complete accounting recording. The Financial statements of the Company and its subsidiaries are audited by the Company's auditor, KPMG Phoomchai Audit Limited. In conducting the audit, the auditor is provided by the Company's Board with information and documents to allow audit and expression of opinion by the auditor pursuant to the accounting standards, the auditor's opinion is shown within "Auditor's Report", a part of the Annual Report.

The Company's Board of Directors opines that the Company's overall internal control system is at a satisfying level. The system can reasonably assure that the Company's and its subsidiaries' annual financial statements ending 31 December 2016 are reliable, comply with the generally accepted accounting standards and properly adhere to the laws and other related regulations.



(Mr. Pairote Lamsam)
Chairman of the Board



(Mr. Dhongchai Lamsam)
Chairman of the Executive Board

Report of the Audit Committee

The Audit Committee of Loxley Public Co., Ltd. consists of 3 independent directors whose experience and qualifications meet all requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as not being the Company executive or staff member in order to ensure independence in performing its duty. The Audit Committee held meetings regularly and in 2016, the Audit Committee held 5 meetings. Meeting attendance details are as follows:

No.	Name	Position	No. of Total Meetings	No. of Meeting attended
1	Dr. Harit Sutabutr	Chairman	5	5
2	Mr. Charoon Chinalai	Member	5	5
3	Mr. Joti Bhokavanij	Member	5	5

Mrs. Preeyanuch Paiboonsithiwong is the secretary to the Audit Committee.

The Audit Committee submitted result of each meeting to the Company Board of Directors in order to take appropriate action. Major functions are as follows:

1. Reviewed the consolidated and separate financial statements of Loxley Public Company Limited both quarterly and annually after being reviewed and audited by the Auditor. The Audit Committee can confirm that the Company's consolidated and separate financial statements conform with the generally accepted accounting standard with adequate information disclosure.
2. The Company's Auditors were invited to attend the meeting with the Audit Committee on a quarterly basis to listen to explanation concerning the Auditor's report, results of the audit and review of financial statements, issues ensuing from the audit or review and recommendations on the internal control system and directions of Thailand's standards on financial reporting.
3. Reviewed disclosures of data on inter-related transactions every quarter pursuant to the Notification of the Securities Exchange Commission of Thailand on: Disclosure of Information and Conduct by Listed Companies on Inter-related Transactions to ensure that they are correct and complete.
4. Invited the Company's and its subsidiaries' management to attend the Audit Committee's meetings from time to time to provide information, to acknowledge comments, opinions and suggestions in order to promote management efficiency of the Group of companies.
5. Reviewed in order to ensure that the Company conducted its business according to the Securities and Exchange law, regulations of the Stock Exchange of Thailand, and related laws.
6. Considered, selected and proposed the appointment of independent individuals to act as the Company's Auditor and their remuneration for 2016 before submitting them to the Company's Board of Directors for their further submission to the Company's shareholders to seek their approval.
7. Reviewed and assessed the adequacy of the internal control processes and gave recommendations for proper internal control processes and adequate internal auditing including promoting more efficient supervision of operations as well as promoting systematic risk management processes.
8. Considered and approved the annual internal auditing plan, acknowledged the audit report and followed up on corrective actions of issues raised by the report, especially significant ones, to ensure good corporate governance.

The Audit Committee performed its duty with a satisfactory degree of independence and received good cooperation from the management. The Audit Committee concluded that the Company prepared the financial report with proper information disclosure and according to the generally accepted accounting standard and conforming with rules, regulations, and related laws, without significant issues that may affect efficiency of the business' internal control and risk management processes. The Company Board of Directors was duly informed of the above opinion.



(Dr. Harit Sutabutr)
Chairman of Audit Committee

Related Transactions

The Company does not have a policy engaging in related party transactions with related companies, major shareholders, or the Company's management, unless it is a related party transaction between the Company and its subsidiaries or associated companies. However, if the Company needs to engage in related party transactions with related companies, major shareholders, or the Company's management, it would be done under the rules and regulations of the stock market, taking into consideration the highest benefits of the Company's shareholders as the main priority.

Future Related Transaction Policy or Trend

The related transaction is a normal business practice that has tendency to reoccur repeatedly in the future. In case of future related transactions, the Company shall follow the Securities and Exchange Act, the Capital Market Committee's announcement and the Stock Exchange of Thailand's regulations, announcement, orders or rules; and comply with the regulations related to disclosure of related transactions information, the acquisition and sales of assets of the Company or subsidiaries, and strictly follow the accounting standards specified by professional council in relations of connected transactions.

The Audit Committee reviews transactions with related companies and the list of related persons on quarterly basis. The Committee considers the necessity, benefits to the Companies and subsidiaries, fairness and appropriateness of the related transactions.

In case that the Company is required to report the transactions to the Stock Exchange of Thailand, seek approval from the shareholders' meeting and appoints an independent financial consultant to provide opinion to the shareholders, the Company ensures that the Stock Exchange of Thailand's regulations concerning related transactions are met by implementing the following principles:

1. The items are approved through a transparent process where stakeholders are not involved in the decision making.
2. The items are prepared for the best interest of the Company as if they were transactions with outsiders.
3. The monitoring and investigation system are in place to ensure that transactions are correct and transparent.

According to the notes to the financial statement for the year ending 31 December 2016, note# 5: transactions with related parties or persons with the objective to prepare financial statements and that the persons or businesses are related to the Company Group/ Company, a transaction may be a related individual or corporate transaction if the Company Group/Company has the controlling authority or jointly controlling authority directly or indirectly or significantly influential to the person or organization in terms of decision making or management or vice versa or if the Company Group/ Company is under the same controlling authority or significant influence of the person or business.

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sale of goods and rendering of services	Market prices, contractually agreed prices or third party compatible prices
Fees and other income	Market prices or contractually agreed prices
Purchase of goods and rendering of services	Market prices, contractually agreed prices or prices agreed by distributors who absorb distribution costs
Selling expenses	Market prices or contractually agreed prices
Administrative expenses	Market prices or contractually agreed prices
Finance costs	Market rates or contractually agreed rates
Purchase of investment	Net book value

Significant transactions for the year ended 31 December 2016 with related-parties were as follows:

Related Companies and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
Subsidiaries			
Loxley Wireless Public Company Limited 85% of its shares are held by Loxley Plc, with the following directors in common: Mr. Dhongchai Lamsam, Mr. Vasant Chatikavanij, Mr. Chalermchoke Lamsam and Mr. Thongyai Chanthanawan.	Income from sale of goods and rendering of services	11.96	- Income derived from the projects is recognized as normal transaction at third party compatible prices. Income of rental and service at third party compatible prices and other service as scope of works at third party compatible prices. - Purchase of goods and rendering of services for projects at third party compatible prices. Internet and legal consultancy services as scope of works at third party compatible prices.
	Purchase of goods and rendering of services	49.16	
	Account receivable and others	1.25	
	Account payable and others	0.97	
	Pending expenses	5.12	
	Deposit	1.33	
Loxley Wireless System Integrator Company Limited 99% of its shares are held by Loxley Wireless Plc, with a director in common namely Mr. Chalermchoke Lamsam	Income from sale of goods and rendering of services	1.50	- Income derived from the projects is recognized as normal transaction at third party compatible prices. Income of rental and service at third party compatible prices and other service as scope of works at third party compatible prices.
	Account receivable and others	1.80	
Associates and joint ventures			
Thanthiya Technology Co., Ltd. 30% of its shares held by Loxley Plc. with a director in common, namely Mr. Natavoot Chitasombat.	Purchase of goods	10.93	- Purchase of project equipment at third party compatible prices.
	Account payable and others	8.08	
BP - Castrol (Thailand) Limited 40% of its shares are held by Loxley Joint and Hold Co., Ltd., with the following directors in common: Mr. Pairote Lamsam, Mr. Dhongchai Lamsam, and Mr. Suebrakul Soonthornthum	Purchase of goods	44.87	- Normal transactions at third party compatible prices.
	Account payable and others	1.95	
Foseco (Thailand) Limited 26% of its shares are held by Loxley Plc, with a director in common, namely Mr. Suebrakul Soonthornthum.	Income from rendering of services	9.03	- Space rental service based on area at third party compatible prices. Income of transportation, consultancy service and other services as scope of works at third party compatible prices.
	Account receivable and others	2.30	
	Accrued income	0.11	

Related Companies and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
Associates and joint ventures			
Loxley GTECH Technology Co., Ltd. 35% of its shares held by Loxley group. Directors in common are: Mr. Dhongchai Lamsam, and Mr. Suroj Lamsam	Income from rendering of services Account receivable and others - net Loan - net	0.04 - -	- Normal transactions at third party compatible prices. - Debtor from project service and loan as a part of supporting associate in the past until present. However, since the government ordered to delay the proceeding without fixed date, the Company has set doubtful accounts at full amount until the proceeding is executed.
NS BlueScope Lysaght (Thailand) Limited 20% of its shares held by Loxley Plc. Directors in common are: Mr. Dhongchai Lamsam, Mr. Suebrakul Soonthornthum and Mr. Charoon Chinalai	Income from rendering of services Purchase of goods Account receivable and others Account payable and others	0.03 147.31 0.04 23.35	- Normal transactions at third party compatible prices. - Purchase of goods for projects, recognized as normal transaction at the at third party compatible prices.
LPDPS Joint Venture 44% interests in joint operation by Loxley Property Development Co., Ltd.	Income from sale of goods and rendering of services Account receivable and others	117.19 33.12	- Income derived from sales of goods, income from projects, recognized as normal transaction at third party compatible prices. Income from other services as scope of works at third party compatible prices.
Parts Zone (Thailand) Co., Ltd. 46% of its shares are held by Loxley Plc, with a director in common, namely Mr. Suraphand Bhasitnirandr	Income from sale of goods and rendering of services Service expenses Account receivable and others	20.83 0.11 9.92	- Normal transactions at third party compatible prices. - Normal transactions as scope of workds at third party compatible prices.
Thai Fiber Optics Company Limited 40% of its shares held by Loxley Plc. Directors in common are: Mr. Dhongchai Lamsam and Mr. Chalermchoke Lamsam	Purchase of goods Account payable and others	17.74 2.63	- Purchase of goods for projects at the at third party compatible prices.
Ecartstudio Co., Ltd. 26% of its shares held by Loxbit Plc. during January - July 2016. In August 2016, Loxbit Plc. sold the whole shares to a non-connected person.	Service expenses	1.48	- System maintenance services for projects as scope of works at third party compatible prices.
Loxley Numap Infra Plus Joint Venture 38% interests in joint operation by Loxley Plc.	Income from sale of goods and rendering of services Account receivable and others	42.95 36.24	- Income from projects was recognized as normal transaction at third party compatible prices. Income from other services as scope of works at third party compatible prices.

Related Companies and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
Associates and joint ventures			
Cloud Serve Asia Co., Ltd. 50% of its shares held by Loxbit Plc.	Income from rendering of services	1.51	- Normal transactions as scope of works at third party compatible prices.
	Service expenses	1.83	- Normal transactions as scope of works at third party compatible prices.
	Account payable and others	0.66	
	Pending expenses	0.06	
Others	Income from sale of goods, rendering of services and others	1.90	- Total value of related party transactions between the Company and its subsidiaries with various associates and joint ventures. Sizes of transaction are relatively small. All related party transactions are conducted in ordinary course of business, with prices and conditions in compliance with general market prices and conditions.
	Selling and administrative expenses	0.48	
	Account receivable and others	0.55	
	Account payable and others	0.02	
Related parties			
Thanakorn Vegetable Oil Products Co., Ltd. 6% of its shares are held by Ekpavee Co., Ltd. and 7% by Loxley Trading Co., Ltd., with a director in common, namely Mr. Suroj Lamsam.	Purchase of goods	1,528.79	- Purchase of vegetable oil at fixed purchase price. The price is the same as third party where sale agents bear the cost of goods distribution from central warehouse.
	Account payable and others	201.26	
LTS Travel Service Co., Ltd. 55% of its shares held by Mrs. Duangruthai Poomchusri and 19% by Mrs. Montira Lamsam with a director in common, namely Mr. Chalermchoke Lamsam.	Income from rental fee and rendering of services	0.86	- Space rental fee and service charge based on area and other income from rendering of services based on scope of works at third party compatible prices.
	Purchase of goods	14.13	- Purchase of air tickets, accomodation and others at the price shown in the ticket plus discount offered by agent at third party compatible prices.
	Account receivable and others	0.10	
	Account payable and others	0.52	
L Business Process Outsourcing Co., Ltd. Ekpavee Co., Ltd. is its major shareholder with a director in common, namely Mr. Suroj Lamsam.	Income from sale of goods, rendering of services and others	19.40	- Sale of printing ink, rent of printers at the third party compatible prices and other service income as scope of works at third party compatible prices.
	Service expenses	7.72	- Printing service as normal transaction, based on work scope, at third party compatible prices.
	Account receivable and others	3.19	
	Account payable and others	1.12	

Related Companies and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
Related parties			
LOC Thai Joint Stock Company 94% of its shares are held by Ekpavee Co., Ltd.	Income from sale of goods Account receivable and others	2.20 10.82	- Sale of consumer products and chemical supplies as normal business transaction at the third party compatible prices.
Muang Thai Life Assurance Public Company Limited Directors in common are Mr. Poomchai Lamsam and Mr. Suebtrakul Soonthornthum.	Income from sale of goods Service expenses Account receivable and others	31.03 1.28 5.23	- Income derived from selling goods and projects as normal business transaction at third party compatible prices. - Normal business transaction at third party compatible prices.
Muang Thai Insurance Public Company Limited 5% of its shares are held by Loxley Plc., with a director in common, namely Dr. Jingjai Hanchanlash.	Income from sale of goods and rendering of services Service expenses Account receivable and others Account payable and others	5.46 12.84 0.07 0.63	- Income derived from selling goods and projects as normal business transaction at third party compatible prices. - Normal business transaction at third party compatible prices.
Ekpavee Company Limited Major shareholder, 26% shareholding of Loxley Plc. Directors in common are Mr, Pairote Lamsam, Mr. Sukit Wanglee, Mr. Dhongchai Lamsam, Mr. Vasant Chatikavanij, Mr. Suebtrakul Soonthornthum, Mr. Suroj Lamsam and Mr. Chalermchoke Lamsam	Income from rendering of services Interest paid Purchase of investment Loan	0.34 3.08 74.42 102.00	- Normal business transaction at third party compatible prices. - Interest paid for loan at market rate - Purchase of additional investment in a subsidiary from a major shareholder at net book value as at 31 December 2015. The percentage of shareholding in such subsidiary increased from 66% to 90%. - Loan provided to a subsidiary due to limit financial amount from other source of funds, the interest rate at market rate.
Loxley International Company Limited Mr. Pairote Lamsam and Mr. Dhongchai Lamsam are its major shareholders with the following directors in common: Mr. Pairote Lamsam, Mr. Dhongchai Lamsam, Mr. Vasant Chatikavanij, and Mr. Chalermchoke Lamsam	Income from rental fee and rendering of services Account payable and others Deposit	7.38 0.13 0.22	- Space rental fee based on area and other income based on scope of works at third party compatible prices.
Mappoint Asia (Thailand) Public Company Limited 22% of its shares are held by Ekpavee Co., Ltd.	Purchase of equipment	1.36	- For use in projects at third party compatible prices.

Related Companies and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
Related parties			
Law Enforcement Technology Solutions Co., Ltd. Mr. Dhongchai Lamsam is its major shareholder. Directors in common are Mr. Dhongchai Lamsam, Mr. Chalermchoke Lamsam, and Mr. Karn Thongyai.	Income from rental fee and rendering of services	1.49	- Space rental fee based on area and other income based on scope of works at third party compatible prices. - Security maintenance service and CCTV equipment expenses for projects as work scope at third party compatible prices.
	Service expenses	1.66	
	Account receivable and others	0.76	
	Account payable and others	0.14	
	Accrued expenses	0.11	
Mainstay Property Solutions & Security Services Co., Ltd. 88% of its shares are held by Ekpavee Co., Ltd., with a director in common, namely Mr. Suraphand Bhasitnirandr.	Income from rental fee and rendering of services	1.52	- Space rental fee based on area and other income based on scope of works at third party compatible prices. - Normal business transaction at third party compatible prices.
	Service expenses	0.27	
	Account receivable and others	0.95	
	Account payable and others	0.06	
Lamsam Estate Co., Ltd. Directors in common are Mr. Pairote Lamsam, Mr. Dhongchai Lamsam, and Mr. Suroj Lamsam.	Income from rental fee and rendering of services	1.93	- Space rental fee based on area and other income based on scope of works at third party compatible prices.
	Account receivable and others	0.02	
	Deposit	0.36	
Zin Suapah Company Limited 20% of its shares are held by Ekpavee Co., Ltd., with the following directors in common: Mr. Pairote Lamsam, Mr. Dhongchai Lamsam, and Mr. Suetrakul Soonthornthum	Income from sale of goods and rendering of services	1.19	- Income derived from selling goods in projects as normal business transaction at third party compatible prices. Income from other services as scope of works at third party compatible prices. - Space rental fee based on area and number of cars parked as normal transactions at third party compatible prices.
	Service expenses	0.43	
	Account receivable and others	0.06	
Others	Income from sale of goods, rendering of services, and others	1.76	- Total value of related party transactions between the Company and its subsidiaries with various related parties. Sizes of transactions are relatively small. All related party transactions are conducted in ordinary course of business, with prices and conditions in compliance with general market prices and conditions.
	Purchase of goods and rendering of services	0.10	
	Selling and administrative expenses	0.93	
	Account receivable and others	0.23	
	Loan from director	0.28	
	Deposit	0.12	

Management Discussion and Analysis related to the Results of Business Operations

Performance of the Company and Subsidiaries in 2014, 2015 and 2016

Revenue

In 2014, 2015 and 2016, the Company had total revenue of Baht 14,743.46 million, Baht 11,660.07 million and Baht 13,855.46 million, respectively. Revenue structure can be described as follows:

Revenue Structure (Unit : Million Baht)	Year ended 31 Dec 2014		Year ended 31 Dec 2015		Year ended 31 Dec 2016	
	Value	%	Value	%	Value	%
Revenue from sale of goods and rendering of services	14,475.88	98.19%	11,472.07	98.39%	13,709.77	98.95%
Fees and other income	112.49	0.76%	172.25	1.48%	128.49	0.93%
Gain on sales of investments - net	*155.09	1.05%	15.75	0.13%	17.20	0.12%
Total revenue	14,743.46	100.00%	11,660.07	100.00%	13,855.46	100.00%

The main revenue of the Company during 2014, 2015 and 2016 derived from sales of goods and rendering of services, which representing 98.19%, 98.39% and 98.95% of total revenue respectively.

*In 2014, gain on sales of investments of Baht 155.09 million was from the disposal of investment in Guardfire Company Limited, an associate, to a non-related party.

Fee and Other Income

Fee and other income comprised of space rental, management fees, dividend from investment in other entities, profit from exchange rate and other income. In 2016, the Company's income from such items was Baht 128.49 million, decreasing by 43.76 million from 2015 or by 25.40%. As in 2015, there were entries of reverse debts doubtful as loss for which provisioning had been made for them during the preceding year(s) and which had already been repaid. Therefore, this portion of revenue in 2015 was Baht 172.25 million, increasing from year 2014 which was Baht 112.49 million.

Chronology of Total income by business segment

Revenue in 2014, 2015 and 2016 as categorized by business segment is as follows:

Revenue Structure (Unit : Million Baht)	Year ended 31 Dec 2014		Year ended 31 Dec 2015		Year ended 31 Dec 2016	
	Value	%	Value	%	Value	%
1. Technology Business Segment	9,640	65.39%	6,500	55.75%	8,431	60.85%
1.1 ICT Business Group	5,633	38.21%	3,220	27.62%	3,638	26.26%
1.2 Technology Business Group	1,392	9.44%	1,225	10.51%	1,687	12.18%
1.3 Project Business Group	2,615	17.74%	2,055	17.62%	3,106	22.42%

Revenue Structure (Unit : Million Baht)	Year ended 31 Dec 2014		Year ended 31 Dec 2015		Year ended 31 Dec 2016	
	Value	%	Value	%	Value	%
2. Trading Business Segment	4,257	28.87%	4,397	37.71%	4,283	30.91%
3. Services Business Segment	1,075	7.29%	1,131	9.70%	1,661	11.99%
Total income	14,972	101.55%	12,028	103.15%	14,375	103.75%
Less Related Transaction	(421)	(2.86%)	(441)	(3.78%)	(582)	(4.20%)
Add Unallocated Other	192	1.30%	73	0.62%	62	0.45%
Grand total revenue	14,743	100.00%	11,660	100.00%	13,855	100.00%

Total revenue by business segment of year 2016 totalled of Baht 13,855 million. Technology Business, Trading Business and Service Business were the main source of revenue, representing 60.85%, 30.91% and 11.99 % of total revenue in the year, respectively. And, when this was compared with 2015 revenue, one can see that earnings from the Technology Business Segment was increased from Baht 6,500 million to Baht 8,431 million mainly on increase of projects in ICT Business Group and Project Business Group.

