



ANNUAL REPORT 2018



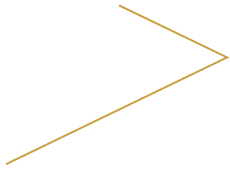






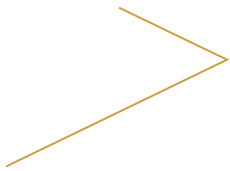
# Contents

Vision, Mission	1	Activities in Areas of Corporate Social Responsibility	49
Background, Major Changes and Milestones	2	Risk Factors	56
Corporate Goals and Strategy	4	Legal Disputes	58
Message from Chairman of the Board of Directors	5	Details of the Company	59
2018 Activities	6	Capital Structure	60
Financial Summary	8	Details of Ownership in Loxley Subsidiaries, Associates, and Joint Ventures	62
Revenue Structure	9	Management	69
Organization Structure as of 31 December 2018	10	Executive Remuneration	81
New Organization Structure 2019	11	Corporate Governance	83
Board of Directors	12	Personnel	94
Executive Board	14	Information of Company Executives	97
Management Board	16	Information of Directors' Positions in the Related Parties	123
List of Department Management (Year 2018)	18	Information of Directors' Positions in the Subsidiaries	126
Directors in the Subsidiaries Directly Owned by Loxley as of 31 December 2018	19	Internal Control and Audit	129
Information Technology SBG	21	Report of Board's Responsibility for Financial Report	131
Food Services & Distribution SBG	24	Report of the Audit Committee	132
Energy SBG	28	Related Transactions	134
Network Solutions SBG	32	Management Discussion and Analysis Related to the Results of Business Operations	141
Services SBG	37	Independent Auditor's Report	150
Special Project Businesses	39	Statement of Financial Position	156
Joint Venture Business	43	Other Parties	246
Support Unit	46		



## Vision

**“Inspired Choice for Customers,  
Business Partners and Investors”**



## Mission

- 1. We seek to provide greater value in products and services to ensure complete customer satisfaction.**
- 2. We strive to keep ahead of market changes and foster a climate of business innovation.**
- 3. We seek to maintain our leadership in the area of information technology for our business progress.**
- 4. We seek to continually strengthen our financial and human resources.**
- 5. We shall adhere to the fair conduct of business for our shareholders, employees, and society.**



## Background, Major Changes and Milestones



Loxley Public Company Limited has operated its business for over 80 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 eight 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.

The Company has always committed to operating its business with a comprehensive range of products and services, focusing on sustainable growth in order to cater clients' needs and to manage our assets in accordance with the value-added principle for maximum benefits of shareholders, employees, and the society.

### **Four eras of Loxley's 80-year development**

#### **The First Era : from 1939 to 1952**

The Company commenced its operation by exporting agricultural products, including rice and timbers, prior to expansion of imports of products after the World War II.

#### **The Second Era : from 1953 to 1987**

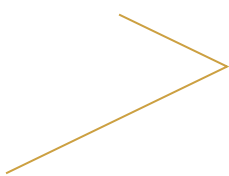
Most of the Company's imported products, which included machines, electrical appliances, and motors, were from England. Later, various categories of products were imported from Asian and other western countries, such as motors from Japan, cosmetics from Korea, Olivetti typewriter from Italy. The Company's experience in advanced technology products in this era has contributed to unrivalled expertise in the area of technology in later years.

#### **The Third Era : from 1988 to 2010**

Loxley has expanded the business to cover public utility infrastructure, telecommunication, energy, information technology and communications, as well as consumer products and services. It has not only developed its own working systems and products, but also been distributors and joint ventures of internationally-recognized products and technology. The Company has presently met consumers' demands with a wide range of products.

#### **The Fourth Era : from 2011 to Present**

In the 8<sup>th</sup> decade of existence, the Company may, indeed, be called a conglomerate richly endowed with expertise in a number of areas with the strength of unity and individuality in such diversity through inter-related synergy. The heart to manage its operations as a conglomerate is to spread out the power to various executives at various levels in order to vest them with the decision-making authority. Besides being able to handle its core operations on a continuous basis over the years, the Company also continues to give great importance to environmentally-friendly businesses in the process of its operations which is not only reflective of its social responsibility but also adds to and reinforces its corporate value on a sustainable basis.



# Corporate Goals and Strategy

The Company has operated under a new business structure since 2018. The transformation, which focuses on the businesses with strengths and competitive edge that can accommodate a market shift as well as the economic, political and social changes, will lead to a sustainable development of the Company. Business transformation will also create several positive reinforcements to the Company. It helps wipe away the previous image of the Company, operating in a multitude of businesses with both profit and loss. Moreover, it helps the Company to refocus solely on the profit-oriented businesses that are in the growing industries. Also, the synergies among each strategic business groups' operating units can be harnessed to build the strengths to generate additional revenue, enhance the potential competitive edge, as well as reduce the duplicate operating expenses. The synergies will not only increase the revenue but also decrease the expenses. The main goals of this business transformation for sustainable development can be summarized into 3 dimensions as follows:

**1**

**Increasing competitive capacity with focus on businesses that have the competitive potential and profit-generating capacity.**

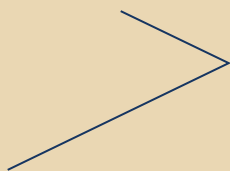
**2**

**Developing human resources capabilities and building up the Corporate Culture with focus on maximizing the enhancement and allocation of its resources.**

**3**

**Increasing the numerical operating capacities for both revenue and profits to reduce risks and increase returns for the Company's stakeholders.**





## Message from Chairman of the Board of Directors

After its re-structure in early 2018, Loxley Public Company Limited witnessed gradual improvements in its operations with its business lines separated into 5 main segments, each segment comprising proximate business lines and common strong points to add on-top to their business plans for maximal efficacy. Efforts were made by every segment to develop their modus operandi and to reach towards the same goal and achieve the targets.

In conducting the Company's operations, importance is given to Corporate Good Governance as expected by the Stock Exchange and all relevant parties, and also to social and environmental responsibilities as can be seen from the Company's continuous efforts for several years to locate businesses in the area of alternative energy and to promote activities in support of the disabled which have succeeded in bringing fame to the country.

2019 marked a joyous occasion with the Company's 80<sup>th</sup> anniversary. Even though, throughout times past, the Company has had to counter various obstacles, both large and small with the diligence, determination and unity of both minds and efforts from every Loxley staff who tried to adjust their strategy to go on forward in their endeavours and faced the competition, the Company, however, was able to stride over the various obstacles in good grace. On the occasion of its 80<sup>th</sup> Anniversary, all Loxley staff and affiliates stand proud to say that the Company has been able to fight through and overcome various crises on a number of occasions by strongly adhering throughout to the principles of Corporate Governance and Corporate Ethics hand-in-hand with action taken on its social responsibilities. The Company will always continue its conduct along this line for the Company's prosperity in the long-term.

Finally, in the name of the Board, may I take this opportunity to thank shareholders, customers, trading partners and business allies right through to every employee and executive for their united efforts to support the Company's operations such that it has, throughout times past, grown strong and played a part in the country's development. We are confident that with our current capabilities in various areas, and with the continuing support from each of you, the Company will always be propelled forward towards a solid future.

**(Mr. Dhongchai Lamsam)**

**Chairman of the Board**

## 2018 Activities



1. His Majesty King Maha Vajiralongkorn Bodindradebayavarangkun's 66<sup>th</sup> Birthday was celebrated by Loxley Public Company Limited on 28 July 2018 at Loxley HQ's Building with activities and a chorus of "Praise to the Great King" (Sadud-dee Jom Racha) to express Loxley humble gratitude and happiness on this occasion.



2. Loxley Public Company Limited convened the Annual Ordinary General Meeting of Shareholders at the Montien Riverside Hotel with participation from members of its Board of Directors and announcements on the Company's investment policies and performance during the preceding year.



3. Loxley Public Company Limited was officially appointed by Electronics for Imaging, Inc. (EFI), an expert in the field of digital printing from the United States to act as its distributor for EFI's range of digital printing products in Thailand.



4. Memorandum of Agreement on Co-operation was signed between Loxley Public Company Limited and Thai ORIX Leasing Co., Ltd. for collaboration in the development of the Roof-top Solar Cell Power Generating Project.



5. The Foodsource Co., Ltd. importer and distributor of premium grade raw food supplies under Loxley affiliation, participated in the THAIFEX 2018: World of Food Asia Expo to introduce a variety of numerous products to restaurant and hotels operators.



6. Loxley Public Company Limited and Sunsweet Public Co., Ltd. co-signed the Agreement to Develop Genius Agricultural Prototype for Precision Agricultural Technology to improve the cultivation of sweetcorn for enhanced quality, reduction of cultivation costs and increased income for farmers on a sustainable basis.



7. **Loxley Public Company Limited** signed the Memorandum of Agreement for Cooperation with the Export - Import Bank of Thailand (EXIM Bank) to link-up EXIM Bank's system with the B2B Cross Border e-Trading Platform developed by Loxley to support online international trading.



8. **Loxley Public Company Limited and ASM Security Management Co., Ltd.** hosted a congratulatory party for Boccia athletes under the Loxley-ASM Sports Hero Project for prizes won at the 2018 World Boccia Championship Match in Liverpool, England.



9. **Loxley Public Company Limited** signed the Memorandum of Agreement on Cooperation with PEA Enco International Co., Ltd. and Tai Telecom Development (TTD) for joint investments in telecommunications operations in the Union of Myanmar at the Provincial Electricity Authority's Head Office.



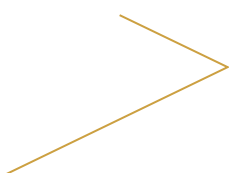
10. **ASM Security Management Co., Ltd.** Loxley affiliate, signed the security services contract with U-Tapao Airport Authority by which ASM is contracted to provide the entire security services with world-class standards accepted by ICAO at U-Tapao Airport to reinforce the airport's position as the Gateway to EEC.



11. A **Memorandum of Agreement** on Cooperation was signed at the Government Savings Bank's Head Office between Loxley Public Company Limited and the Government Savings Bank to provide financial support for electric tricycles to enhance the potential and quality of life for tricycle taxi operators.



12. **Loxley Public Company Limited and Thai Polycons Public Company Limited** signed an Agreement to Design, Supply and Install equipment for the 9.9 megawatt TPCH Power Plants #1 and #2.



# Financial Summary

## Loxley Public Company Limited and Its Subsidiaries

Unit : Million Baht

Item	2018	2017	2016
Total Revenues	13,582.77	15,928.91	13,855.46
Net Profit	92.07	50.49	172.42
Earning per share (Baht)	0.04	0.02	0.08
Total Assets	15,097.11	16,209.64	15,709.87
Total Liabilities	9,096.87	9,915.59	9,085.28
Issued and paid-up share capital	2,264.95	2,264.95	2,264.95
Par value per share (Baht)	1.00	1.00	1.00
Shareholders' Equity	6,000.24	6,294.05	6,624.59
Dividend per share (Baht)	NA	0.07	0.07
Dividend to Net income Ratio (%)	NA	314%	92%

### Summary of 2018 operating results of Loxley Public Company Limited and its subsidiaries :

- Assets : Total assets as at 31 December 2018 amounted to Baht 15,097.11 million was lower than 2017 of Baht 1,112.53 million or 6.86%.
- Shareholders' Equity : Shareholders' equity as at 31 December 2018 amounted to Baht 6,000.24 million was lower than 2017 of Baht 293.81 million or 4.67% .
- Revenues : Total revenues for 2018 of Baht 13,582.77 million was lower by Baht 2,346.14 million or 14.73% from Baht 15,928.91 million in 2017.
- Net Profit : In 2018 Loxley and its subsidiaries recorded a net profit of Baht 92.07 million higher than Baht 50.49 million in 2017 by Baht 41.58 million or 82.35%.

### Financial Ratio

Financial ratio	2018	2017	2016
Net profit to total revenue	0.68%	0.32%	1.24%
Return on average equity *	1.52%	0.81%	2.77%
Return on average total assets	0.59%	0.32%	1.15%
Earning per share (Baht)	0.04	0.02	0.08
Net book value per share (Baht) *	2.60	2.74	2.78

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

# Revenue Structure

Company Revenue Structure Presented by Business Segment  
Compared Information for the Same Period Ended 2018, 2017 and 2016

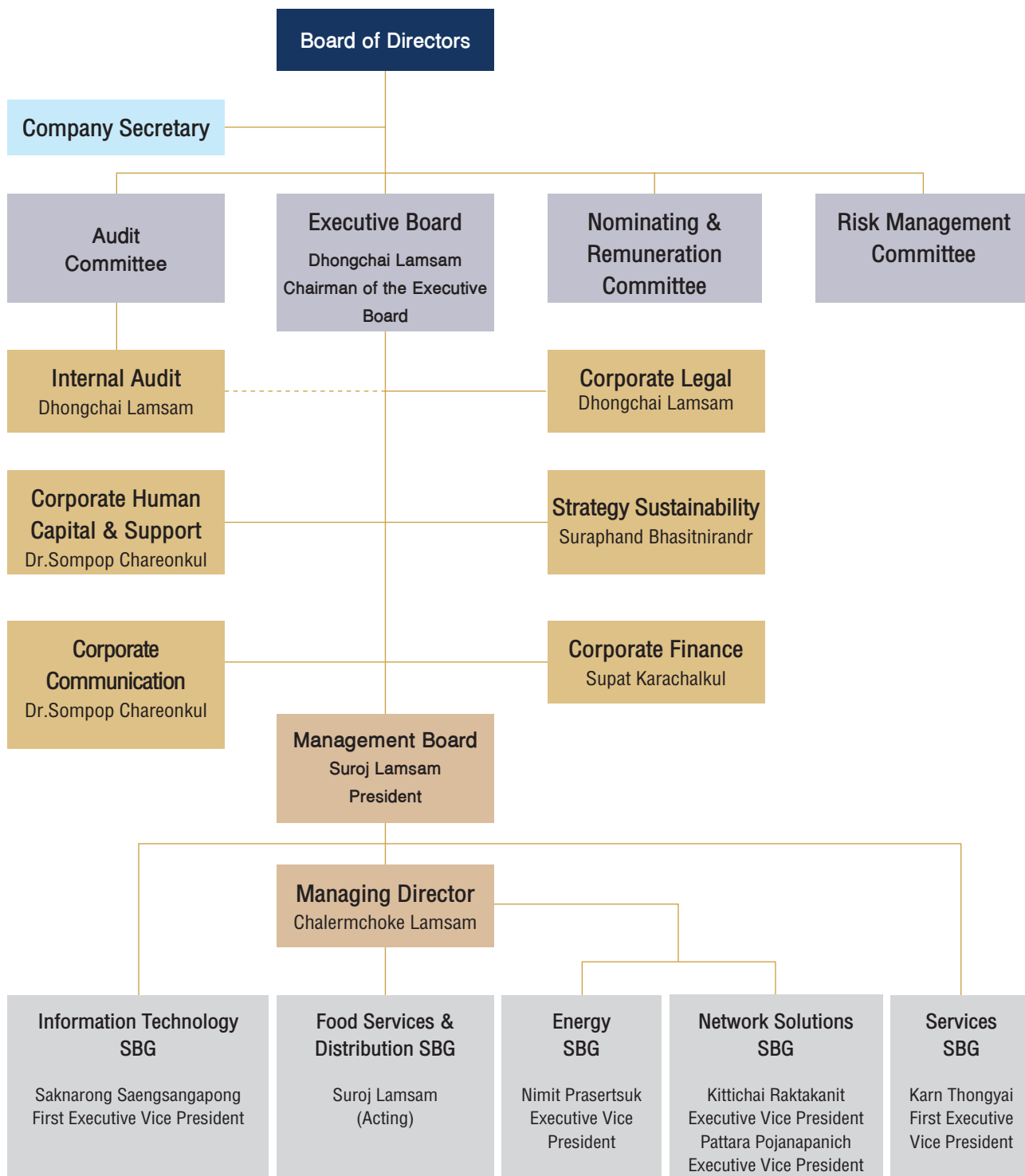
## Loxley Public Company Limited and Subsidiaries