Total revenue by business segment of year 2015 totalled of Baht 11,660 million. Technology Business, Trading Business and Service Business represented 55.75%, 37.71% and 9.70% of total revenue respectively. When this was compared with 2014 revenue, income from Technology Business Segment decreased from Baht 9,640 million to Baht 6,500 million mainly on account of gradual completion of work by the ICT business group and Project Business Group in conjunction with a slowdown in the public sector's investment which held back tenders on a number of new projects.

Expenses

Total expenses in 2014, 2015 and 2016 were Baht 14,775.12 million, 11,986.04 million and 14,289.15 million, respectively. Majority of the Company's expenses came from cost of sale and cost of services, which accounted for 80-83% of the total expenses. Administrative expenses accounted for 11-13% of the total expenses while selling expenses were 5-6% of total expenses. An expense structure for 2014, 2015 and 2016 are summarized as follows:

Expenses (Units : Million Baht)	Accounting year					
	31 Dec 2014		31 Dec 2015		31 Dec 2016	
	Value	Change (%)	Value	Change (%)	Value	Change (%)
Cost of sale of goods and rendering of services	12,195.50	(4.00%)	9,552.85	(21.67%)	11,770.20	23.21%
Selling expenses	769.10	0.58%	731.86	(4.84%)	792.80	8.33%
Administrative expenses	1,647.78	6.67%	1,546.42	(6.15%)	1,536.42	(0.65%)
Finance costs	162.74	(24.59%)	154.91	(4.81%)	189.73	22.48%
Total expenses	14,775.12	(2.98%)	11,986.04	(18.88%)	14,289.15	19.21%

Cost of sales and service

The Company's costs of sale of goods and rendering of services in 2016 and 2015 stood at Baht 11,770.20 million and Baht 9,552.85 million, increasing (decreasing) by 23.21% and (21.67%) respectively, corresponding to the increasing (decreasing) sales revenue. Gross profit margin in 2016 stood at 14.15%, decreasing from 16.73% in 2015 and 15.75% in 2014. The decreases of gross profit margin were resulted from the Group's various projects and higher competition from previous years.

Selling and administrative expenses

In 2016, selling expenses of the Company's Groups amounted to Baht 790.28 million, an increase over Baht 731.86 million in 2015 which was less than that of 2014. These, however, are in line with the increased (decreased) percentage of sales turnovers vis-à-vis sales expenses of 5-6% during the 2014-2016 periods.

Major administrative expenses comprised of personnel wages, depreciation and amortization, office rental, equipment and vehicles. Administrative expenses of the Company in 2016 were at Baht 1,536.42 million, decreased from Baht 1,546.42 million in 2015.

Financial cost

In 2016, the Company's financial costs amounted to Baht 189.73 million, an increase of Baht 34.82 million over Baht 154.91 million in 2015 as the results of bank overdrafts, short-term loans from financial institutions and long-term loans for purchases of real property in the expanded investment during the interim period which, in 2015, dropped by Baht 7.83 million from Baht 162.74 million in 2014 as the results of the decreases in bank overdrafts and short-term loans from financial institutions, long-term loans, and market interest rates which were lower as well.

Share of profit from investments

Among joint ventures of the Company, the major investment the Company made was in a galvanized steel and lubricant industry. The Company's share of profit from investments in associates and joint ventures in 2014, 2015 and 2016 was Baht 543.42 million, Baht 589.95 million, and Baht 653.57 million, respectively. The increase in 2016 was from performance of two major associates: BP-Castrol (Thailand) Limited who contributed shares of profit from investment of in 2015 and 2016 of Baht 384 million and Baht 442 million respectively; and NS BlueScope Group who contributed shares of profit from investment in year 2015 and 2016 of Baht 220 million and Baht 225 million respectively.

Profit before income tax expense and Net profit

Profit (Units : Million Baht)	Accounting year					
	31 Dec 2014		31 Dec 2015		31 Dec 2016	
	Value	Per income (%)	Value	Per income (%)	Value	Per income (%)
Profit before income tax expense	511.76	3.47%	263.98	2.26%	219.87	1.59%
Net Profit	352.51	2.39%	209.92	1.80%	172.42	1.24%

Net profit attributable to the equity holders of the Company in 2014, 2015 and 2016 was Baht 352.51 million, Baht 209.92 million and Baht 172.42 million, respectively.

The Company's net profits dropped in 2016 by Baht 37.50 million, or 17.86% from 2015 primarily because of reduced net profit margin and increased expenses.

The Company's and subsidiaries' financial status as of 31 December 2014, 2015 and 2016

As of 31 December 2014, 2015 and 2016, assets, liability and shareholder's equity of the Company are as follows:

Unit : Million Baht	31 Dec 2014	31 Dec 2015	31 Dec 2016
Assets	13,765.07	14,282.99	15,709.87
Liabilities	7,353.76	7,689.58	9,085.28
Shareholders' equity	6,411.31	6,593.41	6,624.59
Total liabilities and shareholders' equity	13,765.07	14,282.99	15,709.87

Assets

The Company's total assets as of 31 December 2014, 2015 and 2016 were Baht 13,765.07 million, Baht 14,282.99 million and Baht 15,709.87 million, respectively. The asset value increased in 2015 and 2016.

Importance assets are as follows:

Temporary Investment

Temporary investment funds consisted of fixed-term deposits and short-term financial institution promissory notes. The Company and its subsidiaries had, as at 31 December 2014, 2015 and 2016, temporary investments of Baht 516.74 million, Baht 661.02 million and Baht 1,207.96 million, respectively. The movements in temporary investment was caused by regular working capital management. In 2016, a higher temporary investment was due to additional cash received from customers in terms of advance payment at the end of 2016.

Trade and other accounts receivable

As of 31 December 2014, 2015 and 2016, the Company's trade and other accounts receivable were Baht 2,361.93 million, Baht 3,357.74 million and Baht 3,939.18 million, respectively and the increase rate at the end of 2015 and 2016 were 42.16% and 17.32% respectively. The Company's major trade accounts receivable were government organizations and state enterprises, which resulted mostly from large scale projects handled by the Technology Business Segment. The Company has a policy to set up provision for doubtful accounts based on a debt payment history and a projection on customers' future debt payment trend. In 2016 and 2015, the major account receivable was from project work for the Office of the Welfare of the Promotion Commission for Teachers and Education Personnel (OTEP).

The Company set up provision for doubtful accounts for trade and other accounts receivable for the year 2014, 2015 and 2016 of Baht 88.93 million, Baht 46.40 million and Baht 102.89 million, respectively.

Non-billed trade accounts receivable

The non-billed trade accounts receivable represent the customers that the Company has already provided and completed the services under contract but the delivery date has not yet arrived. The non-billed trade accounts receivable can happen in different cases depending on the payment terms of the customers. For example, the Company will disburse within the contract period after the project has been completely installed and passed final acceptance test. The Company will then recognize income from the project based on the success of the project according to the generally accepted accounting standard, which may not correspond to the invoice issuance. However, after the Company completely meets the terms set in the contract and the disbursement date is due, the Company can issue an invoice and record the customers as a trade accounts receivable.

As of 31 December 2014, 2015 and 2016, the Company's non-billed trade accounts receivables were Baht 1,873.09 million, Baht 1,825.06 million and Baht 1,471.07 million, respectively. At the end of 2015, non-billed trade account receivable decreased by 2.56% and decreased by 19.40% at the end of 2016 because the Company gradually billed and collected payment from those large scale projects done by the ICT Business Group during year 2015-2016.

Retentions receivable (short-term and long-term)

As of 31 December 2014, 2015 and 2016, the total retentions receivable both short and long terms were Baht 266.29 million, Baht 373.51 million and Baht 224.67 million, respectively. The increase (decrease) as of year end of 2015 and 2016 were 40.26% and (39.85%) respectively. Retentions receivable are accounts receivable for the projects that the Company had to let the project owner deduct parts of the payment as agreed for guarantee. The money will be paid back to the Company 1-2 years after the project is completed and delivered.

Inventories

The Company had stock inventories as at 31 December 2014, 2015 and 2016 of Baht 1,319.31 million, Baht 1,043.89 million and Baht 1,334.10 million respectively with rates of increase (decrease) as at the end of 2015 and 2016 being (20.88%) and 27.80% respectively. An increased stock inventory in 2016 stemmed mainly from works of installation to be delivered in 2017. The Company's main outstanding stock in its inventory consisted of goods available for sale such as consumer products and chemicals, project equipment and the Technology line's ongoing projects. The Company had made a provisioning for the reduced value of goods during 2014, 2015 and 2016 of Baht 23.84 million, Baht 14.14 million and Baht 31.10 million respectively.

Advances paid to suppliers

Advances paid to suppliers as of 31 December 2014, 2015 and 2016 were Baht 220.92 million, Baht 243.98 million and Baht 305.48 million, respectively. The increases at the end of 2015 and 2016 were 10.44% and 25.21% respectively.

Other current assets

Other current assets as of 31 December 2014, 2015 and 2016 were Baht 171.25 million, Baht 224.20 million and Baht 209 million, respectively. They included value added tax, promotion receivables, prepaid expenses, advance to employees, etc. The increase (decrease) at the end of 2015 and 2016 were 30.92% and (6.78%), respectively.

Investments in associates and joint ventures

Investments in associates and joint ventures as of 31 December 2014, 2015 and 2016 were Baht 3,138.48 million, Baht 2,958.04 million and Baht 2,933.21million, respectively. The changes, either increase or decrease, mainly depended on the recognized of share of profit of equity accounted investees less received dividend. The decreases as at the end of 2015 and 2016 were 5.75% and 0.84%, respectively. Changes in the Company's investment in 2016 are as follows:

In April 2016, a subsidiary incorporated a new company, Loxtrade Specialty Innovation Co., Ltd., with an authorized and fully paid-up share capital amounting to Baht 5 million. The Company engages in manufacturing and distributing supplementary food for health and beauty including related products. The subsidiary held 51% of shares (the Group indirectly held 25%) and shared equal voting right in the said company. The group classified this investment as an indirect joint venture.

In July 2016, the Company invested in Cloud Serve Asia Co., Ltd., with an authorized share capital amounting to Baht 1 million and 25% paid-up. This company engages in providing electronic data transfer and data storage via internet. The subsidiary held 50% of the shares (the Group indirectly held 50%) and shared equal voting right in the said company. The group classified this investment as an indirect joint venture. In November 2016, the said company called for additional paid-up of 75%. The Company fully paid up according to percentage of shareholding of 50%, amounting to Baht 0.4 million.

In August 2016, a subsidiary disposed its investment in Ecartstudio Company Limited, which is an indirect associate of the Group, to a non-related party totalling Baht 12 million and recognized gain on sale of investments amounting to Baht 17 million in consolidated financial statements.

Other long-term investments

Other long-term investments as of 31 December 2014, 2015 and 2016 were Baht 525.56 million, Baht 538.32 million and Baht 499.95 million, respectively. The increase (decrease) as at the end of 2015 and 2016 were 2.43% and (7.13%) respectively. The main reason came from an increase (decrease) of investment in available for sale securities. As of 31 December 2016, the long-term investments included investment in Muang Thai Insurance Public Company Limited of Baht 438 million, Thanakorn Vegetable Oil Company Limited of Baht 35 million and other investments of Baht 27 million.

Property, plant and equipment

Fixed assets include property, buildings and extension, furniture, fixtures, office equipment, tools and equipment, rental equipment, vehicles and project in progress. As at 31 December 2014, 2015 and 2016, such fixed assets values were Baht 1,039.17 million, Baht 1,687.77 million and Baht 1,823.13 million, respectively. In 2016, the increases arose from the Group's re-appraisal of land costs by an external licensed appraiser approved by the SEC on consideration of the value at current replacement costs. The increases as at the end of 2015 and 2016 were 62.42% and 8.02% respectively.

Real estate for investment

Fair value of real estate for investment of the Company Group (as appeared in the consolidated financial statements) and of the Company (as appeared in separate financial statements) as of 31 December 2016 accounted at Baht 477.17 million and Baht 127.60 million respectively. The fair value assessed by independent appraiser approved by the SEC office was based on the present value of net cash flows to be generated from the property.

Intangible asset

Intangible assets of the Company include software licenses. As of 31 December 2014, 2015 and 2016, intangible assets were Baht 48.78 million, Baht 51.40 million and Baht 86.74 million, respectively. The increases at the end of 2015 and 2016 were 5.37% and 68.75% respectively.

Other non-current assets

Other non-current assets as of 31 December 2014, 2015 and 2016 were Baht 259.72 million, Baht 327.62 million and Baht 353.64 million, respectively. The increases at the end of 2015 and 2016 were 26.14% and 7.94%. Non-current assets include items such as withholding tax, deposit, and fixed deposit pledged as collateral.

Liabilities

The Company's total liabilities as of 31 December 2014, 2015 and 2016 were Baht 7,353.76 million, Baht 7,689.58 million and Baht 9,085.28 million, respectively, increasing by 4.57% at the end of 2015 and 18.15% at the end of 2016.

Significant liabilities are as follows:

Bank overdraft and short-term loans from financial institutions

As of 31 December 2014, 2015 and 2016, the Company's bank overdraft and short-term loan from financial institutions were Baht 1,629.12 million, Baht 2,071.85 million and Baht 1,990.55 million, respectively. The increase (decrease) at the end of 2015 and 2016 were 27.18% and (3.92%) respectively. The bank overdraft and short-term loans from financial institutions comprised of bank overdraft, short-term loans and debts from trust receipts. Short-term loan in 2015 and 2016 were mainly from OTEP project.

Trade and other accounts payable

Trade and other accounts payable as of 31 December 2014, 2015 and 2016 were Baht 2,324.38 million, Baht 1,774.36 million and Baht 2,311.48 million, respectively. The (decrease) increase at the end of 2015 and 2016 were (23.66%) and 30.27% respectively. Most of them were trade payables from projects on hand. The increase (decrease) of trade accounts payable was in line with income and working capital management.

Advances received from customers

Advances received from customers as of 31 December 2014, 2015 and 2016 were Baht 612.91 million, Baht 623.40 million and Baht 1,226.67 million, respectively. The increases at the end of 2015 and 2016 were 1.71% and 96.77% respectively, most of which was advances received from customer's projects in ICT Business Group, gradually installed and recognized revenue in 2016.

Short-term loans from related parties

Short-term loans from related parties as of 31 December 2014, 2015 and 2016 were Baht 5.28 million, Baht 0.28 million and Baht 102.28 million, respectively. The (decrease) increase at the end of 2015 and 2016 were (94.70%) and 100%, respectively. On 31 December 2016, the Company's short-term loans from related parties were Baht 102.28 million, comprising of short-term loan from major shareholder of Baht 102 million and director of Baht 0.28 million.

Other current liabilities

Other current liabilities as of 31 December 2014, 2015 and 2016 were Baht 1,092.02 million, Baht 859.79 million and Baht 1,139.43 million, respectively. The (decrease) increase at the end of 2015 and 2016 were (21.27%) and 32.52%, respectively. As of 31 December 2016, the Company's current liabilities comprised of accrued cost, warranty cost, and accrued expenses. In 2016, other current liabilities rose by Baht 190.46 million mostly from the increase of accrued cost and warranty cost from additional projects.

Long-term liabilities

Unit : Million Baht	31 Dec 2014	31 Dec 2015	31 Dec 2016
- Current portion of long-term liabilities	343.37	124.15	140.57
- Long-term liabilities	638.19	346.32	356.61
- Long-term debentures	-	1,000.00	1,000.00
Total long-term liabilities	981.56	1,470.47	1,497.18

Long-term liabilities as of 31 December 2014, 2015 and 2016 were Baht 981.56 million, Baht 1,470.47 million and Baht 1,497.18 million, respectively. The increases at the end of 2015 and 2016 were 49.81% and 1.82%, respectively. As of 31 December 2016, the Company's long-term liabilities comprised long-term loans, long-term debenture, and creditors from financial lease for machinery and equipment.

Employees benefit obligations

Employees benefit obligations as of 31 December 2014, 2015 and 2016 were Baht 464.87 million, Baht 534.68 million and Baht 554.78 million, respectively. The increases at the end of 2015 and 2016 were 15.02% and 3.76% respectively. The Company forecasts such obligations using the Projected Unit Credit Method handled by independent actuaries.

Shareholders' equity

Shareholders' equity as of 31 December 2016 was Baht 6,624.59 million, comprising issued and paid-up share capital of Baht 2,264.95 million which included issued and paid-up ordinary shares of 2,264.95 million shares at Baht 1 par value, allocated and unallocated accumulated profits of Baht 118.97 million and Baht 1,321.54 million, respectively, and other components of equity of Baht 2,086.67 million.

Increasing shareholders' equity in each year was driven by the Company's operating performance.

In April 2014, the Company allocated Baht 31.67 million of profit for legal reserves and approved cash dividend at Baht 0.095 per share.

In April 2015, the Company allocated Baht 22.50 million of profit for legal reserves and approved cash dividend at Baht 0.10 per share.

In April 2016, the Company allocated Baht 8.08 million of profit for legal reserves and approved cash dividend at Baht 0.05 per share.

Cash flow of the Company and subsidiaries at the end of 2014, 2015 and 2016

Net cash flow from (used in) operating activities in 2014, 2015 and 2016 was Baht 1,382.67 million, (Baht 1,782.46 million) and Baht 935.02 million, respectively. As for such Net Cash Flows in 2014 and 2016, the Company had an increased Net Cash Flow in its operations from the operating results and less usage of its working capital. In 2015, however, Net Cash Flow from operating activities was in the minus as the result of more changes in project working capital.

Significant changes to assets and liabilities in 2016 included increase in trade and other accounts receivable of Baht 658.24 million, decrease in non-billed trade accounts receivable of Baht 352.42 million, decrease in retentions receivable of Baht 145.31 million, increase in inventory of Baht 319.42 million, increase in trade accounts payable and other of Baht 538.13 million, increase in advances received from customers of Baht 598.10 million, increase in other current liabilities of Baht 285.27 million. The Company paid Baht 134.91 million for income tax and withholding tax of 2016.

The Company's net cash flow was derived (expended) for investment activities in 2014, 2015 and 2016 of Baht 229.68 million, Baht 415.45 million and (Baht 450.17 million) respectively. Net Cash Flow derived (expended) in major transactions in 2014, 2015 and 2016 were dividends received of Baht 706.73 million, Baht 606.61 million and Baht 703.48 million respectively; investment in land, building and equipment increased by Baht 113.81 million, Baht 88.89 million and Baht 236.21 million respectively. Furthermore, in 2016, major investments were made by the Company in real property for investment of Baht 265.47 million and Baht 575.81 million to increase funds for temporary investment.

The Company's net cash provided by (used in) financing activities 2014, 2015 and 2016 was (Baht 613.43 million), Baht 343.03 million and (Baht 386.15 million), respectively.

Significant financing activities in 2014, 2015 and 2016 came from the increase (decreases) of bank overdraft and short-term loans from financial institutions of (Baht 633.61 million), Baht 475.47 million and (Baht 81.30 million), respectively; repayment of long-term liabilities of Baht 242.85 million, Baht 1,638.21 million and (Baht 128.07 million), respectively. The Company paid finance costs of Baht 163.43 million, Baht 155.71 million and Baht 113.25 million respectively. Besides, in 2015, there were increases in its long-term loans and long-term debentures of Baht 800 million and Baht 1,000 million respectively. In 2016, there were additional long-term loans of Baht 145 million.

Therefore, in 2014, 2015 and 2016, the Company's net cash and cash equivalents increase (decrease) were Baht 998.92 million, (Baht 1,023.98 million) and Baht 98.70 million, respectively.

The Company's financial ratio analysis

LIQUIDITY RATIO

Liquidity Ratio	2014	2015	2016
Current ratio (times)	1.39	1.47	1.34
Quick ratio (times)	1.10	1.19	1.07
Flow liquidity (times)	0.22	(0.31)	0.15
Account receivable turnover (times)	2.64	2.09	2.25
Collection period (days)*	136.45	172.56	160.31
Inventory turnover (times)	9.64	8.09	9.63
Inventory turnover period (days)	37.35	44.48	37.39
Account payable turnover (times)	5.56	4.66	5.76
Payment period (days)	64.76	77.23	62.48
Cash cycle (days)	109.04	139.81	135.21

*Period of debt-collection is calculated on the aggregate total of uncollected trade receivables, trade receivables and others.

The Company's current ratio and quick ratio during 2014-2016, the overall current ratio for the three years was more than 1.00 time because the Company's current assets were more than current liabilities. Major current assets comprised trade and other accounts receivable, non-billed trade accounts receivable and inventories. Current liabilities consisted of bank overdrafts and short-term loans from financial institutions, trade and other accounts payable, advances received from customers, most of which was in correspondent to projects handled by the Technology Business Segment and the Trading Business Segment.

Cash cycle in 2014-2016 was 109.04 days, 139.81 days and 135.21 days, respectively. In 2016, cash cycle was slightly decreased from 2015.