Unit : Million Baht

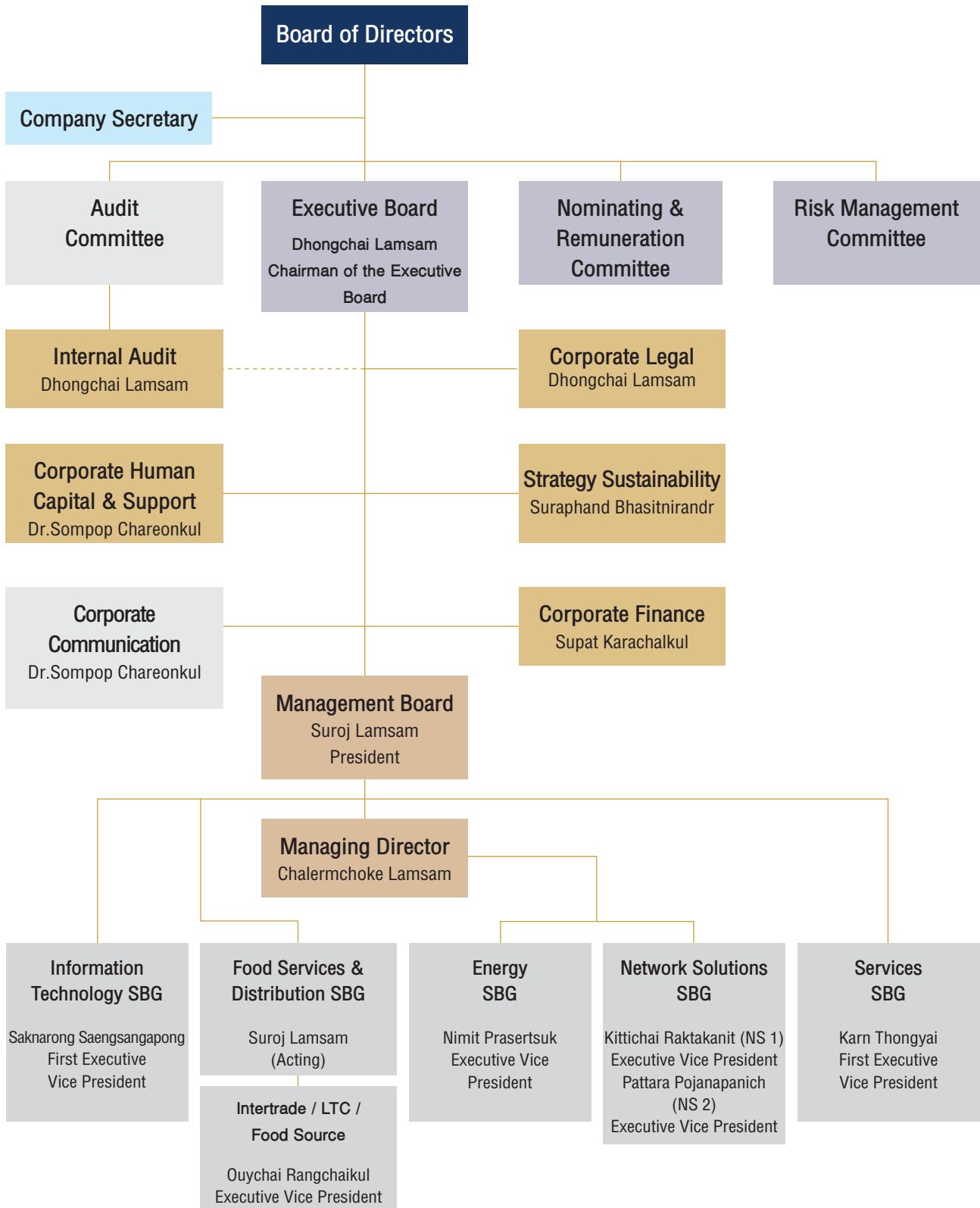
Revenue Structure	2018		2017		2016	
	Total Revenue	%	Total Revenue	%	Total Revenue	%
1. Information Technology Business Group	3,637	26.78	3,359	21.09	2,978	21.49
2. Food Services & Distribution Business Group	3,312	24.38	3,675	23.07	3,825	27.61
3 Energy Business Group	1,532	11.28	1,792	11.25	1,917	13.84
4. Network Solution Business Group	2,240	16.49	4,195	26.34	2,682	19.36
5. Services Business Group	2,600	19.14	2,005	12.59	1,621	11.70
6. Special and Other Businesses	882	6.49	1,357	8.52	1,349	9.74
<b>Total Revenue</b>	<b>14,203</b>	<b>104.56</b>	<b>16,383</b>	<b>102.85</b>	<b>14,372</b>	<b>103.73</b>
<u>Less</u> Related Transaction	(655)	- 4.82	(598)	- 3.75	(583)	- 4.21
<u>Add</u> Unallocated Other Revenue	35	0.26	144	0.90	66	0.48
<b>Grand Total Revenue</b>	<b>13,583</b>	<b>100.00</b>	<b>15,929</b>	<b>100.00</b>	<b>13,855</b>	<b>100.00</b>

# Organization Structure

as of 31 December 2018



# New Organization Structure 2019





## Board of Directors



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**1. Mr. Dhongchai Lamsam**  
Chairman

**2. Mr. Suebtrakul Soonthornthum**  
Vice Chairman

**3. Dr. Harit Sutabutr**  
Independent Director

**4. Dr. Supavud Saicheua**  
Independent Director

**5. Mr. Charoon Chinalai**  
Independent Director

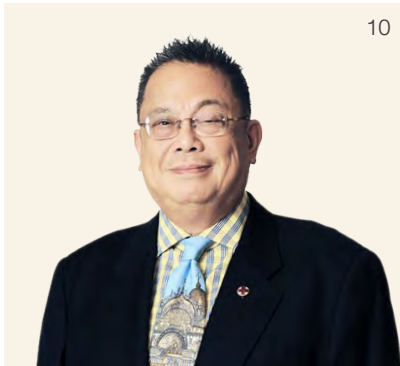
**6. Mr. Joti Bhokavanij**  
Independent Director

**7. Gen. Vichit Yathip**  
Independent Director

**8. Prof. Rawat Chamchalerm**  
Independent Director

**9. Dr. Jingjai Hanchanlash**  
Director





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**10. Mr.Poomchai Lamsam**

Director

**11. Mr.Vasant Chatikavanij**

Director

**12. Mr.Suraphand Bhasitnirandr**

Director

**13. Dr.Sompop Chareonkul**

Director

**14. Mr.Petch Wanglee**

Director

**15. Mr.Krisada Lamsam**

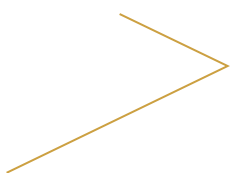
Director

**16. Mr.Suroj Lamsam**

President

**17. Mr.Chalermchoke Lamsam**

Managing Director



## Executive Board



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**1. Mr. Dhongchai Lamsam**

Chairman of the Executive Board

**2. Mr. Suebtrakul Soonthornthum**

Vice Chairman of  
the Executive Board

**3. Dr. Jingjai Hanchanlash**

Vice Chairman of  
the Executive Board

**4. Mr. Vasant Chatikavanij**

Vice Chairman of  
the Executive Board

**5. Mr. Suraphand Bhasitnirand**

Vice Chairman of  
the Executive Board

**6. Dr. Sompop Chareonkul**

Vice Chairman of  
the Executive Board



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**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 \* 11. Mr.Saknarong Saengsangapong**

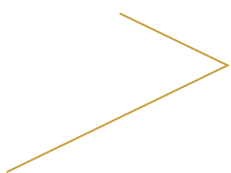
First Executive Vice President

First Executive Vice President

**12. Mr.Karn Thongyai**

First Executive Vice President

\* Mrs.Kosoom Sinphurmsukskul has resigned from her position as First Executive Vice President, with effect from 1 January 2019.



## Management Board



1



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**1. Mr. Suroj Lamsam**

President

**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. Karn Thongyai**

First Executive Vice President

**6. Pattara Pojanapanich**

Executive Vice President



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**7. Mr.Nimit Prasertsuk**

Executive Vice President

**8. Mr.Kittichai Raktakanit**

Executive Vice President

**9. Mr.Nattapon Dejvitak**

Executive Vice President

**10. Dr.Dawarit Tansuphasiri**

Executive Vice President

**11. Mr.Ouychai Rangchaikul\***

Executive Vice President

\* Mr.Ouychai Rangchaikul was appointed to be Executive Vice President on 1 November 2018.

# List of Department Management (Year 2018)

## SENIOR VICE PRESIDENT

Mr.Wachara Asvanuwatra	Chemical Group
Mr.Piboon Piboontum	Alternative Energy
Mr.Komson Rungruengsorakarn	Corporate Communication Administration
Miss Patra Laohapolwatana	International Legal Affairs
Mr.Sukrasit Haritaworn	Power Automobile
Mr.Pichai Mooputtarak	Legal & Securities
Mrs.Kruarmas Puwattanavanich	Finance & Credit
Mr.Pises Dissawat	Environmental Business
Mr.Tim Tak Timothy Wong	Office of the Managing Director
Mrs.Suphattra Busarakul	Printing & Advanced Technology
Mr.Yuthaporn Chitakasem	Security & Intelligent Network
Mr.boonsiri Wattanarojananikorn	Office of the Managing Director
Mr.Pratya Indranupakorn	Security & Intelligent Network
Miss Wasana Wetchakornpatiwong	Service SBG's Admin
Miss Samitta Tinnam	Corporate Finance & Consolidated Account

## ASSISTANT VICE PRESIDENT

Mrs.Chutintorn Thangsupanich	Defense Technology
Miss Suteera Chamlongsupalak	OPPY
Mr.Pichiean Trangpanich	Sales & Marketing Chemical
Mr.Chirakitti Navisthira	Security & Intelligent Network
Miss Wannee Boontaganon	Corporate Finance & Consolidated Account
Mr.Pongsak Bureetan	Accounting Management
Mr.Pisut Sinarpha	Office of the Chairman
Miss Rangsinee Thummasawatdi	Control Systems
Lt. Jg.Thanakorn Yodchan	Printing & Advanced Technology
Miss Napaporn Mettagitto	Inter Trade
Miss Yawalak Peukliang	Strategic Investment and Investor Relations
Miss Wallada Tangkulanupun	Administration & General Affairs
Mr.Supasith Ithiponpak	Construction Materials
Mr.Pairatch Wiseadpan	Alternative Energy
Mr.Surapoom Jitpaisarnsook	Power Systems
Mr.Valentorn Singkarlvanich	Security & Intelligent Network
Mr.Ammarin Daranpob (Ph.d)	Officer of the President
Miss Supaporn Kusolsat	Corporate Finance & Consolidated Account
Mr.Bongkarn Jiraboonsri	Office of the Managing Director
Mrs.Hathairat Somsiripat	Energy SBG's Admin
Miss Charatsang Wonwien	Corporate Communication Administration
Mr.Paitoon Asawateeranunt	Control Systems
Mr.Veera Amornmanas	Information Systems
Miss Pannapa Kannapan	Sales & Marketing Chemical
Miss Salisa Chareonsuk	Educational Technology Business
Mr.Teera Laonipon	Rail Engineering
Ms.Chanyaporn Khaoroptham	Office of the President
Miss Ratana Vajrasthira	Human Resources
Miss Sutket Suksart	Corporate Finance & Consolidated Account
Mr.Sap Chimpalee	Information Systems
Mr.Tawatchai Songsamphant	Service SBG's Admin
Miss Manisara Janewithayapun	Office of the President

## VICE PRESIDENT

Mr.Wirote Limpanawattanakul	Rail Engineering
Mr.Suton Rakprathed	Broadcast
Mr.Sanit Ratanavadi	Office of the President
Mr.Anucha Dungsirisangthong	Marketing Services & Logistic
Mrs.Wanida Sangkaew	Office of the President
Mr.Kreangsak Chana	Construction Materials
Mr.Taweewat Tachakumtornkit	Environmental Business
Mrs.Preeyanuch Paiboonsithiwong	Internal Audit
Miss Malinee Sahavongjaroen	Accounting Management
Mr.Patiyut Chantrakantanond	Control Systems
Mrs.Pensiri Sowanwanichakul	Office of the Managing Director
Mr.Boonlert Jaimun	Strategic Investment and Investor Relations
Mrs.Thanida Greechurt	Office of Vice Chairman
Mr.Petros Rigas	Office of the Managing Director
Mr.Panu Khongthon	Power Infra
Mr.Werasak Pattarakorn	Transportation Systems
Miss Jinda Vanichvatanyou	Sales & Marketing Chemical
Miss Pornthip Piyarat	Human Resources
Mr.Veerayut Kosirinond	Inter Trade
Mr.Tinakorn Panyathanakorn	Rail Engineering
Mr.Wasan Wanich	Business Intelligence
Mr.Charaspong Lamsam	Food Service
Miss Patteera Lapassethsiri	Service SBG's Admin

## Directors in the Subsidiaries Directly Owned by Loxley as of 31 December 2018

### LOXBIT PLC



1. Mr.Suroj Lamsam
2. Mr.Chalermchoke Lamsam
4. 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 TRADING CO., LTD.



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

### LOXLEY WIRELESS PLC



1. Mr.Thongyai Chanthanawan (MD)
2. Mr.Tim Tak Timothy Wong
3. Mr.Werachai Kitsirisin
4. Mr.Ali Bin Hussan Aljunied
5. Mr.Bongkarn Jiraboonsri

### L FOOD SOLUTIONS CO., LTD.



1. Mr.Suraphand Bhasitnirandr
2. Mr.Suroj Lamsam (MD)
3. Mr.Chalermchoke Lamsam
4. Mrs.Kosoom Siphurmsukskul
5. Dr.Dawarit Tansuphasiri
6. Mr.Charaspong Lamsam
7. Mr.Chalermchai Piyavee

### ASM SECURITY MANAGEMENT CO.,LTD.



1. Mr.Suroj Lamsam
2. Mr.Chalermchoke Lamsam
3. Dr.Sompop Chareonkul
4. Am.Adireg Sastararuchi
5. Mr.Karn Thongyai (MD)
6. Mr.Supat Karachalkul
7. Dr.Dawarit Tansuphasiri
8. Miss Wasana Wetchakornpatiwong
9. Miss Patteera Lapassethsiri

### THE FOODSOURCE CO., LTD.



1. Mr.Suroj Lamsam (MD)
2. Mr.Supat Karachalkul
3. Mr.Charaspong Lamsam
4. Mr.Witawat Mesommonta
5. Mr.Chattri Sabado Srivichit

### LOXLEY PROPERTY DEVELOPMENT CO., LTD.



1. Mr.Dhongchai Lamsam
2. Mr.Suebrakul Soonthornthum
3. Mr.Suraphand Bhasitnirandr
4. Mr.Suroj Lamsam (MD)
5. Mr.Chalermchoke Lamsam
6. Mr.Vichaya Chatikavanij
7. Mr.Supat Karachalkul
8. Mr.Kittichai Raktakanit
9. Mr.Karn Thongyai

### LOXLEY BUSSINESS INNOVATION CO., LTD.



1. Mr.Thongyai Chanthanawan (MD)
2. Dr.Dawarit Tansuphasiri
3. Mr.Tim Tak Timothy Wong
4. Miss Yawalak Peukliang
5. Mr.Boontham Pasutha