PROFITABILITY RATIO

Profitability Ratio	2014	2015	2016
Gross profit margin (%)	15.75%	16.73%	14.15%
Operating profit margin (%)	2.44%	1.83%	1.26%
Cash on net profit ratio (%)	392.23%	(849.10%)	542.28%
Net profit margin (%)	2.39%	1.80%	1.24%
Return on equity (%)	6.31%	3.42%	2.77%

The 2015 ratio of the Company's profit generating ability, for gross net profits, operating profits, net profits and rates of equity ratio were at reasonably good levels which, however, dropped in 2016 as the result of increased competition.

EFFICIENCY RATIO

Efficiency Ratio	2014	2015	2016
Return on assets (%)	2.60%	1.50%	1.15%
Return on fixed assets (%)	46.22%	28.99%	21.56%
Asset turnover (times)	1.09	0.83	0.92

The Company's return on assets in 2014, 2015 and 2016 were 2.60%, 1.50% and 1.15% respectively with a continuous decline from the Company's net profits which dropped primarily as the results of reduced of gross profit margin and increased expenses as the result of highly competitive economic conditions.

FINANCIAL POLICY RATIO

Financial Policy Ratio	2014	2015	2016
Debt to equity (times)	1.15	1.17	1.37
Interest coverage (times)	9.26	(11.24)	5.15
Dividend payout ratio (%)	64.25%	53.95%	NA

The Company's Debt to Equity in 2014, 2015 and 2016 were 1.15, 1.17 and 1.37 times, respectively. There was not much change in this ratio.

Significant event after report that may have impact on the Company's operation or future financial status

In January 2017, Loxley Engineering Co., Ltd. a subsidiary of the Company, called for additional paid-up of 75%. The Company fully paid up according to percentage of holding of 99%, amounting to Baht 7.5 million in February 2017.

In January 2017, the Company entirely purchased shares of Loxley Wireless System Integrator Company Limited, an indirect subsidiary of the Company, from a subsidiary, totaling Baht 18 million. The indirect subsidiary thereby became a direct subsidiary of the Company.

In January 2017, a subsidiary invested in Loxley Simulation Technology Co., Ltd. with a fully paid up registered share capital of Baht 40 million, totaling Baht 40 million. The said company engages in import, export and distribution, virtual learning services and system development. The subsidiary held 99% of shares (the Group indirectly held 99%) in the said company.

In January 2017, K2 Venture Capital Company Limited, an indirect subsidiary of the Company, called for additional paid-up of 75%. A subsidiary fully paid up according to percentage of shareholding of 99%, amounting to Baht 3 million. In addition, such indirect subsidiary increased its registered share capital from Baht 4 million to Baht 70 million which are fully paid up. The subsidiary partially acquired 310,020 shares of the increased share capital, totaling Baht 31 million, bringing the decrease in percentage of holding from 99% to 50%.

Independent Auditor's Report

To the Shareholders of Loxley Public Company Limited

Qualified Opinion

I have audited the consolidated and separate financial statements of Loxley Public Company Limited and its subsidiaries (the "Group"), and of Loxley Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2016, the consolidated and separate statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2016 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Qualified Opinion

As described in note 12 to the financial statements, the consolidated financial statements as at 31 December 2016 and 2015 of Loxley Public Company Limited and its subsidiaries included investments in three associates which their accounting period is different from Loxley group's accounting period. The three associates have their accounting period ending on 30 June which is the same as their foreign parent company. Investments in those associates were recorded by including the financial statements of those associates for the year ended 30 June 2016 and 2015 which were audited by other auditors and for the six-month period ended 31 December 2016 and 2015 which had been reviewed, but not audited by auditors. I was unable to obtain sufficient appropriate audit evidence about the carrying amount at equity method of those investments in the consolidated financial statements as at 31 December 2016 and 2015, which amounted to Baht 1,721 million and Baht 1,707 million, respectively, and the share of their net profit for the years ended 31 December 2016 and 2015, which were Baht 225 million and Baht 220 million, respectively. Consequently, I was unable to determine whether any adjustments to these amounts were necessary.

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Other Information

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

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

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

If, based on the work I will perform, I conclude that there is a material misstatement of this other information, I am required to report that fact. However, as described in the Basis for Qualified Opinion section above, I was unable to obtain sufficient appropriate evidence about the carrying amount at equity method of those investments in the consolidated financial statements as at 31 December 2016 and 2015, and the share of their net profit for the years ended 31 December 2016 and 2015. Accordingly, other information which prepared based on financial information from these consolidated financial statements, I will be unable to conclude whether or not the other information is materially misstated with respect to this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, I have determined the matters described below to be the key audit matters to be communicated in my report.

Recognition of contract revenue and related receivables	
Refers to the notes 2(d), 3(f) and 3(p) to the financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>The Group's major revenue is rendering of services related to technology business. Some of these service contracts account for revenue and margin based on the stage of completion of individual contracts, assessed by reference to the engineers' surveys of work performed and the proportion of costs incurred to the reporting date compared to the estimated final costs of the contract at completion.</p> <p>The accurate recording of contract revenue, and related receivables is highly dependent on the following key factors:</p> <ul style="list-style-type: none"> • The engineers' surveys of work performed; • The estimated final costs of the contract at completion; and • Revision for certain events or condition that occur or expected to occur to complete the contract including variations result in adjustments of these estimates that could give rise to variances in the amounts recognised. <p>I focused on this area as a key audit matter due to the number and type of estimation events over the course of the contract life, the wide variety of unique contract conditions, leading to complex and highly judgmental revenue recognition from contracts.</p>	<p>I evaluated the controls designed and implemented by the Group and tested the operating effectiveness of relevant controls regarding review of contract, cost estimate and provision for contract loss. I then selected a sample of contracts using a variety of quantitative and qualitative factors in order to assess and challenge the most significant and more complex contract positions. In this area, my audit procedures included:</p> <ul style="list-style-type: none"> • challenging competency of the Group's engineers in respect of estimation the stage of completion of individual projects; • inspecting key terms in the contracts relating to estimates made and revenue recognition in the financial statements; • obtaining detailed position papers from the management and assessing the reasonableness of estimates by reviewing the result of estimates in previous years; • testing mathematical accuracy of contract revenue and related receivables; • testing the details of actual costs incurred by tracing to sufficient supporting documents; • assessing the Group's ability to deliver contracts within budget by analysing the relationship of cost versus billing on contracts; • physically inspecting the existence and the reasonableness of stage of completion of individual projects; and • considering the Company's disclosures in accordance with the related Thai Financial Reporting Standards.

Valuation of investments in subsidiaries, associates and joint ventures.	
Refers to the notes 2(d), 3(g), 3(k), 12 and 13 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>The Company held a number of investments in subsidiaries, associates, and joint ventures. In considering the investment in each project, the Group has policy in place to consider the future possibility of the project, the returns expected to be recovered from the investment, and other factors that might impact to the investment. In addition, the Group determines whether there is any indication of impairment on a regular basis. This area involves management's judgment, therefore, I focused on as a key audit matter.</p>	<p>My audit procedures included, but were not limited to:</p> <ul style="list-style-type: none"> ● inspecting the design and implementation of relevant controls; ● considering the profitability of the investee, historical financial information and other information to assess the sufficiency of allowance for impairment of investment; ● assessing the Group's budgeting procedures which is the source of discounted future cash flow model; ● challenging the key assumptions by comparing against the historical and external information regarding key inputs such as the revenue, the cost, the capital and operating expenditures, and the discount rate; ● testing mathematical accuracy; and ● considering the Group's disclosures in accordance with the related Thai Financial Reporting Standards.

Valuation of accounts receivable	
Refers to the notes 2(d) 3(e) and 8 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>The Group's accounts receivable mainly comprise of private companies, government agencies and state enterprises. Certain Group's accounts receivable have significant outstanding balances and expose the Group to additional credit risk by given the age profile and high debt levels. In assessing the recoverability, it involves management's judgment, therefore, I focused on as a key audit matter.</p>	<p>My audit procedures included, but were not limited to:</p> <ul style="list-style-type: none"> ● testing the design and implementation and the effectiveness of the Group's controls over the monitoring of receivables and over the collection process; ● challenging the provision policies by considering the historical cash collection trends, the receivables' ability to pay, as well as the lawyer confirmation relating to the receivables, and testing the reversal of provisions previously made; ● testing the completeness and accuracy of information provided by the entity and the accuracy of the provision calculation; ● analyzing all items of overdue balance over normal credit term without setting up allowance for; and ● considering the adequacy of the Group's disclosures in accordance with the related Thai Financial Reporting Standards.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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

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

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

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



(Veerachai Ratanajaratkul)
Certified Public Accountant
Registration No. 4323

KPMG Phoomchai Audit Ltd.
Bangkok
24 February 2017

Statement of financial position

Loxley Public Company Limited and its Subsidiaries

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2016	2015	2016	2015
<i>(in Baht)</i>					
Current assets					
Cash and cash equivalents	6	833,668,403	734,809,981	226,652,535	260,420,213
Current investments		1,207,960,943	661,016,479	348,318,664	101,904,528
Trade and other accounts receivable	8, 20	3,939,175,142	3,357,737,088	1,237,899,268	979,403,211
Unbilled trade accounts receivable		1,471,074,900	1,825,059,376	879,923,220	1,114,938,072
Retentions receivable		16,983,258	118,355,789	16,983,258	118,355,789
Short-term loans to other parties	9	10,918,641	47,052,549	-	-
Inventories	10	1,334,095,996	1,043,886,260	352,082,409	496,216,940
Advances paid to suppliers		305,475,545	243,983,468	192,375,584	182,336,870
Dividend receivables	5	-	2,400,000	-	65,400,000
Other current assets	11	208,995,282	224,198,047	52,661,847	89,206,935
Total current assets		9,328,348,110	8,258,499,037	3,306,896,785	3,408,182,558
Non-current assets					
Investments in associates and joint ventures	12	2,933,212,123	2,958,036,501	953,480,012	953,480,012
Investments in subsidiaries	13	-	-	2,486,637,798	2,264,719,898
Other long-term investments	15	499,948,320	538,319,174	462,818,120	501,188,974
Investment properties	16, 20	477,173,809	206,200,000	127,600,000	118,300,000
Property, plant and equipment	17, 20	1,823,126,435	1,687,767,269	527,685,952	472,295,153
Intangible assets	18	86,737,722	51,400,053	47,361,626	29,744,943
Retentions receivable		207,688,223	255,154,553	189,725,723	237,192,053
Other non-current assets	7, 19	353,638,491	327,616,616	79,073,184	103,991,586
Total non-current assets		6,381,525,123	6,024,494,166	4,874,382,415	4,680,912,619
Total assets		15,709,873,233	14,282,993,203	8,181,279,200	8,089,095,177

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

Statement of financial position

Loxley Public Company Limited and its Subsidiaries

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2016	2015	2016	2015
<i>(in Baht)</i>					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	20	1,990,552,966	2,071,850,883	381,660,512	480,997,906
Trade and other accounts payable	21	2,311,478,336	1,774,362,709	724,470,661	942,541,035
Advances received from customers		1,226,672,728	623,401,047	396,323,352	428,022,029
Current portion of long-term liabilities	20	140,565,540	124,147,404	-	3,176,828
Short-term loans from related parties	5, 20	102,280,000	280,000	100,000,000	60,000,000
Short-term loans from other party	20	22,526,916	143,273,133	-	-
Income tax payable		20,308,147	10,515,695	-	-
Other current liabilities	22	1,139,433,285	859,793,837	358,020,393	197,223,694
Total current liabilities		6,953,817,918	5,607,624,708	1,960,474,918	2,111,961,492
Non-current liabilities					
Long-term liabilities	20	356,611,550	346,316,771	-	-
Long-term debentures	20	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Deferred tax liabilities	23	208,567,054	192,223,063	171,094,720	162,390,330
Employee benefit obligations	24	554,783,340	534,677,585	327,907,427	310,516,417
Other non-current liabilities		11,497,063	8,740,424	-	-
Total non-current liabilities		2,131,459,007	2,081,957,843	1,499,002,147	1,472,906,747
Total liabilities		9,085,276,925	7,689,582,551	3,459,477,065	3,584,868,239

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

Statement of financial position

Loxley Public Company Limited and its Subsidiaries

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2016	2015	2016	2015
<i>(in Baht)</i>					
Equity					
Share capital	25, 26				
Authorised share capital		2,331,250,000	2,331,250,000	2,331,250,000	2,331,250,000
Issued and paid-up share capital		2,264,954,770	2,264,954,770	2,264,954,770	2,264,954,770
Additional paid in capital					
Premium on ordinary shares	25	503,250,000	503,250,000	503,250,000	503,250,000
Retained earnings					
Appropriated					
Legal reserve	27	118,971,500	103,798,500	118,971,500	103,798,500
Unappropriated		1,321,543,193	1,277,540,594	1,157,686,987	982,662,347
Other components of equity	27	2,086,666,615	2,010,916,243	676,938,878	649,561,321
Equity attributable to equity holders of the Company		6,295,386,078	6,160,460,107	4,721,802,135	4,504,226,938
Non-controlling interests	14	329,210,230	432,950,545	-	-
Total equity		6,624,596,308	6,593,410,652	4,721,802,135	4,504,226,938
Total liabilities and equity		15,709,873,233	14,282,993,203	8,181,279,200	8,089,095,177

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

Statement of income

Loxley Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2016	2015	2016	2015
		(in Baht)			
Income	28				
Revenue from sale of goods and rendering of services	5	13,709,771,820	11,472,070,376	5,870,162,128	4,705,801,421
Fees and other income	5, 29	145,685,411	188,004,429	869,165,277	803,111,798
Total income		13,855,457,231	11,660,074,805	6,739,327,405	5,508,913,219
Expenses					
Cost of sale of goods and rendering of services	5	11,770,194,694	9,552,847,978	5,051,899,497	4,000,580,838
Selling expenses	5, 30	792,801,881	731,865,599	447,520,080	433,227,658
Administrative expenses	5, 31	1,536,423,810	1,546,418,603	849,336,900	836,151,744
Finance costs	5	189,732,177	154,909,625	85,265,549	77,371,766
Total expenses	33	14,289,152,562	11,986,041,805	6,434,022,026	5,347,332,006
Share of profit of investments in associates and joint ventures, net		653,568,432	589,950,105	-	-
Profit before income tax expense		219,873,101	263,983,105	305,305,379	161,581,213
Income tax expense	34	(42,758,070)	(41,106,931)	(1,860,000)	-
Profit for the year		177,115,031	222,876,174	303,445,379	161,581,213
Profit attributable to:					
Owners of the Company		172,423,338	209,922,473	303,445,379	161,581,213
Non-controlling interests	14	4,691,693	12,953,701	-	-
Profit for the year		177,115,031	222,876,174	303,445,379	161,581,213
Earnings per share	35				
Basic earnings per share		0.08	0.09	0.13	0.07
Diluted earnings per share		0.08	0.09	0.13	0.07

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

Statement of comprehensive income

Loxley Public Company Limited and its Subsidiaries

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2016	2015	2016	2015
	(in Baht)			
Profit for the year	177,115,031	222,876,174	303,445,379	161,581,213
Other comprehensive income				
<i>Items that will never be reclassified to profit or loss</i>				
Gain on revaluation of property, net	91,667,840	59,140,754	58,074,240	50,452,754
Defined benefit plan actuarial gains (losses)	-	9,301,270	-	(5,609,888)
	91,667,840	68,442,024	58,074,240	44,842,866
<i>Items that are or may be reclassified to profit or loss</i>				
Foreign currency translation differences for foreign operations	(405,125)	125,379	-	-
Net change in fair value of available-for-sale investments	(30,696,683)	10,204,288	(30,696,683)	10,204,288
	(31,101,808)	10,329,667	(30,696,683)	10,204,288
Other comprehensive income for the year	60,566,032	78,771,691	27,377,557	55,047,154
Total comprehensive income for the year	237,681,063	301,647,865	330,822,936	216,628,367
Total comprehensive income attributable to:				
Owners of the Company	257,967,914	284,533,259	330,822,936	216,628,367
Non-controlling interests	(20,286,851)	17,114,606	-	-
Total comprehensive income for the year	237,681,063	301,647,865	330,822,936	216,628,367

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

Statement of changes in equity

Loxley Public Company Limited and its Subsidiaries

	Consolidated financial statements													
	Retained earnings					Other components of equity								
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Currency translation differences of the financial statements	Fair value changes of available-for-sale investments, net	Revaluation surplus on assets, net	Portion of Company subsidiary	Portion of subsidiary and associates	Change in percentage of holding in subsidiaries and associates	Total other components of equity	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
Year ended 31 December 2015														
Balance at 1 January 2015	2,264,954,770	503,250,000	95,718,500	1,294,155,329	(2,894,052)	342,215,977	246,888,302	73,489,035	1,285,869,979	1,945,369,241	6,103,447,840	307,862,398	6,411,310,238	
Transactions with owners, recorded directly in equity														
Contributions by and distributions to equity holders														
Paid-up share capital of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	20,860,000	20,860,000	
Dividends of subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(20,631,468)	(20,631,468)	
Dividends to owners of the Company	-	-	-	(226,495,477)	-	-	-	-	-	-	(226,495,477)	-	(226,495,477)	
Total contributions by and distributions to equity holders	-	-	-	(226,495,477)	-	-	-	-	-	-	(226,495,477)	228,532	(226,266,945)	
Changes in ownership interests in subsidiaries														
Increase in non-controlling interests with a change in control	-	-	-	-	-	-	-	-	(1,025,515)	(1,025,515)	(1,025,515)	107,745,009	106,719,494	
Total transactions with owners, recorded directly in equity	-	-	-	(226,495,477)	-	-	-	-	(1,025,515)	(1,025,515)	(227,520,992)	107,973,541	(119,547,451)	
Comprehensive income for the year														
Profit for the year	-	-	-	209,922,473	-	-	-	-	-	-	209,922,473	12,953,701	222,876,174	
Other comprehensive income	-	-	-	8,038,269	145,774	10,204,288	50,452,754	5,769,701	66,572,517	66,572,517	74,610,786	4,160,905	78,771,691	
Total comprehensive income for the year	-	-	-	217,960,742	145,774	10,204,288	50,452,754	5,769,701	66,572,517	66,572,517	284,533,259	17,114,606	301,647,865	
Transfer to legal reserve	-	-	8,080,000	(8,080,000)	-	-	-	-	-	-	-	-	-	
Balance at 31 December 2015	2,264,954,770	503,250,000	103,798,500	1,277,540,594	(2,748,278)	352,420,265	297,141,056	79,258,796	1,284,844,464	2,010,916,243	6,160,460,107	432,950,545	6,593,410,652	

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

Statement of changes in equity

Loxley Public Company Limited and its Subsidiaries

	Consolidated financial statements												
	Retained earnings			Other components of equity									
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Currency translation differences of the financial statements	Fair value changes of available-for-sale investments, net	Revaluation surplus on assets, net	Change in percentage of holding in subsidiaries and associates	Total other components of equity	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity	
Year ended 31 December 2016													
Balance at 1 January 2016	2,264,954,770	503,250,000	103,798,500	1,277,540,584	(2,748,278)	352,420,265	297,141,056	79,258,736	1,284,844,464	2,010,916,243	6,160,460,107	432,950,545	6,593,410,652
Transactions with owners, recorded directly in equity													
<i>Contributions by and distributions to equity holders</i>													
Paid-up share capital of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	6,849,925	6,849,925
Dividends of subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(16,061,850)	(16,061,850)
Dividends to owners of the Company	-	-	-	(113,247,739)	-	-	-	-	-	-	(113,247,739)	-	(113,247,739)
Total contributions by and distributions to equity holders	-	-	-	(113,247,739)	-	-	-	-	-	-	(113,247,739)	-	(122,459,664)
Changes in ownership interests in subsidiaries													
Decrease in non-controlling interests with a change in control	-	-	-	-	-	-	-	-	(12,977,143)	(12,977,143)	(12,977,143)	-	(12,977,143)
Increase and decrease in non-controlling interests without a change in control, net	-	-	-	-	567,046	-	-	-	2,615,893	3,182,939	3,182,939	(74,241,539)	(71,058,600)
Total changes in ownership interests in subsidiaries	-	-	-	-	567,046	-	-	-	(10,361,250)	(9,794,204)	(9,794,204)	(74,241,539)	(84,035,743)
Total transactions with owners, recorded directly in equity	-	-	-	(113,247,739)	567,046	-	-	-	(10,361,250)	(9,794,204)	(123,041,943)	(83,453,464)	(206,495,407)
Comprehensive income for the year													
Profit for the year	-	-	-	172,423,338	-	-	-	-	-	-	172,423,338	4,691,693	177,115,031
Other comprehensive income	-	-	-	-	(405,125)	(30,696,683)	58,074,240	58,572,144	-	85,544,576	85,544,576	(24,978,544)	60,566,032
Total comprehensive income for the year	-	-	-	172,423,338	(405,125)	(30,696,683)	58,074,240	58,572,144	-	85,544,576	257,967,914	(20,286,851)	237,681,063
Transfer to legal reserve	-	-	-	(15,173,000)	-	-	-	-	-	-	-	-	-
Balance at 31 December 2016	2,264,954,770	503,250,000	118,971,500	1,321,543,193	(2,586,357)	321,723,562	355,215,296	137,830,880	1,274,483,214	2,086,666,615	6,295,386,078	329,210,230	6,624,596,308

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

Statement of changes in equity

Loxley Public Company Limited and its Subsidiaries

	Note	Separate financial statements							
		Retained earnings			Other components of equity				
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated investments, net	Fair value changes of available-for-sale investments, net	Revaluation surplus on assets, net	Total other components of equity	Total equity
(in Baht)									
Year ended 31 December 2015									
Balance at 1 January 2015		2,264,954,770	503,250,000	95,718,500	1,061,266,499	342,215,977	246,688,302	588,904,279	4,514,094,048
Transactions with owners, recorded directly in equity									
<i>Contributions by and distributions to equity holders</i>									
Dividends to owners of the Company	36	-	-	-	(226,495,477)	-	-	-	(226,495,477)
Total contributions by and distributions to equity holders		-	-	-	(226,495,477)	-	-	-	(226,495,477)
Comprehensive income for the year									
Profit for the year		-	-	-	161,581,213	-	-	-	161,581,213
Other comprehensive income		-	-	-	(5,609,888)	10,204,288	50,452,754	60,657,042	55,047,154
Total comprehensive income for the year		-	-	-	155,971,325	10,204,288	50,452,754	60,657,042	216,628,367
Transfer to legal reserve	27	-	-	8,080,000	(8,080,000)	-	-	-	-
Balance at 31 December 2015		2,264,954,770	503,250,000	103,798,500	982,662,347	352,420,265	297,141,056	649,561,321	4,504,226,938

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

Statement of changes in equity

Loxley Public Company Limited and its Subsidiaries

	Separate financial statements							Total equity
	Retained earnings			Other components of equity				
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated investments, net	Fair value changes of available-for-sale investments, net	Revaluation surplus on assets, net	Total other components of equity	
	<i>Note</i>							
<i>(in Baht)</i>								
Year ended 31 December 2016								
Balance at 1 January 2016		2,264,954,770	503,250,000	103,798,500	982,662,347	352,420,265	297,141,056	649,561,321
Transactions with owners, recorded directly in equity								
Contributions by and distributions to equity holders								
Dividends to owners of the Company	36	-	-	-	(113,247,739)	-	-	-
Total contributions by and distributions to equity holders		-	-	-	(113,247,739)	-	-	-
Comprehensive income for the year								
Profit for the year		-	-	-	303,445,379	-	-	-
Other comprehensive income		-	-	-	-	(30,696,683)	58,074,240	27,377,557
Total comprehensive income for the year		-	-	-	303,445,379	(30,696,683)	58,074,240	27,377,557
Transfer to legal reserve	27	-	-	15,173,000	(15,173,000)	-	-	-
Balance at 31 December 2016		2,264,954,770	503,250,000	118,971,500	1,157,666,987	321,723,582	355,215,296	676,938,878
								4,721,802,135

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

Statements of cash flows

Loxley Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2016	2015	2016	2015
		(in Baht)			
Cash flows from operating activities					
Profit for the year		177,115,031	222,876,174	303,445,379	161,581,213
<i>Adjustments for</i>					
Depreciation and amortisation		205,996,382	185,394,410	46,254,301	51,819,163
Interest income		(35,245,267)	(41,184,366)	(29,646,573)	(32,054,091)
Finance costs		189,732,177	154,909,625	85,265,549	77,371,766
Unrealised loss (gain) on exchange		2,296,499	(5,418,321)	2,641,313	(5,962,180)
Dividends received		(27,410,343)	(25,362,795)	(782,173,959)	(695,628,227)
Written off withholding tax deducted at source		7,812,481	705,363	-	42,060
Set up provision for:					
- Doubtful accounts for trade, other accounts receivable, and retentions receivable		106,422,383	46,402,870	105,358,033	30,450,312
- Doubtful accounts for short-term loans to related parties		9,350,000	11,050,000	9,350,000	11,050,000
- Decline in value of inventories		31,101,040	14,136,553	6,397,579	8,967,748
- Decline in value of investment in subsidiaries		-	-	30,000,000	-
- Decline in value of investment in associate		-	15,666,433	-	64,044,216
Impairment losses on property, plant and equipment and intangible assets		5,969,836	68,714,767	1,385,243	14,214,411
Written off advances payment to suppliers		-	7,000,000	-	7,000,000
Gain on acquisitions and disposals of subsidiaries, net	4	-	(22,563,916)	-	-
Gain on sales of investments in subsidiary		-	-	(2,709,257)	-
Gain on sales of investments in associate		(17,187,980)	(15,749,698)	-	(8,000,000)
Unrealised gain on revaluation of investment property, net	16	(5,506,009)	-	(9,300,000)	-
Reversal of loss from revaluation of property		-	(699,500)	-	(699,500)
Loss on disposals of/written-off property, plant and equipment and intangible assets		10,365,582	4,114,405	665,654	4,956,951
Share of profit from investments in associates and joint ventures, net		(653,568,432)	(589,950,105)	-	-
Exchange differences on translation of the financial statements of foreign entities		(405,125)	125,379	-	-
Income tax expense		42,758,070	41,106,931	1,860,000	-
		49,596,325	71,274,209	(231,206,738)	(310,846,158)

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

Statements of cash flows

Loxley Public Company Limited and its Subsidiaries

	Consolidated		Separate	
	financial statements		financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2016	2015	2016	2015
	<i>(in Baht)</i>			
<i>Changes in operating assets and liabilities</i>				
Trade and other accounts receivable	(658,241,675)	(1,050,776,738)	(334,199,361)	283,788,087
Unbilled trade accounts receivable	352,423,276	61,854,062	233,453,652	(33,612,441)
Retentions receivable	145,305,863	(107,221,812)	145,305,863	(107,221,812)
Inventories	(319,417,450)	213,231,451	137,786,951	(96,054,500)
Advances paid to suppliers	(61,488,809)	(30,152,075)	(10,035,446)	(78,273,386)
Other current assets	19,180,312	(57,674,363)	37,387,149	(23,288,271)
Other non-current assets	3,723,687	(14,305,934)	2,771,282	903,388
Trade and other accounts payable	538,133,482	(610,490,265)	(217,356,629)	(336,074,651)
Advances received from customers	598,102,791	8,543,114	(32,416,204)	(58,187,448)
Employee benefit obligations	20,105,755	81,104,659	17,391,010	21,982,633
Other current liabilities	285,269,822	(239,823,680)	160,107,847	(109,374,632)
Withholding tax deducted at source refunded	97,236,188	11,042,173	81,995,842	-
Income tax and withholding tax deducted at source paid	(134,906,145)	(119,062,405)	(56,964,679)	(40,697,007)
Net cash provided by (used in) operating activities	935,023,422	(1,782,457,604)	(65,979,461)	(886,956,198)
<i>Cash flows from investing activities</i>				
Interest received	5,617,604	14,033,010	2,320,478	5,657,388
Dividends received	703,479,728	606,612,425	847,573,959	630,228,227
Decrease (increase) in current investments	(575,812,925)	(148,165,021)	(246,414,136)	156,357,469
Net effect on cash flow from acquisitions and disposal of subsidiaries	639,205	(15,208,981)	-	-
Increase in investments in subsidiaries	-	-	(251,917,900)	(239,002,160)
Increase in investments in joint ventures	(3,049,800)	-	-	-
Increase in short-term loans to related parties	(9,350,000)	(11,050,000)	(9,350,000)	(11,050,000)
Decrease in short-term loans to other parties	36,133,908	13,522,503	-	-
Cash dividends of subsidiaries paid to non-controlling interests	(16,061,850)	(20,631,468)	-	-
Increase in investment property	(265,467,800)	-	-	-
Increase in property, plant and equipment	(236,212,960)	(88,892,477)	(31,558,200)	(66,575,347)

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

Statements of cash flows

Loxley Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2016	2015	2016	2015
		<i>(in Baht)</i>			
Increase in intangible assets		(43,978,166)	(20,221,294)	(22,185,747)	(13,968,640)
Proceed from sales of investment in subsidiary		2,709,257	-	2,709,257	-
Proceed from sales of investments in associates, net		12,000,000	56,000,100	-	56,000,100
Proceed from paid-up share capital of non-controlling interests		6,849,925	20,860,000	-	-
Net cash paid for acquisition of non-controlling interests		(74,418,000)	-	-	-
Proceed from sales of property, plant and equipment and intangible assets		6,751,285	8,593,861	2,090,024	4,050,552
Net cash provided by (used in) investing activities		(450,170,589)	415,452,658	293,267,735	521,697,589
<i>Cash flows from financing activities</i>					
Finance costs paid		(189,792,300)	(155,711,456)	(85,399,403)	(77,995,248)
Dividends paid to owners of the Company		(113,247,739)	(226,495,477)	(113,247,739)	(226,495,477)
Increase (decrease) in bank overdrafts and short-term loans from financial institutions		(81,297,917)	475,474,672	(99,337,394)	(24,119,279)
Increase (decrease) in short-term loans loans from related parties		102,000,000	(5,000,000)	40,000,000	(180,000,000)
Increase (decrease) in short-term loans loans from other parties		(120,746,217)	92,972,280	-	-
Increase in long-term liabilities		145,000,000	800,000,000	-	800,000,000
Increase in long-term debentures		-	1,000,000,000	-	1,000,000,000
Repayment of long-term liabilities		(128,068,446)	(1,638,212,403)	(3,176,828)	(1,508,768,246)
Net cash provided by (used in) financing activities		(386,152,619)	343,027,616	(261,161,364)	(217,378,250)
Net increase (decrease) in cash and cash equivalents		98,700,214	(1,023,977,330)	(33,873,090)	(582,636,859)
Cash and cash equivalents at 1 January		734,809,981	1,757,052,794	260,420,213	841,322,555
Effect of exchange rate changes on balances held in foreign currencies		158,208	1,734,517	105,412	1,734,517
Cash and cash equivalents at 31 December	6	833,668,403	734,809,981	226,652,535	260,420,213

Non cash transaction

During 2016, the Group acquired property, plant and equipment totaling Baht 245 million (2015: Baht 218 million) which included equipment of finance lease totaling Baht 9 million (2015: Baht 30 million) and cash payments of Baht 236 million (2015: Baht 89 million).

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

Notes to the financial statements

Loxley Public Company Limited and its Subsidiaries

For the year ended 31 December 2016

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Notes to the financial statements

Loxley Public Company Limited and its Subsidiaries

For the year ended 31 December 2016

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Executive Board of Directors on 24 February 2017.

1 General information

Loxley Public Company Limited, the “Company”, is incorporated in Thailand, and has its registered office at 102 Na Ranong Road, Klong Toey, Klong Toey, Bangkok, 10110, Thailand.

The Company was listed on the Stock Exchange of Thailand in 1994.

The Company’s major shareholder during the financial year was Ekpavee Company Limited (26% shareholding) which was incorporated in Thailand.

The principal businesses of the Company are trading and turnkey contract sales of telecommunication equipment and other items. Active subsidiaries mainly engage in their core businesses of trading, sales and services of computers, sales of consumer products, providing food service and others services. Details of the Company’s subsidiaries as at 31 December 2016 and 2015 were as follows:

Name of the entity	Type of Business	Ownership interest (%)	
		2016	2015
Direct subsidiaries			
Loxbit Public Company Limited	Trading of telecommunication equipment, computers and computer programs	99	99
Loxley Orbit Public Company Limited (Formerly “Loxbit PA Public Company Limited”)	Telecommunication and computerised database service	99	-
Data Mining Co., Ltd.	Service of information technology equipment and computer systems	99	99
Loxley Joint and Hold Co., Ltd.	Holding company	99	99
Loxley Mobile Company Limited	Sale and service of various prepaid electronics cash card	99	99
L Food Solutions Company Limited	Provide food service	99	99
Loxley Intertrade (Guangzhou) Co., Ltd.	Trading in the People’s Republic of China	99	99
L Green Solutions Company Limited	Provide alternative energy source of all types, selling electricity and gas, and waste management	99	99
L Solar 2 Co., Ltd.	Solar power plant business	99	99
Loxley Power Systems Co., Ltd.	System integration of power system	99	99
L-Elevator and Engineering Co., Ltd.	Trading and installation of elevator and escalator	99	99
Loxley Engineering Co., Ltd.	Engineering services in the telecommunication network systems, and trading of related materials and tools	99	-

Name of the entity	Type of Business	Ownership interest (%)	
		2016	2015
Direct subsidiaries			
Loxley Property Development Co., Ltd.	Renting of building, advertising board and providing services	99	66
Loxley Wireless Public Company Limited	Sale and service of telecommunication and information technology systems	85	85
Green Natural Products Co., Ltd.	Manufacture and distribute citrus essential oil	75	75
L Solar 3 Co., Ltd.	Manufacture and distribute electricity, plan, design, install and construct solar power plant, substation, processing power station, high voltage transmission lines, electric wire, cable and related equipment	74	-
L Solar 1 Co., Ltd.	Manufacture and distribute electricity	70	70
ASM Security Management Co., Ltd. (Formerly "Asia Security Management Co., Ltd.")	Provide security service at Suvarnabhumi Airport and others	69	69
L Force 1 Co., Ltd.	Supply, manufacture and sell of shooting stimulation for fixed shooting and trapshooting	60	60
Loxley Global Co., Ltd.	Holding company	51	51
LB EV Co., Ltd.	Manufacturing, assembly, trading electricity automotive including related equipment	51	51
Loxley Trading Company Limited	Sale of consumer products	50	50
Societe Commercial Lao	Trading in Lao People's Democratic Republic	50	62
Indirect subsidiaries			
NetOne Network Solution Co., Ltd.	Trading of computer, computer spare parts and equipment, of all types	99	99
Thai Gateway Company Limited	Trading of telecommunication equipment	99	99
Professional Computer Company Limited	Supply, maintenance and set up of work system, installation of computers and management of computerised center	99	99
L Hardware & Services Co., Ltd.	Installation and repair of IT equipment, sale of computers and peripherals	99	99
K2 Venture Capital Co., Ltd.	Venture Capital	99	-
LWSN Company Limited	Service of telecommunication, information technology systems and submarine cable network	85	85
LWTN Company Limited	Service of telecommunication, information technology systems and fiber optics	85	85
Loxley Wireless System Integrator Company Limited	Engineering services in the telecommunication network systems	85	-
Loxley Orbit Public Company Limited (Formerly "Loxbit PA Public Company Limited")	Telecommunication and computerised database service	-	99

The above direct subsidiaries and indirect subsidiaries were incorporated in Thailand except Societe Commercial Lao which was incorporated in Lao People's Democratic Republic and Loxley Intertrade (Guangzhou) Co., Ltd. which was incorporated in the People's Republic of China.

2 Basis of preparation of the financial statements

(a) *Statement of compliance*

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

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2016. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's/Company's accounting policies. These changes have no material effect on the financial statements. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2017 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group's/Company's operations are disclosed in note 41.

(b) *Basis of measurement*

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

<i>Items</i>	<i>Measurement bases</i>
Investment in trading securities	Fair value
Investment in available-for-sale securities	Fair value
Investment properties	Fair value
Land	Fair value
Defined benefit liability	Present value of the defined benefit obligation as explained in Note 3 (n)

(c) *Functional and presentation currency*

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

(d) *Use of judgements and estimates*

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

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

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

Note 3(s) and 23	Current and deferred taxation
Note 3(p)	Revenue recognition from service contract
Note 3(g), 3(k), 12 and 13	Impairment test key assumptions underlying recoverable amounts
Note 3(h) and 16	Valuation of investment properties
Note 3(i) and 17	Valuation of land
Note 3(n) and 24	Measurement of defined benefit obligations: key actuarial assumptions; and
Note 39	Contingent liabilities

Measurement of fair values

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

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

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

Significant valuation issues are reported to the Group/Company Audit Committee.

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

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

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

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

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

- Note 16 - Investment properties
- Note 17 - Property, plant and equipment
- Note 37 - Financial instruments

3 Significant accounting policies

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

(a) *Basis of consolidation*

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates and joint ventures.

Business combinations

The Group/Company applies the acquisition method for all business combinations when control is transferred to the Group other than those with entities under common control.

The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

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

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

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

The Group/Company measures any non-controlling interest (NCI) at its proportionate interest in the identifiable net assets of the acquiree.

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

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

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

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

Loss of control

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

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

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

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

Foreign currency transactions

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

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

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

Foreign currency differences are generally recognised in profit or loss.

Foreign operations

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

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

Foreign exchange differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity until disposal of the investment, except to extent that the translation difference is allocated to non-controlling interest.

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

(c) *Derivative financial instruments*

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

Gains or losses from forward exchange contracts used to hedge anticipated currency transactions are recognised when transaction above occurs.

(d) *Cash and cash equivalents*

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

(e) *Trade and other accounts receivable*

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

Unbilled trade accounts receivable represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised for the portion of work performed, less progress billings and recognised losses.

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

(f) Inventories

Merchandise inventories

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

Cost is calculated using the weighted average cost principle, except consumer products and text books using first-in first out principle. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Construction contracts work in progress represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost which includes all expenditure related directly to specific projects and an allocation of fixed and variable costs incurred in the Group's/Company's contract activities based on normal operating capacity.

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

An allowance is made for all deteriorated, damaged, obsolete and certain slow-moving inventories.

(g) Investments

Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures in the separate financial statements of the Company are accounted for using the cost method. Investments in associates and joint ventures in the consolidated financial statements are accounted for using the equity method.

Investments in other debt and equity securities

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

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

(h) *Investment properties*

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost on initial recognition and subsequently at fair value, with any change recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

(i) *Property, plant and equipment*

Recognition and measurement

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses except for land which are stated at their revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

Leased assets

Leases in terms of which the Group/Company substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss. When a sale and leaseback results in a finance lease, any gain on the sale is deferred and recognised as income over the lease term.

Revalued assets

Revaluations are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.

Any increase in value, on revaluation, is recognised in other comprehensive income under the presented in "revaluation surplus" in equity unless it offsets a previous decrease in value recognised loss in profit or loss in respect of the same asset. A decrease in value is recognised in profit or loss to the extent it exceeds an increase previously recognised in other comprehensive income in respect of the same asset. Upon disposal of a revalued asset, any related revaluation surplus is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property. Property that is being constructed for future use as investment property is accounted for at fair value. Any gain arising on remeasurement is recognised in profit or loss to the extent the gain reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in "revaluation surplus" in other components of equity. Any loss is recognised in other comprehensive income and presented in "revaluation surplus" in other components of equity to the extent that an amount had previously been included in the revaluation reserve relating to the specific property, with any remaining loss recognised immediately in profit or loss.

Subsequent costs

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

Depreciation

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

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

Buildings and Improvements	5 - 25 years
Furniture, fixtures and office equipment	3 - 10 years
Tools and equipment	3 - 10 years
Equipment held for lease	3 and 5 years
Vehicles	5 years

No depreciation is provided on freehold land or assets under construction.

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

(j) Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in note 3(a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill.

Other intangible assets

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

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

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

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

Software license and others	3 - 10 years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(k) Impairment

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

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

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

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

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

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

(l) Interest-bearing liabilities

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

(m) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(n) Employee benefits

Defined contribution plans

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

Defined benefit plans

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

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

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

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

Termination benefits

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

Short-term employee benefits

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

(o) Provisions

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

Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

(p) Revenue

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

Sale of goods and services rendered

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

Service contracts revenue

Services contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in profit or loss in proportion to the stage of completion of the contract.

The stage of completion is assessed by reference to surveys of work performed and the proportion of costs incurred to the reporting date compared to the estimated final costs of the contract at completion. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

Other services income

When the Group/Company acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of other services income made by the Group/Company.

Rental income

Rental income from investment property and others is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income over the term of lease. Contingent rentals are recognised as income in the accounting period in which they are earned.

Dividend income

Dividend income is recognised in profit or loss on the date the Group's/Company's right to receive payments is established (as declared for dividend date).

Interest income

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

(q) Finance costs

Finance costs comprise interest expense on borrowings and unwinding of the discount on provisions and contingent consideration that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(r) Lease payments

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

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

Determining whether an arrangement contains a lease

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

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

(s) Income tax

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

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

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

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

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

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

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

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

(t) *Earnings per share*

The Group/Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise warrants.

(u) *Segment reporting*

Segment results that are reported to the Executive Board (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly gain on sales of investments, share of profits from investments in associates and joint ventures accounted for using the equity method, dividend income and central expenses.

4 Acquisitions and disposals of subsidiaries and non-controlling interests

(a) *Acquisition of subsidiary*

2016

In April 2016, a subsidiary of the company incorporated a new subsidiary, Loxley Wireless System Integrator Company Limited, with a registered share capital of Baht 10 million. The said company engages in engineering services in the telecommunication network systems. The subsidiary held 99% of shares and voting right in the indirect subsidiary (the Group indirectly held 85%).