### 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.Suroj     | Lamsam (MD) |
| 2. Miss Wannee  | Boontaganon |
| 3. Mrs.Salisa   | Chareonsuk  |
| 4. Miss Wilawan | Srirojnakul |

**LEGO 99 CO., LTD.**

- |                    |                |
|--------------------|----------------|
| 1. Gen.Nipon       | Siriporn       |
| 2. Mr.Chalermchoke | Lamsam         |
| 3. Mr.Piboon       | Piboontum (MD) |
| 4. Mr.Suntad       | Yingyong       |
| 5. Mr.Udomsak      | Kaewsiri       |

**LOXLEY INTERTRADE (GUANGZHOU) CO., LTD.**

- |                    |                  |
|--------------------|------------------|
| 1. Mr.Suraphand    | Bhasitnirandr    |
| 2. Mr.Chalermchoke | Lamsam           |
| 3. Mr.Nattapon     | Dejvitak         |
| 4. Mrs.Kosoom      | Sinphurmsukskul  |
| 5. Mr.Suroj        | Lamsam           |
| 6. Mr.Supat        | Karachalkul      |
| 7. Mr.Veerayut     | Kosirinoond (GM) |

**L SOLAR 3 CO., LTD.**

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

**SOCIETE COMMERCIAL LAO CO., LTD.**

- |                 |                   |
|-----------------|-------------------|
| 1. Dr.Jingjai   | Hanchanlash       |
| 2. Mr.Suraphand | Bhasitnirandr     |
| 3. Mr.Oudet     | Souvannavong (MD) |
| 4. Mr.Viphet    | Sihachakr         |
| 5. Mr.Ty        | Leeaphorn         |
| 6. Mrs.Sengmany | Viyakhet          |
| 7. Mrs.Manichan | Phommachack       |

**LB EV CO., LTD.**

- |                    |                |
|--------------------|----------------|
| 1. Mr.Chalermchoke | Lamsam         |
| 2. Dr.Kosol        | Surakomol (MD) |
| 3. Mr.Pratya       | Indranupakorn  |
| 4. Mr.Liu Xue      | Liang          |
| 5. Mr.Zhang        | Jia            |

**GREEN NATURAL PRODUCT CO., LTD.**

- |                    |                  |
|--------------------|------------------|
| 1. Mr.Chalermchoke | Lamsam           |
| 2. Mr.Wachra       | Asvanuwatra (MD) |
| 3. Mr.Dhongchai    | Lamsam           |
| 4. Mr.Suraphand    | Bhasitnirandr    |
| 5. Mr.Tanu         | Sirisawalak      |

**LOXLEY ORBIT PLC**

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

**L-ELEVATOR AND ENGINEERING CO., LTD.**

- |                    |                 |
|--------------------|-----------------|
| 1. Mr.Suraphand    | Bhasitnirandr   |
| 2. Mr.Chalermchoke | Lamsam          |
| 3. Mr.Kittichai    | Raktakanit (MD) |
| 4. Ms.Pornthip     | Piyarat         |
| 5. Mr.Boonlert     | Jaimun          |
| 6. Mr.Kreangsak    | Chana           |

**LOXLEY SYSTEM INTEGRATOR CO., LTD.**

- |                    |                          |
|--------------------|--------------------------|
| 1. Mr.Chalermchoke | Lamsam                   |
| 2. Mr.Kittichai    | Raktakanit               |
| 3. Mr.Boonsiri     | Wattananarajanikorn (MD) |
| 4. Mr.Tim Tak      | Timothy Wong             |
| 5. Mr.Bongkarn     | Jiraboonsri              |
| 6. Mr.Nimit        | Prasertsuk               |
| 7. Mrs.Kruarmas    | Puwattanavanich          |

**LOXLEY ENGINEERING CO., LTD.**

- |                 |                       |
|-----------------|-----------------------|
| 1. Mr.Sith      | Chokpipatpaiboon (MD) |
| 2. Mr.Boonsiri  | Wattananarajanikorn   |
| 3. Mr.Yuthaporn | Chitakasem            |
| 4. Mr.Kittichai | Raktakanit            |

**LOXLEY AUTOMOTIVE CO., LTD.**

- |                    |                |
|--------------------|----------------|
| 1. Mr.Chalermchoke | Lamsam         |
| 2. Dr.Kosol        | Surakomol (MD) |
| 3. Mr.Pratya       | Indranupakorn  |

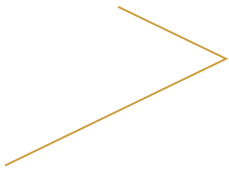
**LOXLEY POWER SYSTEM CO., LTD.**

- |                    |                 |
|--------------------|-----------------|
| 1. Mr.Chalermchoke | Lamsam          |
| 2. Mr.Nimit        | Prasertsuk (MD) |
| 3. Mr.Boonlert     | Jaimun          |
| 4. Mrs.Hathairat   | Somsiripat      |

**LOXLEY ENVIRONMENTAL DYNAMICS CO., LTD.**

- |                |                    |
|----------------|--------------------|
| 1. Mr.Vasant   | Chatikavanij       |
| 2. Mr.Athur    | Graham Storah (MD) |
| 3. Mr.Tim Tak  | Timothy Wong       |
| 4. Mr.Boonlert | Jaimun             |





# Information Technology SBG

## 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. Such as 3 in1 machine (Deposit/Dispense/Passbook Update), Teller cash recycle machine(TCR), 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 service 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 to 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 innovative technology requirements. Bringing quality products and services which are appropriate by our customers and continue to gain the trust of customers.

- **Ongoing Projects and Future**

The company received the installation project such as Recycle cash deposit machine (RCM), Recycle cash deposit and Passbook update machine (3IN1), Automatic Passbook Update Machine for banks and financial institutions. Moreover, we got EDC (Electronic Data Capture) installation project, Pin pad installation Project.

As for future projects, targets are set by the Company to provide services in areas of new models for automatic service machines such as Virtual Teller Machine (VTM), Teller Cash Recycler (TCR), new EDC models, 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
- Standard for 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 Standard, 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 and 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, Microsoft, and Nutanix 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, Metropolitan Electricity Authority, 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 e-Social Welfare Project Phase 2 of the Controller General's Department, procurement of Disaster Recovery Site Project Phase 2 of the Excise Department, 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, Cyber

Security, 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 infrastructure, Cyber Security and Computer systems which are highly demanded by those customers both in government and private enterprises ranking 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 world class quality products such as Cisco System Inc, Palo Alto Networks, F5 Network, Blue Coat Systems, 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 proofing their designing Concept.

- **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 emerging market with Next Generation Technology, for example, Cyber Security SDN, NFV and Virtualization, IOT Solution and Big data which are most demanded in today's market. The company has plan to expand service business with Expert Engineering Resource such as analyzing problem's which are caused from Network, Cyber Security and data traffic monitoring and management.



## Food Services & Distribution SBG

### 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, animal feed, ceramic, glass, paint, rubber, plastic, textile, paper, agriculture, and cleaning products.

- **Marketing and Competition**

Relevant factors directly impacting the Group include foreign exchange rates, 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.

## International Trade Business Group

During the past decade, the Food and Beverage trading business grew rapidly, especially in major cities around the country. This growth is driven by a change in consumer preferences towards more health-conscious products. Consumers are choosing more healthy products such as organic food and drink, clean foods or foods with less processing and more natural ingredients. This has driven the International Trade Business Group to enhance its capability and efficiency by gathering knowledge and sharing best practices amongst the Group. In order to increase sales opportunities and to grow the business based on customers' demands, the Group will deliver good quality products and services at reasonable price while providing greater variety.

The Group has started distributing Thai products in Southern China through both modern and traditional trade channels, including food, confectionery, and Loxley's own-brand jasmine rice 金利蓮 (Golden Lotus). One of our major distribution channels are the Easy Joy convenience stores in SINOPEC gas stations. SINOPEC is the largest Oil and Gas Company in China operating more than 30,000 gas stations throughout the country. In the near future, the Group plans to expand the distribution of OEM rice products, especially healthy rice such as Riceberry and Brown rice, to meet growing demand from health-conscious consumers and to generate higher market value.