In July 2016, the Company incorporated a new subsidiary, Loxley Engineering Co., Ltd., with a registered share capital of Baht 10 million and 25% paid-up share capital. The said company engages in engineering services in the telecommunication network systems, and trading of related materials and tools. The Company held 99% of shares and voting right in the subsidiary.

In July 2016, the Company invested in L Solar 3 Co., Ltd., with a registered share capital of Baht 10 million and 25% paid-up share capital. The said company engages in manufacturing and distributing electricity, plan, design, install and construct solar power plant, substation, processing power station, high voltage transmission lines, electric wire, cable and related equipment. The Company held 74% of shares and voting right in the subsidiary and paid up the purchase of shares at par value in amount of Baht 1.9 million. The Group included the subsidiary's financial statements in the consolidated financial statements for the year ended 31 December 2016. The consolidation of such entity does not have any material impact on the consolidated financial statements. In October 2016, the said company called for additional paid-up of 75%. The Company fully paid up according to percentage of shareholding of 74%, amounting to Baht 5.5 million.

In November 2016, a subsidiary invested in K2 Venture Capital Co., Ltd., with a registered share capital of Baht 4 million and 25% paid-up share capital. The said company engages in venture capital business. A subsidiaries held 99% of shares in the indirect subsidiary (the Group indirectly held 99%) The Group included the subsidiary's financial statements in the consolidated financial statements for the year ended 31 December 2016. The consolidation of such entity does not have any material impact on the consolidated financial statements.

In December 2016, the Company entirely purchased shares of Loxley Orbit Public Company Limited (formerly "Loxbit PA Public Company Limited"), an indirect subsidiary of the Company, from a subsidiary, totaling Baht 110 million (net book value as at 31 December 2016). The indirect subsidiary thereby became a direct subsidiary of the Company.

2015

In January 2015, the Company incorporated a new subsidiary, Loxley Power Systems Co., Ltd., with a registered share capital of Baht 5 million, and were fully paid up in May 2015. The said subsidiary engages in system integration of power system. The Company held 99% of shares and voting right in the subsidiary. In October 2015, Loxley Power Systems Co., Ltd., a subsidiary of the Company, increased its registered share capital from Baht 5 million to Baht 20 million, which were fully paid up. The Company paid up the increase in share capital according to percentage of shareholding of 99%, amounting to Baht 15 million. The Group included the subsidiary's financial statements in the consolidated financial statements for the year ended 31 December 2015. The consolidation of such entity does not have any material impact on the consolidated financial statements.

In January 2015, the Company purchased 99% shareholding, equivalent to 30,000 common shares, of L-Elevator and Engineering Co., Ltd. at Baht 100 per share (par value), totaling Baht 3 million. The said company engages in trading and installation of elevator and escalator. The Company has negative goodwill amounting to Baht 1.9 million which was recorded as other income in the consolidated statement of income. The Group included the subsidiary's financial statements in the consolidated financial statements for the year ended 31 December 2015. The consolidation of such entity does not have any material impact on the consolidated financial statements.

In October 2015, the Company incorporated a new subsidiary, LB EV Co., Ltd., with a registered capital of Baht 40 million and 25% paid-up share capital. This company engages in manufacturing, assembly, trading, import and export electricity automotive including related equipment. The Company held 51% of shares and voting right in the subsidiary and included the subsidiary's financial statements in the consolidated financial statements for the year ended 31 December 2015. The consolidation of such entity does not have any material impact on the consolidated financial statements.

In October 2015, the Group acquired 25% additional investment in L Solar 1 Co., Ltd., an associate of the Group, in amount of Baht 95 million. The associate operates in generating and distributing electricity and has its authorized and fully paid-up share capital amounting to Baht 220 million. The Group has negative goodwill amounting to Baht 5 million which was recorded in the statement of income for the year ended 31 December 2015, bringing the change in percentage of holding from 45% to 70%. The associate thereby became a subsidiary of the Group and was included in the consolidated financial statement for the year ended 31 December 2015.

In December 2015, a subsidiary of the Company incorporated new subsidiary, LWSN Company Limited, with a registered capital of Baht 1 million and 25% paid-up share capital. This company engages in telecommunications and information technology systems and submarine cable network business. The subsidiary held 99% of shares and voting right in the indirect subsidiary (the Group indirectly held 85%) and included the subsidiary's financial statements in the consolidated financial statements for the year ended 31 December 2015. The consolidation of such entity does not have any material impact on the consolidated financial statements.

In December 2015, a subsidiary of the Company incorporated new subsidiary, LWTN Company Limited, with a registered capital of Baht 1 million and 25% paid-up share capital. This subsidiary engages in telecommunications and information technology systems and fiber optics business. The subsidiary held 99% of shares and voting right in the indirect subsidiary (the Group indirectly held 85%) and included the subsidiary's financial statements in the consolidated financial statements for the year ended 31 December 2015. The consolidation of such entity does not have any material impact on the consolidated financial statements.

(b) *Acquisition of interests in subsidiary without a change of control*

2016

In January 2016, The Company has purchased 474,000 shares of Loxley Property Development Co., Ltd., a subsidiary of the Company, from the Company's major shareholder totaling Baht 74 million (net book value as at 31 December 2015), bringing the change in percentage of holding from 66% to 90%. The Group has gain from changes in percentage of holding amounting to Baht 0.8 million which was recorded under "change in percentage of holding in subsidiaries and associates" in other components of equity. In March 2016, the said subsidiary increased its registered share capital from Baht 200 million to Baht 250 million, which are fully paid up. The Company paid up the increase in share capital according to percentage of shareholding of 90%, amounting to Baht 45 million.

In August 2016, L Green Solutions Company Limited, a subsidiary of the Company, called for additional paid-up of 25%. The Company fully paid up according to percentage of shareholding of 99%, amounting to Baht 2.5 million.

In October 2016, L Food Solutions Company Limited, a subsidiary of the Company, increased its registered share capital from Baht 30 million to Baht 40 million, which are fully paid up. The Company paid up the increase in share capital according to percentage of shareholding of 99%, amounting to Baht 10 million.

2015

In May 2015, Loxbit Public Company Limited, a subsidiary of the Company, increased the authorised and fully paid up share capital from Baht 375 million to Baht 450 million. The Company purchased the increase share capital of Baht 75 million at par value. As at 31 December 2015, the Company's percentage of holding in the subsidiary remains at 99%.

In October 2015, L Food Solutions Company Limited, a subsidiary of the Company, increased its registered share capital from Baht 20 million to Baht 30 million, which are fully paid up. The Company paid up the increase in share capital according to percentage of shareholding of 99%, amounting to Baht 10 million.

In October 2015, Loxley Property Development Co., Ltd., a subsidiary of the Company, increased its registered share capital from Baht 152.50 million to Baht 200 million, which are fully paid up. The Company paid up the increase in share capital according to percentage of shareholding of 66%, amounting to Baht 31 million.

(c) *Partial disposal of interest in subsidiary with a change of control*

2015

In October 2015, Parts Zone (Thailand) Co., Ltd., a subsidiary of the Group, increased its registered share capital by Baht 21 million from Baht 35 million to Baht 56 million. The increasing share capital was entirely sold to an overseas strategic partner in amount of Baht 59 million (including share premium), resulting in the decrease in percentage of holding from 74% to 46% and loss of control in this subsidiary and became an associate. The deconsolidation of such entity does not have any material impact on the consolidated financial statements. The Group has gain from changes in percentage of holding amounting to Baht 16 million which was recorded in statement of income for the year ended 31 December 2015.

(d) *Partial disposal of interest in subsidiary without a change of control*

2016

In July 2016, the Company disposed 12% of investment in Societe Commercial Lao, a subsidiary of the Company, to non-related party totaling Baht 3 million, resulting in decrease of the Company's shareholding percentage from 62% to 50%. The Group has gain from changes in percentage of holding in consolidated financial statements amounting to Baht 2 million which was recorded under "change in percentage of holding in subsidiaries and associates" in other components of equity and has gain from disposal of investment in separate financial statements amounting to Baht 3 million which was recorded statement of income for the year ended 31 December 2016.

5 Related parties

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

Significant relationships with related parties were as follows:

Name of entities	Nature of relationships
<i>Major shareholder</i>	
Ekpavee Company Limited	A major shareholder, 26% shareholding of the Company, common director

Name of entities	Nature of relationships
<i>Direct Subsidiaries</i>	
Loxbit Public Company Limited	A direct subsidiary, 99% shareholding, common director
Loxley Orbit Public Company Limited (Formerly “Loxbit PA Public Company Limited”)	A direct subsidiary, 99% shareholding, common director
Data Mining Co., Ltd.	A direct subsidiary, 99% shareholding, common director
Loxley Joint and Hold Co., Ltd.	A direct subsidiary, 99% shareholding, common director
Loxley Mobile Company Limited	A direct subsidiary, 99% shareholding, common director
L Food Solutions Company Limited	A direct subsidiary, 99% shareholding, common director
Loxley Intertrade (Guangzhou) Co., Ltd.	A direct subsidiary, 99% shareholding, common director
L Green Solutions Company Limited	A direct subsidiary, 99% shareholding, common director
L Solar 2 Co., Ltd.	A direct subsidiary, 99% shareholding, common director
Loxley Power Systems Co., Ltd.	A direct subsidiary, 99% shareholding, common director
L-Elevator and Engineering Co., Ltd.	A direct subsidiary, 99% shareholding, common director
Loxley Engineering Co., Ltd.	A direct subsidiary, 99% shareholding, common director
Loxley Property Development Co., Ltd.	A direct subsidiary, 90% shareholding, common director
Loxley Wireless Public Company Limited	A direct subsidiary, 85% shareholding, common director
Green Natural Products Co., Ltd.	A direct subsidiary, 75% shareholding, common director
L Solar 3 Co., Ltd.	A direct subsidiary, 74% shareholding, common director
L Solar 1 Co., Ltd.	A direct subsidiary, 70% shareholding, common director
ASM Security Management Co., Ltd. (Formerly “Asia Security Management Co., Ltd.”)	A direct subsidiary, 69% shareholding, common director
L Force 1 Co., Ltd.	A direct subsidiary, 60% shareholding, common director
Loxley Global Co., Ltd.	A direct subsidiary, 51% shareholding, common director
LB EV Co., Ltd.	A direct subsidiary, 51% shareholding, common director
Loxley Trading Company Limited	A direct subsidiary, 50% shareholding, common director
Societe Commercial Lao	A direct subsidiary, 50% shareholding, common director
<i>Indirect subsidiaries</i>	
NetOne Network Solution Co., Ltd.	An indirect subsidiary, 99% shareholding, common director
Thai Gateway Company Limited	An indirect subsidiary, 99% shareholding, common director
Professional Computer Company Limited	An indirect subsidiary, 99% shareholding, common director
L Hardware & Services Co., Ltd.	An indirect subsidiary, 99% shareholding, common director
K2 Venture Capital Co., Ltd.	An indirect subsidiary, 99% shareholding, common director

Name of entities	Nature of relationships
<i>Indirect subsidiaries</i>	
LWSN Company Limited	An indirect subsidiary, 85% shareholding, common director
LWTN Company Limited	An indirect subsidiary, 85% shareholding, common director
Loxley Wireless System Integrator Company Limited	An indirect subsidiary, 85% shareholding, common director
<i>Direct associates</i>	
Oriental Post Co., Ltd.	A direct associate, 50% shareholding, common director
Parts Zone (Thailand) Co., Ltd.	A direct associate, 46% shareholding, common director
Thai Fiber Optics Company Limited	A direct associate, 40% shareholding, common director
Thanthiya Technology Co., Ltd.	A direct associate, 30% shareholding, common director
Mobile Innovation Co., Ltd.	A direct associate, 27% shareholding, common director
Foseco (Thailand) Limited	A direct associate, 26% shareholding, common director
NS BlueScope (Thailand) Limited	A direct associate, 20% shareholding, common director
NS BlueScope Lysaght (Thailand) Limited	A direct associate, 20% shareholding, common director
BlueScope Buildings (Thailand) Limited	A direct associate, 20% shareholding, common director
Loxley GTECH Technology Co., Ltd.	An associate, 35% shareholding (direct and indirect), common director
<i>Indirect associates</i>	
Postique Co., Ltd.	An indirect associate, 50% shareholding, common director
BP-Castrol (Thailand) Limited	An indirect associate, 40% shareholding, common director
Wisdom Vast Company Limited	An indirect associate, 30% shareholding
MOCAP Limited	An indirect associate, 25% shareholding, common director
<i>Direct joint ventures</i>	
Car Convinie Co., Ltd.	A direct joint venture, 51% shareholding, common director
L S Technology Solutions Co., Ltd.	A direct joint venture, 50% shareholding, common director
Loxley Numap Infra Plus Joint Venture	A direct joint venture, 38% interests in joint operation
<i>Indirect joint ventures</i>	
Cloud Serve Asia Co., Ltd.	An indirect joint venture, 50% shareholding
LPDPS Joint Venture	An indirect joint venture, 44% interests in joint operation
Loxley & AIT Holding Co., Ltd.	An indirect joint venture, 43% shareholding, common director
SLA Asia Company Limited	An indirect joint venture, 26% shareholding, common director
Loxtrade Specialty Innovation Co., Ltd.	An indirect joint venture, 25% shareholding, common director

Name of entities	Nature of relationships
Key management personnel	
Key management personnel	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.
Other related parties	
Thanakorn Vegetable Oil Products Co., Ltd.	A related party, shareholding by the major shareholder and subsidiary company, common director
L-TAG Technologies Company Limited	A related party, shareholding by the major shareholder, common director
Zin Suapah Company Limited	A related party, shareholding by the major shareholder, common director
L Business Process Outsourcing Co., Ltd.	A related party, shareholding by the major shareholder, common director
LOC Thai Joint Stock Company	A related party, shareholding by the major shareholder
Loxley International Company Limited	A related party, shareholding by Company's director, common director
Law Enforcement Technology Solutions Co., Ltd.	A related party, shareholding by Company's director, common director
LTS Travel Service Co., Ltd.	A related party, shareholding by Company's director, common director
Thai Herbal Products Company Limited	A related party, shareholding by Company and Company's director, common director
Eximnet Co., Ltd.	A related party, shareholding by subsidiary company, common director
Muang Thai Insurance Public Company Limited	A related party, shareholding by company, common director
Muang Thai Life Assurance Public Company Limited	A related party, common director
GMP (Thailand) Co., Ltd. (Formerly "Good Marine Products Co., Ltd.")	A related party, shareholding by the major shareholder, common director
MappointAsia (Thailand) Public Company Limited	A related party, shareholding by the major shareholder
The Lamsam Estate Co., Ltd.	A related party, shareholding by Company's director, common director
Mainstay Property Solutions & Security Services Co., Ltd. (Formerly "Mainstay Property Solutions Co., Ltd.")	A related party, shareholding by the major shareholder, common director
Spie Oil & Gas Services (Thailand) Ltd.	A related party, common director

The above related parties were incorporated in Thailand except Societe Commercial Lao which was incorporated in Lao People's Democratic Republic, Loxley Intertrade (Guangzhou) Co., Ltd. which was incorporated in the People's Republic of China and LOC Thai Joint Stock Company which was incorporated in the Socialist Republic of Vietnam.

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sale of goods and rendering of services	Market prices, contractually agreed prices or third party compatible prices
Fees and other income	Market prices or contractually agreed prices
Dividend income	As declared for dividend
Purchase of goods and rendering of services	Market prices, contractually agreed prices or prices agreed by distributors who absorb distribution costs
Selling expenses	Market prices or contractually agreed prices
Administrative expenses	Market prices or contractually agreed prices
Finance costs	Market rates or contractually agreed rates
Key management personnel compensation	Shareholders and/or Board of Directors approve/employment contract
Purchase of equipment	Contractually agreed prices
Purchase of investment	Net book value

Significant transactions for the years ended 31 December 2016 and 2015 with related parties were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
Year ended 31 December	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Major shareholder				
Purchase of investment	74	-	74	-
Subsidiaries				
Sale of goods and rendering of services	-	-	118	164
Fees and other income	-	-	37	37
Dividend income	-	-	532	414
Purchases of goods and rendering of services	-	-	275	86
Selling expenses	-	-	1	9
Administrative expenses	-	-	106	116
Finance costs	-	-	2	1
Purchase of investment	-	-	110	-
Associates and joint ventures				
Sale of goods and rendering of services	180	13	63	7
Fees and other income	14	18	12	18
Dividend income	-	-	227	257
Purchases of goods and rendering of services	224 ¹	309 ¹	204 ¹	302 ¹
Selling expenses	1	-	-	-
Administrative expenses	-	3	-	1
Purchase of equipment	-	76	-	-

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Other related parties				
Sale of goods and rendering of services	62	96	38	77
Fees and other income	12	6	12	5
Dividend income	24	20	20	19
Purchases of goods and rendering of services	1,548 ²	1,073 ²	13	11
Selling expenses	7	6	4	6
Administrative expenses	14	22	12	11
Finance costs	3	-	-	-
Key management personnel compensation	203	238	83	76

¹ The amount mainly comprises purchase and installation of project equipment from an associate, totaling Baht 147 million and Baht 261 million, for the years then ended 31 December 2016 and 2015, respectively in the consolidated and separate financial statements. The pricing policy is based on contractually agreed prices.

² The amount mainly comprises a subsidiary's purchase of vegetable oil from a related party totaling Baht 1,529 million and Baht 1,060 million for the years ended 31 December 2016 and 2015 in the consolidated financial statements, respectively. The pricing policy is based on prices agreed by distributors who absorb distribution costs.

Key management personnel compensation

Key management personnel compensation comprised:

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Short-term management benefits	191	204	77	70
Long-term management benefits	12	34	6	6
Total	203	238	83	76

Balances as at 31 December 2016 and 2015 with related parties were as follows:

Trade and other accounts receivable - related parties

Year ended 31 December	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
<i>(in million Baht)</i>					
Subsidiaries					
Loxley Intertrade (Guangzhou) Co., Ltd		-	-	97	117
Loxley Mobile Company Limited		-	-	7	7
Loxley Property Development Co., Ltd.		-	-	2	3
Others		-	-	7	6
Associates and joint ventures					
Loxley GTECH Technology Co., Ltd.	12	300	273	300	273
Loxley Numap Infra Plus Joint Venture		36	-	36	-
LPDPS Joint Venture		33	2	1	-
Parts Zone (Thailand) Co., Ltd.		10	11	10	11
Others		3	2	3	2
Other related parties					
LOC Thai Joint Stock Company		11	14	9	11
Muang Thai Life Assurance Public Company Limited		5	11	5	11
L Business Process Outsourcing Co., Ltd		3	4	-	-
Others		10	9	-	1
Total		411	326	477	442
Less allowance for doubtful accounts		(307)	(280)	(307)	(279)
Net		104	46	170	163
Bad debts and doubtful debts expense for the year		27	27	27	27

Dividend receivables

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in million Baht)			
Subsidiaries				
Loxley Joint and Hold Co., Ltd.	-	-	-	50
Loxbit Public Company Limited	-	-	-	13
Total	-	-	-	63

Deposit

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in million Baht)			
Subsidiary				
Loxley Property Development Co., Ltd.	1	1	18	18

Loans to related parties

Year ended 31 December	Note	Interest rate		Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015	2016	2015
		(% per annum)		(in million Baht)			
Short-term loans							
Subsidiary							
Loxley Mobile Company Limited		-	-	-	-	20	20
Associate							
Loxley GTECH Technology Co., Ltd.	12	6	6	461	452	461	452
Total				461	452	481	472
Less allowance for doubtful accounts				(461)	(452)	(481)	(472)
Net				-	-	-	-
Bad debts and doubtful debts expense for the year				9	11	9	11

Movements during the years ended 31 December 2016 and 2015 of loans to related parties were as follows:

<i>Loans to related parties</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Short-term loans				
Associate and joint ventures				
At 1 January	-	-	-	-
Increase	13	12	9	11
Decrease	(4)	(1)	-	-
Decrease from set up allowance for doubtful accounts	(9)	(11)	(9)	(11)
At 31 December	-	-	-	-

The currency denomination of loans to related parties as at 31 December 2016 and 2015 was denominated entirely in Thai Baht.