- **Strategy and Direction for Business Operation**

To respond to the growth in urban markets in the region and to expand the Group's service area to reach more customers, the Group has expanded beyond China to export Thai products to Laos and Myanmar. The products being exported to those markets are divided into 3 categories; Consumer Products, Castrol Lubricant, and others.

In Myanmar, the Group has expanded from only one master distributor each for Castrol Lubricant in the major cities of Yangon and Mandalay to sub-distributors covering 4 regions. The Group is not only increasing distribution in existing industries but also targeting growth in other industries such as manufacturing which consumes lubricant in large volumes, expanding the customer base to increase revenue for the Group.

Furthermore, the Group plans to expand its distribution network to cover more area in its target countries, as well as to increase variety of products offered to the markets. The Group is now exploring the opportunity of exporting the Thai products to cover not only CLMV markets but the rest of Southeast Asia. To respond to the growing potential of e-commerce, the Group is now developing its own B2B Cross Boarder e-trading Platform along with financial institutions and logistics service providers to offer a one-stop-service e-trading platform for Thai SMEs to operate 24 hours and sell products around the World.

## Loxley Trading Company Limited

- **Scope and Procurement of Products or Services**

Loxley Trading Company Limited (LTC) has been conducting retailing business as a distributor with its longstanding experiences for 40 years in this field by providing fast-moving services for leading brands of consumer products. With a network of strong allies of trading stores and channels, LTC has been able to distribute goods under its care to consumers via more than 30,000 points of outlet in every form nationwide from department stores in big cities to small family-run grocery stores in rural villages. Moreover, services in other areas are also offered by LTC to its trading partners, be they arrangements of sale campaigns in shops and stores, making plans for marketing activities or enhancement of the brand's image, etc. with adherence to its modus operandi that "We will provide services to expand the market on a fully comprehensive basis by looking after the goods/brands of our trading partners as if they were our own".

LTC separates goods under its services into 2 main groups, i.e. Grocery and Beverages and Snacks. It has been entrusted by owners of various brand-name products such as "Cook" vegetable oil, "Greennut" crispy green peas, "Tra-Chang" fish sauce, "Sumaco" canned sardines, etc.

### • Marketing and Competition

Consumer Market is one with constant movements as the result of fierce competition both from products in the same category and those in other groups. Thus, accessibility to shop-base data and understanding of consumer behavior together with strategic adjustments to ensure prompt response to market demands are, indeed, vital under this environment of fierce competition in the consumer market.

Despite the unpromising picture of the consumer market in the overall as the result of fluctuating economic conditions which have an effect on the consumer's purchasing power, there are, nevertheless, some groups of products which still show growth such as those which answer the basic necessities that are benefiting from the State's policy through its Welfare Cards, and goods in keeping with health awareness trends.

Consumer behavior started to change with trends of giving more importance to convenient shopping rather than pricing such that there has been a rapid growth of convenience stores with their market shares growing constantly vis-à-vis other sale outlets. This, therefore, is a channel to which producers of consumer products will give their increased attention to and will have a bigger role on products in the future.

### • Future Plans

LTC plans to expand the scope of its services for its trading partners and customers which will cover activities to take care of market expansion on a fully comprehensive basis in addition to its main services of distributing and fast moving goods. Such work will comprise development of products in conjunction with the producers, looking after brands and marketing, offering efficient logistic systems, etc. with target set to become the One Stop Service Centre in Market Expansion which will build up business growth on a sustainable basis for our business partners.

## L Food Solutions Company Limited

### • Scope of Products or Services

L Food Solutions Company Limited provides food/restaurant services 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 and Tetsumen Brands.



WaQ Yakiniku



WaQ Yakiniku & Shabu



DohTon Bori



Tetsumen

Each brand mentioned is well-versed in diverse categories of food such as Yakiniku, 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 a growing customer base per month and including sales growth in all 3 branches.

### • Marketing and Competition

Japanese food is very popular and has continued to grow. Throughout the year 2017, the total value of Japanese restaurants in Thailand is about 22,000 million, the key is still growing up to 10 - 15% per year, which is reflected in the 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 Yakiniku and Shabu brand to gain wide acceptance and good response from consumers. In 2017, WaQ Yakiniku restaurants have been well received by consumers, especially in Siam Paragon with a sales turnover which increased by 40% vis-à-vis 2016. The Company, therefore, is planning to expand its clientele base by opening 2 more branches in 2018.

Moreover, the Company plans to develop the potential of procuring raw materials in collaboration with The Food Source 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.

## The Foodsource Co., Ltd.

- **Business Overview**

The Foodsource, formerly a HoReCa business unit under Loxley Trading, has recently been established as a company in January 2018.

The Foodsource operates as a food service distributor, providing food products to foodservice operators such as restaurants, hotels, cafeterias and industrial caterers. With access to items from a wide variety of suppliers and manufacturers across the world, The Foodsource has built and secured a sustainably strong relationship with strategic suppliers from various origins.

Our main products fall within the meat and seafood categories; we have been importing premium Japanese Wagyu and Seafoods from one of the best sources from Japan, serving the premium Japanese restaurant segment within the foodservice industry.

- **Market and Competition**

The Foodservice industry business is continually growing. In 2017, the market size for Food service distribution is approximately 50,000 MB, with the largest players gaining approximately 40% share of the market, thus meaning that the market is still fragmented, and opportunity is widely open for competition. In addition, development of related businesses along the foodservice supply chain, from storage to delivery, has enable foodservice distributors to provide the best quality product at the best condition to their customers.

- **Future Plan**

With aim to be one of the leading Foodservice Solution providers in the South East Asian region, we shall build strong business foundation in all facets along the supply chain, from sourcing to delivering value added services and products to our customers. While initially focus on sourcing and sales function, our short-term goal is to expand and diversify our scope of products in order to capture a wider base of customers. Ultimately, using digital technology as the enabler, we aim to provide the most exceptional services to our customers, not just food items but a digital platform with a suite of technology solutions that help support the administrative needs of our customers such as business reviews and menu analysis in order to maximize their business efficiencies.





# Energy SBG

## 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 and underground cables, sourcing and installation of power substation control system, Supervisory Control and Data Acquisition (SCADA), procurement and installation of Smart Grid Electricity System, electricity system for manufacturing plants, high-rise buildings, public utilities system and general electricity systems services including maintenance, testing and power system consulting, etc.

- **Ongoing Projects and Future Plans**

Ongoing projects to be delivered to clients are the Installation of Automatic Voltage Regulator Project of the Provincial Electricity Authority and the Construction of two 115-24 kV Gas Insulated Switchgear substations of the Provincial Electricity Authority.



## 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 designing, construction, installation and testing of electricity power systems capable of providing a diversity of services to customers under an EPC (Engineering Procurement and Construction) form such as construction of high-voltage electricity transmission system, high-voltage electricity substations, plants and high-rise buildings. In 2018, the Company had a total of 12 projects ongoing for the Electricity Generating Authority of Thailand, the Provincial Electricity Authority, the Metropolitan Electricity and private companies.

The Company is fully aware that construction works on high-voltage electricity systems, be they electricity transmission lines or substations, may have an impact on the environment and communities living around the construction site. Its main policy, therefore, is set with strict measures to protect against such an impact so as not to create problems for the environment and stakeholders with the results that the Company's works in its past projects have never encountered any problems from such incidents at all.

### • Marketing and Competition

As the result of the government's continual allocation of investment budgets in electricity and power systems as well as promotion of co-investment from the private sector for every form of electricity generation which is considered the main factor for national development and improvement of the people's living conditions, while our neighbors, i.e. the Lao People's Democratic Republic and the Republic of the Union of Myanmar have also been embarking on continually developing electricity/power generation in their countries, this has opened up good business opportunities for the Company, and as the result of its longstanding operations in this field with adherence to the policy of providing quality services with experienced personnel well-versed in this area, its reputation, therefore, is well-accepted and the Company continues to enjoy the trust from customers such that its standing and capabilities are well-maintained with core customers, namely the Provincial Electricity Authority, the Metropolitan Electricity Authority and the Electricity Generating Authority of Thailand.

The Company's services are provided by means of bids offered in tenders, as a direct contractor or sub-contractor, and by direct sale offers. Importance is given in its policy to the designing, procurement of products and efficacious control of work to ensure that they meet the customers' demands to the maximum.

Last year, the Company undertook work to construct the 500 kV high-voltage transmission cable lines for the Electricity Generating Authority of Thailand which, when completed, will be considered a major turning point to enhance its potential to undertake further assignments in view of the fact that the 500 kV system is the maximum level of pressure in the transmission system currently used both in Thailand and countries in the Indochina Peninsula which would enable the Company to undertake contracts covering the entire region as above-mentioned.

Furthermore, the Company is equipped to accept works relating to the Smart Grid Network which is a project of interest to all of the three Thai Electricity Authorities in their efforts to expedite investments to enhance efficiency over management of electricity systems on a fully comprehensive basis, starting from electricity generating systems, management of both aboveground and underground transmission lines, electricity substations and other services such as energy storage, Micro Grid system, Advance Metering Infrastructure (AMI), and so forth.

### • Ongoing Projects and Future Plans

Projects in the process of delivery are as follows :

For the Provincial Electricity Authority :

- 1) Construction of one 115kV aboveground transmission line.
- 2) Construction of one Automatic Voltage Regulator

For the Metropolitan Electricity Authority :

- 1) Construction of two 115-24kV Gas Insulated Switchgear substations.

For the Electricity Generating Authority of Thailand :

- 1) Construction of two 115kV aboveground transmission lines
- 2) Construction of one 500kV aboveground transmission lines

For the Airport Authority of Thailand :

- 1) Installation of one conveying belt system.

In 2019, targets are set by the Company to submit bids for tenders on construction of electricity substations and for the underground and aboveground transmission lines for the three Thai Electricity Authorities on a continuous basis as well as for the Smart Grid network systems for which they had already set out plans for tenders. This would widen the opportunity for the Company to become a direct contractual party with the Electricity Authorities as well as boosting its sales turnover while reinforcing, at the same time, its reputation within the nearest foreseeable future as a construction company.

## 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.

## 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. 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 and water reuse for industrial estate, and waste to energy, including: selling water supply projects water 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.

## Alternative Energy Department

- **Scope of Products or Services**

The Department is engaged in construction and renewable energy installation services, 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 also has experience in the management of solar farms for power generation to supply prototypes. It has been in operation for more than 7 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**

According to the 2018 Power Development Plan (PDP) of Thailand, the National Energy Policy Council has a resolution to increase the capacity of electricity during the year 2018-2037, a total of approximately 51,415 megawatts. Produced from the 20,757 megawatts of the most renewable power plants (in the 10,000 megawatt public sector solar project) and implemented many policies that support alternative energy. As a result, the Department has great opportunities for construction services and various types of alternative energy installation services together with its expertise in solar energy, the Department can expand its scope of service to cover installation of solar rooftops, operation and maintenance for Solar farms and Solar Rooftops and 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 construction and service installation of Solar Rooftops, Biomass System, Operation and Maintenance for Solar farms and Solar Rooftops and 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 Nakornsrihammarat 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.

## L Solar 3 Company Limited

- **Scope of Products or Services**

The Company has constructed the Solar Rooftop plant with the installed capacity of 466.2 kW on the factory roof and car park at Specialty Innovation Co., Ltd., Thambon Bang Phli Yai, Amphure Bang Phli, Samut Prakarn Province. They can generate capability of 655,490 kW/hour/year which reduces electricity costs for Specialty Innovation Company Limited.

- **Marketing and Competition**

These days, many people are interested in investing in alternative energy to produce various processes, especially the Solar Rooftop, to generate electricity for self-consumption, reduce the energy cost. And the promotion and support policy by government, which provide the opportunity for more installation of Solar Rooftop.

- **Future Projects**

Currently, the company is moving forward for co-inverters and the most appropriate area for upcoming project. In addition to being a power producer, the company also focuses on Solar Rooftop service for a private company, from counseling knowledge and experience in contact with the government, cost analysis, return on investment, risk and business opportunities for those who interested in investing.



# Network Solutions SBG

## 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
  - Aluminium Composite Panel under brand Architects from Korea and Haida from ChinaAnd also with other products such as steel decking, Ranbuild pre-fabrication steel building
- 2) Hyundai elevator, escalator
  - Elevator, Escalator under brand 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
  - Building maintenance unit under brand Nippon Gondola from Japan
- 5) Landscape Products
  - Roof garden and vertical garden LoxGarden, LoxDrain, and LoxTruf a brand developed by the department
  - Mehler Technologies tension membrane from Germany

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 the SRT red line stations and depot, the MRTA green line north station and depot, SPP power plant and Double track railway project.

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.

## Broadcast Department

- **Scope of Product of Services**

Broadcast Department operates as representative or authorized dealer of television and radio transmitter and other related broadcast 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 broadcast organization in both private and public sector.

Therefore, we need to import products from foreign countries such as the United States, Japan and Europe, combined with

purchasing from domestic partners who are representatives of famous and widely popular products.

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. And also cooperate with various agencies in disseminating technology knowledge Experiment and test digital broadcasting.

- **Marketing and Competition**

Supplier and Partnership in broadcasting have involved in broadcasting market and affected to our business competition accordingly.

- **Ongoing Projects and Future Plans**

The department is currently in the process of improving the AM transmitter project, sending 400 kW, Nhong Khae, Saraburi province to the Public Relations Department, scheduled for completion in 2019.

In addition, the department is in the process of monitoring the project to improve the efficiency of other stations that will be added by the Public Relations Department.

The department also has an opportunity to earn additional income from selling spare parts for the television Digital systems and sales of Manintenance and service contract with the Royal Thai Army Television Station, Public Relations Department and MCOT.

## Rail Engineering Department

- **Scope of Products or Services**

The Rail Engineering Department provides a turnkey service to the customers as System Integrator and System Provider for Railway Projects (Signalling, Communications, Security, PowerSupply, etc.) Our scope covers 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 is also a Rolling Stock dealer. Therefore, the department's services cover Rolling Stock, TRAM, Railway Signaling System, Train Control System, Overhead Catenary System, Railway Communication, Building Security and Automatic Fare Collection.

- **Marketing and Competition**

As the government planned to develop infrastructure such as the Ministry of Transport's main mission under the Strategic Plan for Transportation Development of Thailand for the period of 20 years (A.D. 2017-2036), there are planned projects to develop rail transit system and provide the Department with good business opportunities. The Department has won bid to implement 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.

- **Ongoing Projects and Future Plans**

The Department has large projects in progress to be completed and handover to the clients in the year 2019-2020 as below.

- 1) Overhead Catenary System (OCS) Installation for West Line and Depot of MRT Red Line Project.
- 2) Control Access Security System, Office Automation / Information Technology and Management Information System (CASS, OA/IT and MIS) Implementation for MRT Red Line Project.
- 3) Installation of Power Distribution System (PDS), Communication System (COM) and Signaling System (SIG) in the depot area, Bang Sue Grand Station and Chatuchak Station of MRT Red Line Project.

For our future projects, 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 is mainly as a system integrator provides a design, procurement, development,

manufacturing, installation, testing and delivery of Toll Collection System either manually or electronically, Traffic Surveillance and Control System on expressway, and Building Security System. We also provide training and maintenance services for customers to use the system continuously and effectively.

Products delivered to customers in each project will meet customer requirements. Most of them will be sourced from major manufacturers with top quality products. Some specialized equipment, the department will research, design and manufacture itself, such as automatic vehicle classification system, LED signage, including the software for toll collection system, Traffic Management Software or software to manage the traffic sensors.