Trade and other accounts payable - related parties

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Subsidiaries				
Loxley Power Systems Co., Ltd.	-	-	28	11
Others	-	-	10	13
Associate and joint ventures				
NS BlueScope Lysaght (Thailand) Limited	23	27	23	27
Thanthiya Technology Co., Ltd.	8	4	8	4
Thai Fiber Optics Company Limited	3	6	-	-
BP-Castrol (Thailand) Limited	2	4	2	4
Loxley & AIT Holding Co., Ltd.	-	81	-	-
Others	1	2	-	1

Trade and other accounts payable - related parties

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<i>Year ended 31 December</i>				
	<i>(in million Baht)</i>			
Other related parties				
Thanakorn Vegetable Oil Products Co., Ltd.	201	160	-	-
Others	2	3	2	1
Total	240	287	73	61

Loans from related parties

	Interest rate		Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015	2016	2015
<i>Year ended 31 December</i>						
	<i>(% per annum)</i>		<i>(in million Baht)</i>			
Short-term loans						
Major shareholder						
Ekpavee Company Limited	5	-	102	-	-	-
Subsidiary						
Loxley Joint and Hold Co., Ltd.	1.0	1.8	-	-	100	60
Total			102	-	100	60

Movements during the years ended 31 December 2016 and 2015 of loans from related parties were as follows:

Loans from related parties

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Short-term loans				
Major shareholder				
At 1 January	-	5	-	-
Increase	102	-	-	-
Decrease	-	(5)	-	-
At 31 December	102	-	-	-

Loans from related parties

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Subsidiary				
At 1 January	-	-	60	240
Increase	-	-	395	-
Decrease	-	-	(355)	(180)
At 31 December	-	-	100	60
Total short-term loans from related parties				
At 1 January	-	5	60	240
Increase	102	-	395	-
Decrease	-	(5)	(355)	(180)
At 31 December	102	-	100	60

Future minimum lease payments under non-cancellable operating lease commitments

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Within one year	-	-	8	9
After one year but within five years	-	-	11	2
Total	-	-	19	11

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
<i>Year ended 31 December</i>				
Cash on hand and cash at banks - current accounts	241	137	55	97
Cash at banks - savings accounts	512	552	118	151
Highly liquid short - term investments	20	26	-	-
Cheque on hand	61	20	54	12
Total	834	735	227	260

Highly liquid short-term investments consisted of promissory notes, fixed deposits at banks, and others. Maturity period less than 3 months from the acquisition date.

The currency denomination of cash and cash equivalents as at 31 December 2016 and 2015 was as follows:

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Thai Baht (THB)	808	707	222	240
United States Dollars (USD)	8	23	5	20
Chinese Yuan (RMB)	18	5	-	-
Total	834	735	227	260

7 Deposits pledged as collateral

As at 31 December 2016, fixed deposits and promissory notes at financial institutions which were presented in other non-current assets in consolidated financial statement amounting to Baht 60 million (2015: Baht 32 million) have been pledged as collateral for the Group's projects performance.

8 Trade and other accounts receivable

<i>Year ended 31 December</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
		<i>(in million Baht)</i>			
Related parties	5	411	326	477	442
Other parties		4,065	3,502	1,193	867
Total		4,476	3,828	1,670	1,309
<i>Less</i> allowance for doubtful accounts		(537)	(470)	(432)	(330)
Net		3,939	3,358	1,238	979
Bad debts and doubtful debts expenses for the year		103	46	102	30

Aging analyses for trade and other accounts receivable were as follow:

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Related parties				
Within credit terms	47	22	104	95
Overdue:				
Less than 3 months	42	13	37	43
3-6 months	16	8	9	18
6-12 months	13	19	16	28
Over 12 months	293	264	311	258
Total	411	326	477	442
Less allowance for doubtful accounts	(307)	(280)	(307)	(279)
Net	104	46	170	163
Other parties				
Within credit terms	1,146	1,303	415	461
Overdue:				
Less than 3 months	788	801	222	215
3-6 months	194	169	75	48
6-12 months	707	997	335	57
Over 12 months	1,230	232	146	86
Total	4,065	3,502	1,193	867
Less allowance for doubtful accounts	(230)	(190)	(125)	(51)
Net	3,835	3,312	1,068	816
Total	3,939	3,358	1,238	979

Included in trade and other accounts receivable - other parties over the age thresholds of 6 months as at 31 December 2016 and 2015 are amounts receivable from government agencies and state enterprises as follows:

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
6-12 months	449	942	85	3
Over 12 months	971	9	4	4
Total	1,420	951	89	7

The amounts receivable from government agencies and state enterprises include an amount due from the Office of the Welfare of the Promotion Commission for Teachers and Education Personnel (“OTEP”) which entered into trade agreements with a subsidiary. As at 31 December 2016, the amount overdue for more than 6 months is Baht 1,274.69 million from the total amount of Baht 1,465.40 million of the agreements. During 2015, OTEP had made payment to the subsidiary totaling to Baht 12.68 million. The subsidiary has continuously monitored collection from OTEP. During 2016, OTEP had issued two repayment plans, amount totaling to Baht 210 million. However, OTEP had made payment to the subsidiary only Baht 65.01 million. Currently, the subsidiary is in process of legal action and close monitoring collection from OTEP, the managements of the Group and the subsidiary believe that the subsidiary will receive payment from OTEP for the full amount. Therefore, the Group did not provide allowance for doubtful debt as at 31 December 2016.

The currency denomination of trade and other accounts receivable as at 31 December 2016 and 2015 was as follows:

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Thai Baht (THB)	4,374	3,691	1,530	1,172
United States Dollars (USD)	43	137	72	137
Chinese Yuan (RMB)	59	-	68	-
Total	4,476	3,828	1,670	1,309

9 Short-term loans to other parties

<i>Year ended 31 December</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015	2016	2015
	<i>(% per annum)</i>		<i>(in million Baht)</i>			
Other parties	7.5	7.5	11	47	-	-

Movements during the years ended 31 December 2016 and 2015 of the short-term loans to other parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Short-term				
Other parties				
At 1 January	47	61	-	-
Increase	4	18	-	-
Decrease	(40)	(32)	-	-
At 31 December	11	47	-	-

The Group’s and the Company’s short-term loans to other parties as at 31 December 2016 and 2015 were denominated entirely in Thai Baht.

10 Inventories

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Raw materials	14	5	-	-
Merchandise inventories	403	527	213	245
Project equipment and project in progress	963	533	143	250
Goods in transit	32	37	32	37
Total	1,412	1,102	388	532
Less allowance for decline in value	(78)	(58)	(36)	(36)
Net	1,334	1,044	352	496
Inventories recognised as cost of sale of goods and rendering of services				
- Cost of sale of goods and rendering of services	10,226	8,180	5,036	3,987
Inventories recognised as administrative expenses				
- Provisions for declining in value	31	14	6	9
- Effect from acquisitions and disposals of subsidiaries - net	-	2	-	-
- Reversal of provision for declining in value	(11)	(13)	(6)	(11)
	20	3	-	(2)

11 Other current assets

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Advance to employees	47	54	24	37
Prepaid expenses	46	41	19	15
Refundable retentions	30	-	-	-
Promotion receivables	25	29	-	-
Value added tax	22	43	-	20
Accrued income	14	16	8	10
Others	25	41	2	7
Total	209	224	53	89

12 Investments in associates and joint ventures

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Associates				
At 1 January	2,879	3,048	928	1,108
Transfer from investments in subsidiaries to associates	-	48	-	26
Share of profit from investments, net	677	601	-	-
Dividend income	(674)	(584)	-	-
Impairment loss	-	(16)	-	(59)
Decrease	(8)	(40)	-	(48)
Transfer from investments in associates to subsidiaries	-	(178)	-	(99)
At 31 December	2,874	2,879	928	928
Joint ventures				
At 1 January	79	90	25	30
Increase	3	-	-	-
Share of loss from investments, net	(23)	(11)	-	-
Impairment loss	-	-	-	(5)
At 31 December	59	79	25	25
Total				
At 1 January	2,958	3,138	953	1,138
Increase	3	-	-	-
Transfer from investments in subsidiaries to associates	-	48	-	26
Share of profit from investments, net	654	590	-	-
Dividend income	(674)	(584)	-	-
Impairment loss	-	(16)	-	(64)
Decrease	(8)	(40)	-	(48)
Transfer from investments in associates to subsidiaries	-	(178)	-	(99)
At 31 December	2,933	2,958	953	953

2016

In April 2016, a subsidiary incorporated a new company, Loxtrade Specialty Innovation Co., Ltd., with an authorized and fully paid-up share capital amounting to Baht 5 million. The company engages in manufacturing and distributing supplementary food for health and beauty including related products. The subsidiary held 51% of shares (the Group indirectly held 25%) and shared equal voting right in the said company. The group classified this investment as an indirect joint venture.

In July 2016, the Company invested in Cloud Serve Asia Co., Ltd., with an authorized share capital amounting to Baht 1 million and 25% paid-up. This company engages in providing electronic data transfer and data storage via internet. The subsidiary held 50% of shares (the Group indirectly held 50%) and shared equal voting right in the said company. The group classified this investment as an indirect joint venture. In November 2016, the said company called for additional paid-up of 75%. The Company fully paid up according to percentage of shareholding of 50%, amounting to Baht 0.4 million.

In August 2016, a subsidiary disposed its investment in Ecartstudio Company Limited, which is an indirect associate of the Group, to a non-related party totaling Baht 12 million and recognised gain on sale of investments amounting to Baht 17 million in consolidated financial statements.

2015

In November 2015, the Company disposed investment in Chonlakisakol Co., Ltd., an associate of the Company, to non-related party totaling Baht 56 million and recognized gain on sales of investments amounting to Baht 16 million and Baht 8 million in consolidated financial statement and separate financial statement, respectively.

Investments in associates and joint ventures are based on the audited financial statements as at 31 December 2016 and 2015 except:

Investments in three associates, NS BlueScope Lysaght (Thailand) Limited, NS BlueScope (Thailand) Limited and BlueScope Buildings (Thailand) Limited, which their accounting period is different from the Loxley group's accounting period. Those associates have their accounting period ending on 30 June which is the same as their foreign parent company. Investments in those associates were recorded by including the financial statements of three associates for the years ended 30 June 2016 and 2015, respectively, which were audited by other auditors who have been approved by the Securities and Exchange Commission of Thailand and for the six-month period ended 31 December 2016 and 2015, which had been reviewed, but not audited by auditors. The carrying value of the investments in the consolidated financial statements as at 31 December 2016 and 2015 were Baht 1,721 million and Baht 1,707 million, respectively, the share of their net profit for the years ended 31 December 2016 and 2015 were Baht 225 million and Baht 220 million, respectively, and the dividend income received from them for the years ended 31 December 2016 and 2015 were Baht 211 million and Baht 237 million, respectively. However, during 2016, the Company's management received the audited financial statements of the said three associates for the year ended 30 June 2016. The Company's management has determined the said financial statements and financial information, and believes that there were no significant adjustment that would affect to the consolidated financial statements for the year ended 31 December 2016.

Investments in associates and joint ventures as at 31 December 2016 and 2015, and dividend income for the years then ended were as follows:

Consolidated financial statements

	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		Dividend income	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	(%)													
	(in million Baht)													
Associates														
Oriental Post Co., Ltd.	50	50	150 million Baht	150 million Baht	84	84	16	16	(16)	(16)	-	-	-	-
Parts Zone (Thailand) Co., Ltd.	46	46	56 million Baht	56 million Baht	48	48	37	48	-	-	37	48	-	-
Thai Fiber Optics Company Limited	40	40	100 million Baht	100 million Baht	40	40	172	160	-	-	172	160	1	8
BP - Castrol (Thailand) Limited	40	40	49 million Baht	49 million Baht	20	20	881	887	-	-	881	887	447	327
Loxley GTECH Technology Co., Ltd.	35	35	300 million Baht	300 million Baht	105	105	-	-	-	-	-	-	-	-
Thanthiya Technology Co., Ltd.	30	30	4 million Baht	4 million Baht	12	12	14	13	-	-	14	13	-	1
Wisdom Vast Company Limited	30	30	10 million Baht	7 million Baht	5	5	5	6	-	-	5	6	-	-
Mobile Innovation Co., Ltd.	27	27	184 million Baht	184 million Baht	50	50	20	18	-	-	20	18	-	-
Foseco (Thailand) Limited	26	26	10 million Baht	10 million Baht	3	3	16	21	-	-	16	21	15	4
MOCAP Limited	25	25	61 million Baht	61 million Baht	15	15	8	6	-	-	8	6	-	-
NS BlueScope Lysaght (Thailand) Limited	20	20	600 million Baht	600 million Baht	120	120	225	227	-	-	225	227	13	17
NS BlueScope (Thailand) Limited	20	20	5,000 million Baht	5,000 million Baht	640	640	1,411	1,406	-	-	1,411	1,406	193	205
BlueScope Buildings (Thailand) Limited	20	20	360 million Baht	360 million Baht	72	72	85	74	-	-	85	74	5	15
Ecartstudio Company Limited	-	26	-	12 million Baht	-	10	-	13	-	-	-	13	-	-
L Solar 1 Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	7
	1,214	1,224	2,890	2,895	(16)	(16)	2,874	2,879	674	584				

Consolidated financial statements

	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		Dividend income	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	(%)													
	(in million Baht)													
Joint ventures														
Car Convinie Co., Ltd.	51	51	50 million Baht	50 million Baht	25	25	15	23	-	-	15	23	-	-
L S Technology Solutions Co., Ltd.	50	50	10 million Baht	10 million Baht	5	5	-	-	-	-	-	-	-	-
Loxley Numap Infra Plus Joint Venture	-	-	-	-	-	-	1	-	-	-	1	-	-	-
Loxley & AIT Holding Co., Ltd.	43	43	150 million Baht	150 million Baht	75	75	38	56	-	-	38	56	-	-
Cloud Serve Asia Co.,Ltd.	50	-	1 million Baht	-	-	-	1	-	-	-	1	-	-	-
Loxtrade Specialty Innovation Co.,Ltd.	25	-	5 million Baht	-	3	-	3	-	-	-	3	-	-	-
LPDPS Joint Venture	-	-	-	-	-	-	1	-	-	-	1	-	-	-
					108	105	59	79	-	-	59	79	-	-
Total					1,322	1,329	2,949	2,974	(16)	(16)	2,933	2,958	674	584

Separate financial statements

	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	(%)											
	(in million Baht)											
Associates												
Oriental Post Co., Ltd.	50	50	150 million Baht	150 million Baht	84	84	(84)	(84)	-	-	-	-
Parts Zone (Thailand) Co., Ltd.	46	46	56 million Baht	56 million Baht	26	26	-	-	26	26	-	-
Thai Fiber Optics Company Limited	40	40	100 million Baht	100 million Baht	40	40	-	-	40	40	1	8
Thanthiya Technology Co., Ltd.	30	30	4 million Baht	4 million Baht	12	12	-	-	12	12	-	1
Mobile Innovation Co., Ltd.	27	27	184 million Baht	184 million Baht	50	50	(35)	(35)	15	15	-	-
Foseco (Thailand) Limited	26	26	10 million Baht	10 million Baht	3	3	-	-	3	3	15	4
NS BlueScope Lysaght (Thailand) Limited	20	20	600 million Baht	600 million Baht	120	120	-	-	120	120	13	17
NS BlueScope (Thailand) Limited	20	20	5,000 million Baht	5,000 million Baht	640	640	-	-	640	640	193	205
BlueScope Buildings (Thailand) Limited	20	20	360 million Baht	360 million Baht	72	72	-	-	72	72	5	15
Loxley GTECH Technology Co., Ltd.	18	18	300 million Baht	300 million Baht	55	55	(55)	(55)	-	-	-	-
L Solar 1 Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	7
					1,102	1,102	(174)	(174)	928	928	227	257
Joint ventures												
Car Convinie Co., Ltd.	51	51	50 million Baht	50 million Baht	25	25	-	-	25	25	-	-
L S Technology Solutions Co., Ltd.	50	50	10 million Baht	10 million Baht	5	5	(5)	(5)	-	-	-	-
					30	30	(5)	(5)	25	25	-	-
Total					1,132	1,132	(179)	(179)	953	953	227	257

Associates and joint ventures

The following table summarises the financial information of the material associates and joint ventures as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarized financial information to the carrying amount of the Group's interest in these companies.

	BP-Castrol (Thailand) Limited		NS BlueScope (Thailand) Limited	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Revenue	5,228	5,072	11,304	10,607
Total comprehensive income	1,105	959	989	1,011
Attributable to associates' major shareholders	441	384	198	203
Current assets	2,161	2,353	4,598	4,670
Non-current assets	969	750	5,042	4,827
Current liabilities	(838)	(819)	(2,489)	(2,372)
Non-current liabilities	(88)	(67)	(86)	(72)
Net assets	2,204	2,217	7,065	7,053
Attributable to associates' major shareholders	881	887	1,411	1,406
Group's interest in net assets of associates at 1 January	887	830	1,406	1,408
Total comprehensive income attributable to the Group	441	384	198	203
Dividends received during the year	(447)	(327)	(193)	(205)
Group's interest in net assets of associates at 31 December	881	887	1,411	1,406

Immaterial associates and joint ventures

The following is summarized financial information for the Group's interest in immaterial associates and joint ventures based on the amounts reported in the Group's consolidated financial statements:

	Immaterial Associates		Immaterial Joint ventures	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Carrying amount of interests in immaterial associates and joint ventures	582	586	59	79
Group's share of total comprehensive income	38	14	(23)	(11)

Investment in the 3-digit and 2-digit online lotteries project

Loxley GTECH Technology Co., Ltd., an associate of the Company, has entered into an agreement with the Government Lottery Office (GLO) of Thailand on 29 July 2005 to service the lottery project. The terms stipulated in the agreement require that the lottery commence within 7 months after the agreement has been signed. Because of circumstances, however, the project could not begin as scheduled. On 28 May 2008, the associate received a letter from the GLO indicating that the project was to be launched by 16 September 2008. Later, on 18 August 2008, the associate was informed in writing by the GLO about the results of their examination of the lottery system and the lottery vending machines installation. According to the GLO's letter, the associate was permitted to partially install the vending machine (6,761 machines) in preparation for the project commencement. On 7 November 2008, the associate sent the notice letter to the GLO requesting them to comply with the contract and manage to have the sales of lottery started. The associate also demanded compensation for losses arising from the investment outlay totaling over Baht 2 billion within 30 days. In the case the GLO neglected to take appropriate actions, the associate would take legal action against the GLO as deemed necessary. On 24 December 2008, the GLO replied to the associate's letter requesting fairness regarding the commercial launch of 3-digit and 2-digit online lotteries. The GLO responded that they had passed a resolution agreeing to such project; and that their resolution had been furnished to the Ministry of Finance.

In April 2009, the associate lodged another letter with the GLO demanding that the Government should comply with the contract. However, the Board of Directors of the GLO passed a resolution for the GLO to conduct further study over legal and social impacts concerns. A public poll commissioned later on revealed that more than 50 percent of the respondents supported the lottery launch. In August 2009, the Council of State replied to the queries of the GLO in respect of the sale of the 3-digit and 2-digit online lotteries that the GLO could be done under the Government Lottery Office Act, B.E.2517. And the associate received a letter from the GLO dated 14 December 2009 notifying that its Board of Directors ("the Board") had passed a resolution on 4 December 2009 agreeing in principle to the sales of 3-digit and 2-digit online lotteries. The Board then requested that the project preparation be completed within 90 days for commercial launch, and reported to the Board for further Cabinet notification.

In January 2010, the Prime Minister appointed a panel to study and examine the facts and legal concerns over the sales of 3-digit and 2-digit online lotteries so as to determine options of and alternatives to the sales of online lotteries within 30 days. As a consequence, the Board issued a letter dated 15 January 2010 to the associate stating that the Board had resolved on 5 January 2010 to delay the commercial launch preparation in accordance with the Board's previous resolution on 4 December 2009 until the Prime Minister's appointed panel could finalise its decision for the Board's consideration. On 30 March 2010, the associate submitted a letter to the GLO requesting that they honor the agreement, and pay for the damages arising from non-compliance. The associate demanded that the GLO urgently comply with the

Consolidated financial statements	Investment	Trade receivable (note 5)	Short-term loans (note 5)	Total
	<i>(in million Baht)</i>			
Equity loss				
At 1 January 2015	105	143	57	305
Addition	-	-	-	-
At 31 December 2015	105	143	57	305
Addition	-	-	-	-
At 31 December 2016	105	143	57	305
Allowance for doubtful accounts				
At 1 January 2015	-	103	384	487
Addition	-	27	11	38
At 31 December 2015	-	130	395	525
Addition	-	27	9	36
At 31 December 2016	-	157	404	561
Net book value				
At 31 December 2015	-	-	-	-
At 31 December 2016	-	-	-	-

13 Investments in subsidiaries

	Separate financial statements	
	2016	2015
	<i>(in million Baht)</i>	
At 1 January	2,265	1,953
Acquisition	252	239
Transfer from investment in associates to subsidiaries	-	99
Transfer from investment in subsidiaries to associates	-	(26)
Disposals		
Disposal	(4)	-
Reversal of loss from impairment	4	-
Allowance for impairment	(30)	-
At 31 December	2,487	2,265

Investments in subsidiaries as at 31 December 2016 and 2015 and dividend income for years ended were as follows:

Separate financial statements

	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	(%)											
	(in million Baht)											
Subsidiaries												
Loxbit Public Company Limited	99	99	450 million Baht	450 million Baht	476	476	-	-	476	476	140	13
Loxley Orbit Public Company Limited (Formerly "Loxbit PA Public Company Limited")	99	-	45 million Baht	-	110	-	-	-	110	-	-	-
Data Mining Co., Ltd.	99	99	20 million Baht	20 million Baht	20	20	-	-	20	20	-	-
Loxley Joint and Hold Co., Ltd.	99	99	1,000 million Baht	1,000 million Baht	1,000	1,000	-	-	1,000	1,000	351	347
Loxley Mobile Company Limited	99	99	20 million Baht	20 million Baht	20	20	(20)	(20)	-	-	-	-
L Food Solutions Company Limited	99	99	40 million Baht	30 million Baht	40	30	(30)	(30)	10	30	-	-
Loxley Intertrade (Guangzhou) Co., Ltd.	99	99	0.48 million USD	0.48 million USD	16	16	-	-	16	16	-	-
L Green Solutions Company Limited	99	99	5 million Baht	2.5 million Baht	5	2	-	-	5	2	-	-
L Solar 2 Co., Ltd.	99	99	0.1 million Baht	0.1 million Baht	-	-	-	-	-	-	-	-
Loxley Power Systems Co., Ltd.	99	99	20 million Baht	20 million Baht	20	20	-	-	20	20	-	-
L-Elevator and Engineering Co., Ltd.	99	99	3 million Baht	3 million Baht	3	3	-	-	3	3	-	-
Loxley Engineering Co., Ltd.	99	-	3 million Baht	-	3	-	-	-	3	-	-	-
Loxley Property Development Co., Ltd.	90	66	250 million Baht	200 million Baht	255	136	-	-	255	136	-	6
Loxley Wireless Public Company Limited	85	85	275 million Baht	275 million Baht	255	255	-	-	255	255	5	12
Green Natural Products Co., Ltd.	75	75	4 million Baht	4 million Baht	14	14	-	-	14	14	1	1
L Solar 3 Co., Ltd.	74	-	10 million Baht	-	7	-	-	-	7	-	-	-
L Solar 1 Co., Ltd.	70	70	220 million Baht	220 million Baht	193	193	-	-	193	193	35	35

Separate financial statements

	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	(%)											
	(in million Baht)											
Subsidiaries												
ASM Security Management Co., Ltd. (Formerly "Asia Security Management Co.,Ltd.")	69	69	100 million Baht	100 million Baht	70	70	-	-	70	70	-	-
L Force 1 Co., Ltd.	60	60	20 million Baht	20 million Baht	12	12	(12)	(12)	-	-	-	-
Loxley Global Co., Ltd.	51	51	99 million Baht	99 million Baht	50	50	(50)	(50)	-	-	-	-
LB EV Co., Ltd.	51	51	10 million Baht	10 million Baht	5	5	-	-	5	5	-	-
Loxley Trading Company Limited	50	50	50 million Baht	50 million Baht	25	25	-	-	25	25	-	-
Societe Commercial Lao	50	62	4,135 million Kip	4,135 million Kip	15	19	(15)	(19)	-	-	-	-
					<u>2,614</u>	<u>2,366</u>	<u>(127)</u>	<u>(101)</u>	<u>2,487</u>	<u>2,265</u>	<u>532</u>	<u>414</u>

14 Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has a material non-controlling interest:

	31 December 2016					Total
	Loxley Property Development Co., Ltd.	L Solar 1 Co., Ltd.	Loxley Wireless Public Company Limited	Loxley Trading Company Limited	Other individually immaterial subsidiaries	
	<i>(in million Baht)</i>					
Non-controlling interest percentage	9.87	30.01	14.67	50.00		
Current assets	260	38	1,903	615		
Non-current assets	791	580	100	59		
Current liabilities	(276)	(71)	(1,600)	(563)		
Non-current liabilities	(261)	(156)	(33)	(30)		
Net assets	514	391	370	81		329
Carrying amount of non-controlling interest	51	117	54	41	66	
Revenue	329	154	647	2,524		
Profit (loss)	(7)	78	(167)	(13)		
Other comprehensive income	34	-	-	-		
Total comprehensive income	27	78	(167)	(13)		
Profit allocated to non-controlling interest	(1)	23	(25)	(7)	15	5
Other comprehensive income allocated to non-controlling interest	(25)	-	-	-	-	(25)
Net increase (decrease) in cash and cash equivalents	9	4	(3)	(1)		

31 December 2015

	Loxley Property Development Co., Ltd.	L Solar 1 Co., Ltd.	Loxley Wireless Public Company Limited	Loxley Trading Company Limited	Other individually immaterial subsidiaries	Total
			<i>(in million Baht)</i>			
Non-controlling interest percentage	33.59	30.01	14.67	50.00		
Current assets	213	63	1,979	545		
Non-current assets	505	597	103	52		
Current liabilities	(110)	(74)	(1,489)	(470)		
Non-current liabilities	(170)	(223)	(50)	(32)		
Net assets	438	363	543	95		433
Carrying amount of non-controlling interest	147	109	80	47	50	
Revenue	338	41	689	2,029		
Profit (loss)	5	16	7	(4)		
Other comprehensive income	9	-	8	(1)		
Total comprehensive income	14	16	15	(5)		13
Profit allocated to non-controlling interest	2	5	1	(2)	7	
Other comprehensive income allocated to non-controlling interest	3	-	1	-	-	4
Net increase (decrease) in cash and cash equivalents	(42)	(26)	(166)	5		

15 Other long-term investments

Movements during the years ended 31 December 2016 and 2015 of other long-term investments were as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Available-for-sale securities				
At 1 January	476	463	476	463
Valuation adjustment	(38)	13	(38)	13
At 31 December	438	476	438	476
General investments				
At 1 January and 31 December	62	62	25	25
Total	500	538	463	501

Other long-term investments as at 31 December 2016 and 2015, and dividend income for the years then ended were as follows:

		Consolidated financial statements													
		Ownership interest		Paid-up capital		Cost method		Impairment		Unrealised gain from fair value changes		Fair value (Market price of listed securities)/ At cost - net		Dividend income	
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
		(in million Baht)													
		(%)													
Available-for-sale securities - at fair value															
Other related party															
	Muang Thai Insurance Public Company Limited	5	5	590	590	36	36	-	-	402	440	438	476	20	19
						36	36	-	-	402	440	438	476	20	19
General investments - at cost															
Other related parties															
	Thanakorn Vegetable Oil Products Co., Ltd.	7	7	300	300	35	35	-	-	-	-	35	35	4	1
	Others					17	17	(11)	(11)	-	-	6	6	-	-
	Other parties					31	31	(10)	(10)	-	-	21	21	3	5
						83	83	(21)	(21)	-	-	62	62	7	6
	Total					119	119	(21)	(21)	402	440	500	538	27	25

Separate financial statements

	Ownership interest (%)		Paid-up capital		Cost method		Impairment		Unrealised gain from fair value changes		Fair value (Market price of listed securities)/ At cost - net		Dividend income	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Available-for-sale securities - at fair value														
Other related party														
Muang Thai Insurance Public Company Limited	5	5	590	590	36	36	-	-	402	440	438	476	20	19
					36	36	-	-	402	440	438	476	20	19
General investments - at cost														
Other related parties					6	6	-	-	-	-	6	6	-	-
Other parties					29	29	(10)	(10)	-	-	19	19	3	5
					35	35	(10)	(10)	-	-	25	25	3	5
Total					71	71	(10)	(10)	402	440	463	501	23	24

(%)

(in million Baht)

16 Investment properties

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
At 1 January	206	206	118	118
Additions	265	-	-	-
Fair value adjustments	6	-	10	-
At 31 December	477	206	128	118

Investment properties comprise a number of commercial properties that are leased to third parties. The each of leases contain an initial non-cancellable period of 3 years. Subsequent renewal is negotiated with the lessee. No contingent rent is charged.

Measurement of fair value

Fair value hierarchy

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the latest fair value of the Group's/Company's investment property portfolio in 2016.

The fair value measurement for investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<i>Discounted cash flows;</i> The valuation model considers the present value of net cash flows to be generated from the property, taking into account expected rental growth rate, void periods, occupancy rate lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms.	<ul style="list-style-type: none"> • Expected market rental growth 5% - 10% for 3-year period • Occupancy rate 70% - 100% • Discount rates 12% 	<p>The estimated fair value increase (decrease) if:</p> <ul style="list-style-type: none"> • Expected market rental growth were higher (lower); • The occupancy rate were higher (lower); or • The discount rate were lower (higher).

17 Property, plant and equipment

Consolidated financial statements

	Land	Buildings and improvements	Furniture, fixtures and office equipment	Tools and equipment	Equipment held for lease	Vehicles	Construction in progress	Total
<i>Cost / revaluation*</i>								
At 1 January 2015	369	1,261	432	200	219	71	8	2,560
Additions	1	17	33	93	25	34	15	218
Effect from acquisitions and disposals of subsidiaries, net	17	43	1	668	-	(5)	-	724
Fair value adjustments	75	-	-	-	-	-	-	75
Disposals/written-off	-	(48)	(18)	(2)	(2)	(17)	-	(87)
Transfers in (out)	-	5	1	8	-	-	(14)	-
At 31 December 2015 and 1 January 2016	482	1,278	449	967	242	83	9	3,510
Additions	-	9	27	38	20	5	146	245
Fair value adjustments	115	-	-	-	-	-	-	115
Disposals/written-off	-	(71)	(75)	(7)	(95)	(5)	(1)	(254)
Transfers in (out)	-	11	11	(8)	-	1	(17)	(2)
At 31 December 2016	597	1,227	412	990	167	84	137	3,614

(in million Baht)

Consolidated financial statements

	Land	Buildings and improvements	Furniture, fixtures and office equipment	Tools and equipment	Equipment held for lease	Vehicles	Construction in progress	Total
<i>(in million Baht)</i>								
Net book value								
At 1 January 2015								
Owned assets	389	417	87	53	-	12	8	966
Assets under finance leases	-	-	18	-	51	4	-	73
	389	417	105	53	51	16	8	1,039
At 31 December 2015 and 1 January 2016								
Owned assets	482	386	62	655	2	39	9	1,635
Assets under finance leases	-	-	16	-	37	-	-	53
	482	386	78	655	39	39	9	1,688
At 31 December 2016								
Owned assets	597	329	48	579	36	34	137	1,760
Assets under finance leases	-	-	24	39	-	-	-	63
	597	329	72	618	36	34	137	1,823

* Appraised land as at 31 December 2016 for the Group amounted to Baht 597 million (2015: Baht 482 million).

The cost of fully depreciated property, plant and equipment that was still in use as at 31 December 2016 for the Group amounted to Baht 649 million (2015: Baht 690 million).

Measurement of fair value

Fair value hierarchy

The fair value of land was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the latest fair value of the Group's/Company's land portfolio in 2015 and 2016.

The fair value measurement for land has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of land, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Current replacement cost; The valuation model considers the characteristics of land, compared to market prices of similar properties. The market value of land was analysed considering the relevant factors including zoning, surrounding environment, transportation facilities, size, shape and land features, and current use of land.	<ul style="list-style-type: none">• Land price of neighborhood areas	<ul style="list-style-type: none">• The estimated fair value increase (decrease) if land price of neighborhood areas were higher (lower)

18 Intangible assets

	Consolidated financial statements			Separate financial statements
	Software License and others	Goodwill	Total	Software License and others
	<i>(in million Baht)</i>			
Cost				
At 1 January 2015	125	58	183	71
Additions	26	-	26	14
Disposals/written-off	(5)	-	(5)	(4)
Effect from acquisitions and disposals of subsidiaries, net	7	-	7	-
At 31 December 2015 and 1 January 2016	153	58	211	81
Additions	44	-	44	22
Disposals/written-off	(6)	-	(6)	(3)
Transfers in (out)	2	-	2	2
At 31 December 2016	193	58	251	102
Accumulated amortization and impairment loss				
At 1 January 2015	76	58	134	40
Amortisation charge for the year	11	-	11	7
Impairment losses	14	-	14	4
Effect from acquisitions and disposals of subsidiaries, net	1	-	1	-
At 31 December 2015 and 1 January 2016	102	58	160	51
Amortisation charge for the year	9	-	9	5
Disposals/written-off	(5)	-	(5)	(1)
At 31 December 2016	106	58	164	55
Net book value				
At 1 January 2015	49	-	49	31
At 31 December 2015 and 1 January 2016	51	-	51	30
At 31 December 2016	87	-	87	47

19 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<i>Year ended 31 December</i>				
	<i>(in million Baht)</i>			
Withholding taxes deducted at sources	239	242	57	83
Deposits	38	40	19	21
Fixed deposits pledged as collateral	60	32	-	-
Prepaid land rental	13	14	-	-
Others	4	-	3	-
Total	354	328	79	104

20 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<i>Year ended 31 December</i>				
	<i>(in million Baht)</i>			
Current				
Bank overdrafts				
unsecured	15	10	-	-
Short-term loans from financial institutions				
secured	165	170	-	-
unsecured	1,403	1,551	151	151
Liabilities under trust receipts				
secured	408	341	231	330
Bank overdrafts and short-term loans from financial institutions	1,991	2,072	382	481
Current portion of long-term loans from financial institutions				
secured	115	92	-	-
Current portion of finance lease liabilities				
secured	26	32	-	3
Current portion of long-term liabilities	141	124	-	3
Short-term loans from related parties				
unsecured	5	102	-	100
Short-term loans from other party				
unsecured	-	114	-	-
	2,234	2,310	482	544

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Non-current				
Long-term loans from financial institutions				
secured	320	305	-	-
Long-term debenture	1,000	1,000	1,000	1,000
Finance lease liabilities				
secured	37	41	-	-
	1,357	1,346	1,000	1,000
Non interest-bearing liabilities				
Current				
Short-term loans from other party				
unsecured	23	29	-	-
Total	3,614	3,685	1,482	1,544

Bank overdrafts and short-term loans from financial institutions and related parties

As at 31 December 2016, the above loans bear interest at the floating rates ranging from 2.60% to 7.68% p.a. (2015: 2.75% - 7.38% p.a.).

Under the terms of certain agreements of short-term loans, the Group/Company has transferred the right to certain banks for receipt of trade accounts receivable under project works and service contracts.

Under the terms of trust receipts, the Group/Company imported merchandise in trust for the banks. The Group/Company was obligated to maintain the goods or the proceeds from their sale or to hold them ready for repossession by the bank.

Long-term liabilities

(a) The Group long-term loans as of 31 December 2016 bear interest at the rates 4.76% per annum and MLR-0.5% to MLR-1.5% per annum; and are repayable in installments up to February 2021.

(b) The Group/Company entered into financial lease agreements for machinery and equipment which are repayable in amounts as specified in the agreements up to July 2024.

The Group/Company is subject to certain terms of the long-term loans, including the maintenance of certain financial ratios.

Long-term debenture

In December 2015, the Company has issued debenture amounting to Baht 1,000 million for the purpose of repayment of long-term loan from financial institution and for the liquidity in operation purpose. The debenture was partially secured by a financial institution. The debenture has divided into two tranches as follow;

- (a) The first tranche of 300,000 units with a face value of Baht 1,000 per unit. The term of the first tranche is due in December 2020. The debenture bears interest at the rates 3.36% per annum. Interest will be payable every 6 months in June and December.
- (b) The second tranche of 700,000 units with a face value of Baht 1,000 per unit. The term of the second tranche is due in December 2022. The debenture bears interest at the rates 3.89% per annum. Interest will be payable every 6 months in June and December.

The Company has to comply with the conditions of the debentures including maintaining of certain financial ratios.

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December 2016 and 2015 were as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Within one year	2,208	2,278	482	541
After one year but within five years	1,320	605	1,000	300
After five years	-	700	-	700
Total	3,528	3,583	1,482	1,541

Secured interest-bearing liabilities as at 31 December 2016 and 2015 were secured on the following assets:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Investment property*	265	-	-	-
Property, plant and equipment*	552	588	-	-
Trade accounts receivable**	63	54	-	-
Total	880	642	-	-

* The Group pledged on investment property and property, plant and equipment as a collateral for borrowing long-term loans from financial institutions.

** The Group has transferred the right to banks for receipt of trade accounts receivable under project works and service contracts.

A subsidiary pledged right on certain rental proceeds and negative pledge of its asset as collateral.

The Group's/Company's credit facilities contain certain restriction on repayment of loan from director and/or related party, dividend payment, financial ratio, shareholding ratio of parent company, and others.

Finance lease liabilities

Finance lease liabilities as at 31 December were payable as follows:

	Consolidated financial statements					
	2016			2015		
	Principal	Interest	Payments	Principal	Interest	Payments
	<i>(in million Baht)</i>					
Within one year	26	3	29	32	4	36
After one year but within five years	28	4	32	33	4	37
After five years	9	1	10	8	1	9
Total	63	8	71	73	9	82

	Separate financial statements					
	2016			2015		
	Principal	Interest	Payments	Principal	Interest	Payments
	<i>(in million Baht)</i>					
Within one year	-	-	-	3	-	3

Finance lease liabilities for the Group/Company as at 31 December 2016 and 2015 were Thai baht.

21 Trade and other accounts payable

Year ended 31 December	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
		<i>(in million Baht)</i>			
Related parties	5	240	287	73	61
Other parties		2,071	1,487	651	882
Total		2,311	1,774	724	943

The currency denomination of trade and other accounts payable as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Thai Baht (THB)	2,141	1,652	598	825
United States Dollars (USD)	163	110	119	106
Euro (EUR)	2	7	2	7
Australian Dollars (AUD)	4	4	4	4
Great Britain Pounds (GBP)	1	-	1	-
Japanese Yen (JPY)	-	1	-	1
Total	2,311	1,774	724	943

22 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
<i>Year ended 31 December</i>				
Accrued cost and warranty cost	743	553	263	126
Accrued expenses	220	175	49	42
Revenue Department payable	33	18	14	-
Promotion expense received in advance	25	15	-	-
Others	118	99	32	29
Total	1,139	860	358	197

23 Deferred tax

Deferred tax liabilities present include in the statements of financial position as at the years ended 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
<i>Deferred tax liabilities</i>				
(Credit) charge to other comprehensive income				
At 1 January	192	175	162	147
Available-for-sale investments				
Change in fair value	(8)	2	(8)	2
Investment properties				
Change in fair value	1	-	2	-
Land				
Change in fair value	24	15	15	13
At 31 December	209	192	171	162

Deferred tax assets occurred from temporary differences which were not recorded in financial statements as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Temporary differences				
- Provisions	299	284	257	233
- Others	219	178	98	76
Loss carrying forward	293	254	236	219
Total	811	716	591	528

The tax losses expire in 2017 - 2021. The deductible temporary differences do not expire under current tax legislation. The Group/Company did not recognised deferred tax assets because a part of the Group's/Company's income is dividend income which is exempted from tax, so it is not probable that future taxable profit will be available against which the Group/Company can utilise the benefits therefrom.

24 Employee benefit obligations

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

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

Independent actuaries carried out an evaluation of the Company's obligations for employees' post-employment benefits using the Projected Unit Credit Method. The Company has provided the obligations for employees' post-employment benefits as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<i>For the year ended 31 December</i>				
	<i>(in million Baht)</i>			
Statements of financial position obligations for				
Present value of unfunded obligations	555	535	328	311
Movement in employee benefit obligations				
Employee benefit obligations at 1 January	535	465	311	283
Expense recognised in profit or loss during year	69	69	38	38
Pension plan adjustments	-	42	-	-
Actuarial (gain)/loss recognised in the year	-	(9)	-	6
Effect from acquisitions and disposals of subsidiaries, net	-	(2)	-	-
Benefits paid during year	(49)	(30)	(21)	(16)
Employee benefit obligations at 31 December	555	535	328	311
Expense recognised in profit or loss				
Current service cost	56	56	30	30
Past service cost	-	42	-	-
Interest on obligation	13	13	8	8
Total	69	111	38	38
Recognised in other comprehensive income:				
Actuarial (gains) losses recognised in the year	-	(9)	-	6

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

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Demographic assumptions	-	(32)	-	(3)
Financial assumptions	-	(16)	-	(21)
Experience adjustment	-	39	-	30
Total	-	(9)	-	6

Actuarial assumptions

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

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Discount rate (%)	2.5 - 3.8	2.5 - 3.8	2.7	2.7
Future salary growth (%)	1 - 5	1 - 5	3 - 5	3 - 5
Retirement age (Year)	60	60	60	60

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

At 31 December 2016, the Group's and the Company's weighted-average duration of the defined benefit obligation is in range of 7 - 17 years (2015: 7 - 17 years) and 9 years (2015: 9 years), respectively.

Sensitivity analysis

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

	Consolidated financial statements		Separate financial statements	
	Increased	Decreased	Increased	Decreased
	<i>(in million Baht)</i>			
Defined benefit obligation at 31 December 2016				
Discount rate (1% movement)	(44)	50	(25)	28
Future salary growth (1% movement)	48	(44)	27	(24)
Future mortality (1 year movement)	(4)	4	(2)	2

	Consolidated		Separate	
	financial statements		financial statements	
	<i>(in million Baht)</i>			
Defined benefit obligation at 31 December 2015	Increased	Decreased	Increased	Decreased
Discount rate (1% movement)	(42)	47	(24)	27
Future salary growth (1% movement)	46	(41)	26	(23)
Future mortality (1 year movement)	(4)	4	(2)	2

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

25 Share capital

	Par value per share <i>(in Baht)</i>	2016		2015	
		Number	Amount	Number	Amount
		<i>(million shares / million Baht)</i>			
Authorised					
At 1 January					
- ordinary shares	1	2,331.25	2,331.25	2,331.25	2,331.25
At 31 December					
- ordinary shares	1	2,331.25	2,331.25	2,331.25	2,331.25
Issued and paid up					
At 1 January					
- ordinary shares	1	2,264.95	2,264.95	2,264.95	2,264.95
At 31 December					
- ordinary shares	1	2,264.95	2,264.95	2,264.95	2,264.95
Share premium					

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

26 Warrants

At the annual general meeting of shareholders of the Company held on 29 April 2013, the shareholders approved the issuance of warrants in the amount not exceeding 66.25 million units as follows;

- (a) allocate the warrants in the amount not exceeding 25 million units to the existing shareholders who are entitled to stock dividends at the ratio of 4:1 (4 stock dividend to 1 unit of warrant) or equivalent to 80 existing shares to 1 unit of warrant. The offering price of warrant is of nil.
- (b) allocate the warrants in the amount not exceeding 41.25 million units to the general investors who subscribe for newly issued ordinary shares at the ratio of 4:1 (4 new shares to 1 unit of warrant). The offering price of warrant is of nil. The Securities and Exchange Commission accepted the issuance and offering the sales of warrants and ordinary shares as to issues of warrants on 4 April 2014.

In September 2014, the Company issued and allotted 66,236,667 warrants (LOXLEY-W). These warrants are period of 3 years from the date of issuance of warrant. These warrants are exercisable at a price of Baht 7 per share at a ratio of 1 warrant to 1 ordinary share and for the first exercise date of 30 December 2014, every end of working day of March, June, September and December of each fiscal year. Over the remaining period of the warrant and the last exercise date is the maturity date of the warrants on 30 September 2017.

As at 31 December 2016, no warrant has been exercised.

27 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

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

Other components of equity

Currency translation differences

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

Fair value changes in available-for-sale investments

The fair value changes account within equity comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised or impaired.

Valuation changes

The valuation changes account within equity cumulative net change in the valuation of assets included in the financial statements at valuation until such assets is sold or otherwise disposed of.

Change in percentage of holding in subsidiaries and associates

Change in percentage of holding in subsidiaries and associates within equity comprises of effect from dilution of percentage of holding of the Company in subsidiaries and associates and difference from changes in parent's ownership interest in subsidiaries that do not result in a loss of control.

Movements in reserves

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

28 Segment information

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

- *Segment 1* Technology
- *Segment 2* Trading
- *Segment 3* Service

None of other segments meets the quantitative thresholds for determining reportable segments in 2016 or 2015.

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

Information about reportable segments

Year ended 31 December	Technology		Trading		Service		Total reportable segments	
	2016	2015	2016	2015	2016	2015	2016	2015
External revenue	8,001	6,312	4,146	4,161	1,646	1,114	13,793	11,587
Inter-segment revenue	430	188	137	236	15	17	582	441
Total segment revenue	8,431	6,500	4,283	4,397	1,661	1,131	14,375	12,028
<i>(in million Baht)</i>								
Segment profit (loss) before finance costs and income tax expense	(4)	86	(25)	12	60	27	31	125
Segment assets	8,896	7,793	1,681	1,718	1,868	1,745	12,445	11,256
Material items of income and expense								
Cost of sales and services	7,056	5,109	3,746	3,806	1,417	958	12,219	9,873
Selling and administration expenses	1,378	1,305	562	579	184	145	2,124	2,029
Depreciation expense (included in cost of sales and services and; selling and administrative expenses)	159	135	12	15	10	8	181	158

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

	2016	2015
	<i>(in million Baht)</i>	
Revenues		
Total revenue from reportable segments	14,375	12,028
Fees and other income	62	73
	14,437	12,101
Elimination of inter-segment revenue	(582)	(441)
Consolidated revenue	13,855	11,660
Profit or loss		
Total profit for reportable segments	31	125
Unallocated amounts:		
- Fees and other income	62	73
- Other operating expenses	(337)	(369)
Share of profit from investments	654	590
Consolidated profit before finance costs and income tax expense	410	419
Assets		
Total assets for reportable segments	12,445	11,256
Other unallocated amounts	3,265	3,027
Consolidated total assets	15,710	14,283
Unallocated total liabilities	9,085	7,690

Geographical segments

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in foreign countries.

Major customer

Revenues from government agencies and state enterprises of all the Group's segments represents approximately Baht 5,784 million (2015: Baht 4,108 million) of the Group's total revenues.

29 Fees and other income

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Dividend income	27	25	782	696
Reversal of provision for doubtful accounts	17	34	-	-
Gain on sales of investment	17	16	3	8
Interest income	8	14	2	5
Management fee income	6	4	10	11
Unrealized gain on revaluation of investment property - net	6	-	9	-
Rental income	4	4	16	17
Effect from acquisitions and disposals of subsidiaries	-	23	-	-
Gain on exchange rate	-	5	-	14
Others	61	63	47	52
Total	146	188	869	803

30 Selling expenses

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Employee expenditure	473	454	354	329
Promotion expenses	166	141	45	43
Transportation	62	57	28	27
Travelling expenses	30	31	8	8
Others	62	49	13	26
Total	793	732	448	433

31 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Employee expenditure	880	919	374	358
Office, equipment and vehicle rental	57	64	77	89
Depreciation and amortisation expenses	120	123	41	47
Provisions for doubtful accounts, declining value in inventories and investments; and written off withholding tax deducted at source	127	61	124	88
Entertainment	82	78	75	73
Professional and consultant fees	31	36	36	33
Travelling expense	29	30	23	23
Utilities	38	42	25	26
Impairment losses on property, plant and equipment and intangible assets	6	69	1	14
Written off advances payment to suppliers	-	7	-	7
Penalties	25	2	8	2
Others	141	115	65	76
Total	1,536	1,546	849	836

32 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Salaries, wages, overtimes and bonus	2,155	1,984	579	534
Welfare	102	93	21	21
Employees' long-term benefits	69	111	38	38
Pension and other benefits	59	45	43	43
Contribution to defined benefit plans	45	43	20	20
Social security	45	42	8	8
Others	65	56	7	10
Total	2,540	2,374	716	674

In 2005, the Company established a new contributory funded provident fund covering substantially all employees. This fund was registered with the Ministry of Finance under the Provident Fund Act B.E. 2530. Membership is voluntary upon attaining permanent status. Under the regulations of the fund, members are required to make monthly contributions to the fund at 5% of the members' basic salaries and the Company is required to make monthly contributions to the fund at 5% of the members' basic salaries.

33 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Changes in inventory	(332)	(79)	144	(85)
Purchase goods, project work, services	10,558	8,259	4,892	4,072
Employee benefits expense	2,540	2,374	716	674
Depreciation and amortisation expenses	206	185	46	52
Finances cost	190	155	85	77
Promotion expenses	166	141	45	43
Office, equipment and vehicle rental	83	112	77	89
Entertainment	106	98	78	76
Travelling expense	74	70	31	32
Utilities	81	70	25	26
Impairment losses on property, plant and equipment and intangible assets	6	69	1	14
Provisions for doubtful accounts, declining value in inventories and investments, and written off withholding tax deducted at source	127	61	124	88
Transportation expense	62	57	28	27
Professional and consultant fee	31	54	36	33
Written off advances payment to suppliers	-	7	-	7
Penalty	29	2	8	2
Others	362	351	98	120
Total expenses	14,289	11,986	6,434	5,347

34 Income tax expense

Income tax recognized in profit and loss

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Current tax expense	42	41	-	-
Deferred tax expense	1	-	2	-
Total	43	41	2	-

Income tax recognised in other comprehensive income

Tax (expense) benefit

Available-for-sale investments	8	(2)	8	(2)
Land	(24)	(15)	(15)	(13)
Total	(16)	(17)	(7)	(15)

Reconciliation of effective tax rate

	Consolidated financial statements			
	2016		2015	
	Rate (%)	<i>(in million Baht)</i>	Rate (%)	<i>(in million Baht)</i>
Profit before income tax expense		220		264
Income tax using the Thai corporation tax rate	20	44	20	53
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit, net and others		(1)		(12)
Total	19	43	16	41

Reconciliation of effective tax rate

	Separate financial statements			
	2016		2015	
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Profit before income tax expense		305		162
Income tax using the Thai corporation tax rate	20	61	20	32
Tax effect of partial income and expenses that are not taxable income or not deductible in determining taxable profit, net		(59)		(32)
Total	-	2	-	-

Income tax reduction

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

35 Earnings per share

Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2016 and 2015 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profit for the year attributable to ordinary shareholders of the Company (basic)	172.42	209.92	303.45	161.58
Number of ordinary shares outstanding (basic)	2,264.95	2,264.95	2,264.95	2,264.95
Earnings per share (basic) (in Baht)	0.08	0.09	0.13	0.07

Diluted earnings per share

The calculations of diluted earnings per share for the years ended 31 December 2016 and 2015 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years. Since exercise price of the warrants exceeds the weighted average of fair value of ordinary shares for the years ended 31 December 2016 and 2015, so the Company excluded the warrants for the calculation of potential diluted ordinary shares for diluted earnings per share calculation as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht / million shares)</i>			
Profit for the year attributable to ordinary shareholders of the Company (diluted)	<u>172.42</u>	<u>209.92</u>	<u>303.45</u>	<u>161.58</u>
Number of ordinary shares outstanding (basic)	<u>2,264.95</u>	<u>2,264.95</u>	<u>2,264.95</u>	<u>2,264.95</u>
Effect of issue of warrants	-	-	-	-
Number of ordinary shares outstanding (diluted)	<u>2,264.95</u>	<u>2,264.95</u>	<u>2,264.95</u>	<u>2,264.95</u>
Earnings per share (diluted) (in Baht)	<u>0.08</u>	<u>0.09</u>	<u>0.13</u>	<u>0.07</u>

36 Dividends

At the annual general meeting of shareholders of the Company held on 28 April 2016, the shareholders approved the appropriation of dividends of Baht 0.05 per share, amounting to Baht 113.2 million.

At the annual general meeting of shareholders of the Company held on 29 April 2015, the shareholders approved the appropriation of dividends of Baht 0.10 per share, amounting to Baht 226.5 million.

37 Financial instruments

Financial risk management policies

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

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

Capital management

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

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's/Company's operations and its cash flows. The Group/Company manages interest rate risk by analyzing exposure on an ongoing basis and by using a mix of both fixed interest rates and floating interest rates, depending on the market circumstances.

Foreign currency risk

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

At 31 December 2016 and 2015, the Group/Company was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
		<i>(in million Baht)</i>			
United States Dollars (USD)					
Cash and cash equivalent	6	8	23	5	20
Trade and other accounts receivable	8	43	137	72	137
Trade and other accounts payable	21	(163)	(110)	(119)	(106)
Gross statements of financial position exposure		(112)	50	(42)	51
Currency forwards, net		55	53	55	53
Net assets (liabilities) exposure		(57)	103	13	104
Euros (EUR)					
Trade and other accounts payable	21	(2)	(7)	(2)	(7)
Gross statements of financial position exposure		(2)	(7)	(2)	(7)
Currency forwards, net		48	5	48	5
Net assets (liabilities) exposure		46	(2)	46	(2)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
<i>(in million Baht)</i>					
Australian Dollars (AUD)					
Trade and other accounts payable	21	(4)	(4)	(4)	(4)
Gross statements of financial position exposure					
Currency forwards, net		11	4	11	4
Net assets (liabilities) exposure		7	-	7	-
Chinese Yuan (RMB)					
Cash and cash equivalent	6	18	5	-	-
Trade and other accounts receivable	8	59	-	68	-
Great Britain Pounds (GBP)					
Trade and other accounts payable	21	(1)	-	(1)	-
Japanese Yen (JPY)					
Trade and other accounts payable	21	-	(1)	-	(1)

Credit risk

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

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

Liquidity risk

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

Carrying amount and fair values

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

	Carrying amount	Consolidated financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in million Baht)</i>					
31 December 2016					
Current					
Short-term investment in trading securities	1,207	-	1,207	-	1,207
Non-current					
Long-term investment in available-for-sale securities	438	438	-	-	438
31 December 2015					
Current					
Short-term investment in trading securities	635	-	635	-	635
Non-current					
Long-term investment in available-for-sale securities	476	476	-	-	476
Separate financial statements					
	Carrying amount	Fair value			
		Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in million Baht)</i>					
31 December 2016					
Current					
Short-term investment in trading securities	348	-	348	-	348
Non-current					
Long-term investment in available-for-sale securities	438	438	-	-	438
31 December 2015					
Current					
Short-term investment in trading securities	102	-	102	-	102
Non-current					
Long-term investment in available-for-sale securities	476	476	-	-	476

Financial instruments not measured at fair value

- Cash and short-term investments

The carrying amount approximates fair value because of the short period to maturity.

- Accounts receivable and accounts payable - trade and others

The carrying amount approximates fair value because of the short period to maturity.

- Loans to and loans from related and other companies

The carrying amount approximates fair value because most of these financial instruments bear interest at market rates.

- Investment in common shares

The carrying amount of investment in common shares for which there are no available quoted market prices approximates the fair value based on the underlying net asset base of the investment. The fair value of investments in available-for-sale equity securities is determined by reference to their quoted bid price at the reporting date.

- Bank overdrafts and short-term loans from financial institutions

The carrying amount approximates fair value because of the short period to maturity of these financial instruments.

- Long-term loan

The carrying amount approximates fair value because most of these financial instruments bear interest at market rates.

- Long-term debentures

The carrying amount approximates fair value because these debenture bear interest at approximately market rates.

38 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<i>(in million Baht)</i>				
<i>Non-cancellable operating lease commitments</i>				
Within one year	73	105	27	30
After one year but within five years	72	103	37	54
Total	145	208	64	84
<i>Other commitments</i>				
Unnegotiated letters of credits for goods and supplies	39	281	17	141
Purchase orders for goods and services accepted by suppliers	2,960	4,837	2,011	4,099
Purchase forward contracts	128	119	128	119
Selling forward contracts	14	57	14	57
Bank guarantees <i>(for projects performance, customers tender guarantees and debentures)</i>	4,722	4,401	2,948	3,023
Total	7,863	9,695	5,118	7,439

The purchase and sale forward contracts of 2016 will come to maturity within December 2017 (2015: October 2016).

As at 31 December 2016, the Company has commitments from securing the credit facilities of an associate amounting to Baht 375 million (2015: Baht 375 million).

Agreements

A subsidiary has entered into an agreement relating to the co-operation project for managing book stores with a government agency. The agreement has period of 12 years, starting from 2014. The subsidiary has commitments and conditions to comply with the agreement.

39 Contingent liabilities

A subsidiary is subject to a litigation claim as it and three other parties were jointly sued by a customer claiming for wrongful act compensation over alleged violations. The claim for compensation amounted to Baht 37.47 million, of which Baht 27.50 million and Baht 9.97 million are attributable respectively to the principle and 7.5% interest from 30 June 2004 to 30 April 2009. The customer additionally claimed for 7.5% interest to be accrued on top of the principle from 1 May 2009 onwards. On 12 October 2010, the court has suspended consideration of the civil case and temporarily taken the case off its case field in order to await the result of the criminal case which is linked to this case. On 28 December 2010,

the court issued judgments to dismiss the criminal case, and the plaintiff did not lodge an appeal within delay appeal request timeframe. The case was then completely terminated. On 18 October 2012, the Court of First Instance issued judgments to dismiss the civil case. However, the plaintiff filed the case to the Court of Appeals. The copy of the plaintiff's appeal was delivered to the subsidiary on 13 July 2013; and the subsidiary submitted its answer to the appeal on 18 July 2013. Consequently, on 17 December 2013, the Court of Appeals issued judgments reaffirmed the judgments of the Court of First Instance. In May 2014, the subsidiary received petition in which the plaintiff submitted to appeal the Court of Appeal's judgment to the Supreme Court. On 2 June 2014, the subsidiary submitted its answer to the Supreme Court.

As at 31 December 2016, the litigation proceeding in the Supreme Court was underway and the outcome was yet to be determined. The management of the Company and its subsidiary believe that the subsidiary is not liable to pay compensation; no provision for such compensation has been set aside in the financial statements.

40 Events after reporting period

In January 2017, Loxley Engineering Co., Ltd., a subsidiary of the Company, called for additional paid-up of 75%. The Company fully paid up according to percentage of holding of 99%, amounting to Baht 7.5 million in February 2017.

In January 2017, the Company entirely purchased shares of Loxley Wireless System Integrator Company Limited, an indirect subsidiary of the Company, from a subsidiary, totaling Baht 18 million. The indirect subsidiary thereby became a direct subsidiary of the Company.

In January 2017, a subsidiary invested in Loxley Simulation Technology Co., Ltd. with a fully paid up registered share capital of Baht 40 million, totaling Baht 40 million. The said company engages in import, export and distribution, virtual learning services and system development. The subsidiary held 99% of shares (the Group indirectly held 99%) in the said company.

In January 2017, K2 Venture Capital Company Limited, an indirect subsidiary of the Company, called for additional paid-up of 75%. A subsidiary fully paid up according to percentage of shareholding of 99%, amounting to Baht 3 million. In addition, such indirect subsidiary increased its registered share capital from Baht 4 million to baht 70 million which are fully paid up. The subsidiary partially acquired 310,020 shares of the increased share capital, totaling Baht 31 million, bringing the decrease in percentage of holding from 99% to 50%.

41 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Group's/Company's operations, which become effective for annual financial periods beginning on or after 1 January 2017, are set out below. The Group/Company does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2016)	Presentation of Financial Statements
TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of Cash Flows
TAS 8 (revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors

TFRS	Topic
TAS 10 (revised 2016)	Events After the Reporting Period
TAS 11 (revised 2016)	Construction Contracts
TAS 12 (revised 2016)	Income Taxes
TAS 16 (revised 2016)	Property, Plant and Equipment
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 19 (revised 2016)	Employee Benefits
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2016)	Borrowing Costs
TAS 24 (revised 2016)	Related Party Disclosures
TAS 26 (revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2016)	Separate Financial Statements
TAS 28 (revised 2016)	Investments in Associates and Joint Ventures
TAS 33 (revised 2016)	Earnings Per Share
TAS 34 (revised 2016)	Interim Financial Reporting
TAS 36 (revised 2016)	Impairment of Assets
TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2016)	Intangible Assets
TAS 40 (revised 2016)	Investment Property
TAS 107 (revised 2016)	Financial Instruments: Disclosure and Presentation
TFRS 3 (revised 2016)	Business Combinations
TFRS 8 (revised 2016)	Operating Segments
TFRS 10 (revised 2016)	Consolidated Financial Statements
TFRS 11 (revised 2016)	Joint Arrangements
TFRS 12 (revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2016)	Fair Value Measurement
TSIC 15 (revised 2016)	Operating Leases - Incentives
TSIC 27 (revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (revised 2016)	Disclosure - Service Concession Arrangements

TFRS	Topic
TSIC 32 (revised 2016)	Intangible Assets — Web Site Costs
TFRIC 1 (revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2016)	Determining Whether an Arrangement Contains a Lease
TFRIC 10 (revised 2016)	Interim Financial Reporting and Impairment
TFRIC 13 (revised 2016)	Customer Loyalty Programmes
TFRIC 17 (revised 2016)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2016)	Transfers of Assets from Customers
FAP Announcement no. 5/2559	Accounting guidance for derecognition of financial assets and financial liabilities

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

Auditor Remuneration

Financial Audit Fee

The Company and its subsidiaries paid annual financial audit fee to audit firm, individual, or related business to the auditor or audit firm in the total amount of Baht 9,870,000.

Other Non-audit Fee

- Observation fee in merchandize annihilation: Baht 76,800.00 (Loxley Trading Company Limited)
- Performance in compliance with the terms of the Investment Promotion Certificate 50,000 Baht (L Solar 1 Company Limited)

Other Parties

Registrar

Thailand Securities Depository Company Limited

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Tel: +66 (0) 2009-9000 or Call Center: +66 (0) 2009-9999 Fax: +66 (0) 2009-9991

Auditor

Mr. Veerachai Ratanajaratkul

Certified auditor No. 4323 or

Mr. Charoen Poosamritlert

Certified auditor No. 4068 or

Ms. Vipavan Pattavanvivek

Certified auditor No. 4795 or

Ms. Marisa Tharathornbunpakul

Certified auditor No. 5752

KPMG Phoomchai Audit Limited

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Debentureholders' Representative and Registrar

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Head Office No. 44 Langsuan Road, Lumpini, Pathum Wan, Bangkok 10330

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Financial Advisor

-None-

Legal Advisor

-None-

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