- **Marketing and Competition**

In 2017 to 2019, the government has a policy to provide infrastructure development, in particular, the expressways in Bangkok and its suburbs, as well as inter-city expressways. This helps the market grow in size. It is also an opportunity for the Department to participating in the auction of such systems from the responsible agencies such as Expressway Authority of Thailand (EXAT), Bangkok Expressway and Metro Public Company Limited (BEM), Don Muang Tollway Public Company Limited, and the Department of Highways. Some departments have been partners for more than 20 years.

The Department has low operating risks with its experience and long-standing expertise in the area of toll collection system and traffic surveillance and control system. 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**

The Department has projects in progress such as the project for the Expressway and Rapid Transit Authority of Thailand to improve and modify the toll collection system for use with the Department of Highways. We also have contracts to install a fire alarm system, Security system, and Networking System for the Metropolitan Waterworks Authority. These projects are scheduled to be completed in 2018-2019.

For future projects, the Department has consistently studied and monitored the progress of the government's roadmap and policies in order to plan business operations accordingly such as participating in the construction of the Rama 3 - Daokanong - Western Outer Ring Road Expressway project or participating in Public-Private Partnership (PPP) projects which the Department of Highways will provide concessions to private operators to operate and maintenance the Bang Pa-in - Nakhon Ratchasima (M6) motorway and the Bang Yai - Kanchanaburi (M81) motorway.

## 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.

The Department has a business alliance which owns wide range of advance control technology products. So the Department is able to procure products or services that meet the needs of our customers. The Department is committed to environmental and social responsibility. Especially as a provider, the Department will provide the services in the metrology system for monitoring and warning of water, weather and environmental conditions.

### • Marketing and Competition

Control system markets will be highly competitive due to mostly the projects are infrastructure projects operated by Government and State enterprises which bidding is required. Anyway, the Department has expertise and work in controlling large scale infrastructure projects that require sophisticated and sophisticated technology. By joining forces with foreign companies that own those technologies which let the Department has the high potential for competition.

### • 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 Narasuen Hydro Power Plant, IT revamping system for Department of Disaster Prevention and Wildfire detection System

In parallel, we are exploring to expand our opportunity in SCADA applications in other industries, such as at Metropolitan Water Authority, Department of National Parks, Wildlife and Plant Conservation and Private Sectors.



## L-Elevator and Engineering Co., Ltd.

### • Scope of Products or Services

L-Elevator and Engineering is a provider of elevator and escalator services, parts and accessories for elevators and escalators from Hyundai, Republic of Korea It also provides maintenance and repair services for elevators and escalators. The products and services of the Company can be classified into 6 categories as follows:

- 1) Spare Parts (elevator and escalator parts and accessories)
- 2) Service Contract
  - Include spare part
  - Exclude spare part
- 3) Installation and Wiring Test Run (Elevator and escalator)
- 4) Modernization and Overhaul
- 5) Service warranty
- 6) L-Lift

- **Marketing and Competition**

The market of elevator and escalator services includes the sale of spare parts. The competition is quite high. There are many vendors in the market, including local brands such as Mitsubishi, Otis, etc.

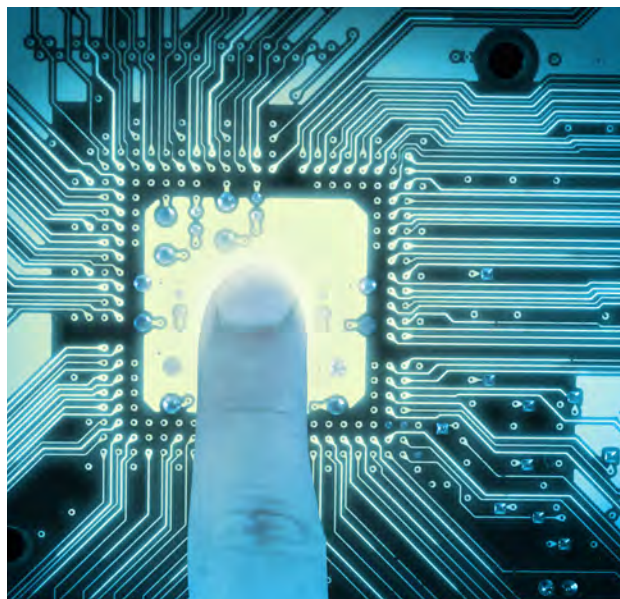
## Loxley System Integrator Co., Ltd.

- **Scope of Products or Services**

The Company is a major telecom supplier well-versed in areas of Telecommunications Engineering with high caliber personnel in the design of leading telecom equipment. It provides services to state enterprises as well as the public and private sectors for installation and maintenance of major networks throughout the country such as Fiber Optic, Backbone Land and Submarine Networks and Wireless Broadband.

- **Marketing and Competition**

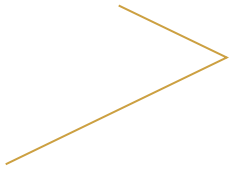
Communications is considered to be one of the prime essentials with high financial value such that there is fierce competition among telecom operators in the market, particularly for cellular phones and the Internet. The Company, therefore, must have an insight into competitive situation at every stage right through to the final stage with the end-consumer. It must always be able to analyze its customers' requirements so as to be not only in the position to give advice and present new innovative ideas, but also to use its knowledge and expertise as well as updated/modern equipment as the heart of its dealing with such competition.



- **Future Projects**

Other than its main mission, the Company must also step into the product market or the Internet of Things as distributor of high-quality consumer products for which there is a big market where it expects to generate income on a stable and continuous basis.





# Services SBG

## ASM Security Management Company Limited

- **Scope of Products or Services**

ASM provides security services for various airports, aircrafts, depots, buildings, offices, hotels and office buildings with its expansion of clientele base leading to rapid and continuous growth particularly, in 2018, when its airport security operations expanded to cover regional airports at U-Tapao, Udon Thani and Nakorn Phanom as well. Ground security services and security for cargo and depots also grew with the advent of increased traffic of low-cost flights in regional airports with expansion of wheelchair services for passengers with reduced mobility as well.



- **Marketing and Competition**

Factors which hiked up costs of Security/Safety business ensued from the Minimum Wage Notification announced by the Ministry of Labour's National Wage Committee which came into force as from 1 April 2018 onwards at a time when customers were clamoring for reduced costs which then led to a rather highly competitive situation with pricing. The Company, therefore, increased its focus on the quality of its services and on opportunities to locate more channels to generate income by opening two subsidiaries, namely ASM Training Company Limited which provides training in Aviation Security, Cargo Security and Aviation Awareness Program, and ASM Professional Manpower Company Limited which provides recruitment services to external customers.

Moreover, the Company plans to expand its Integrated Facility Management Services which cover security, cleaning, building maintenance & repairs, pest control and landscaping services with high growth potential.

- **Future Plans**

As the main factor of Outsource Services today is labour which shows trends of ongoing shortages, studies had to be conducted by the Company, therefore, on dependence on Artificial Intelligence, i.e. use of robots for efficient performance with reduced labour to ensure business growth on a sustainable basis

## Loxley Property Development Co., Ltd.

- **Scope of Products or Services**

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

**1. Renting of real properties, lands, and services :** The Company focuses on maintenance the buildings to ensure convenience and safety to tenants.

**2. Project management and construction :** The Company participated in tenders for a variety of management projects, both in the public and private sectors such as construction of residential building of National Housing Authority in many provinces, construction of groundwater systems, installation of system to improve qualities of potable water, construction of ground water distribution system for solar agriculture, and so forth.

The Company has launched CSR policies that focus on preserving the environment, society, and communities, by complying with the laws and regulations, as well as prioritizing on safety and hygiene to the environment and the community.

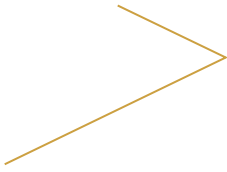
- **Marketing and Competition**

According to the government's strategies for residential estate development and groundwater system management in the next 20 years (2017-2036), aiming to provide the people with standardized residences. Such strategies have attracted more and more major entrepreneurs to participate in tenders held by the National Housing Authority (NHA). However, this has no impacts on the Company's businesses as the Company have great experienced and have worked in collaboration with experienced partners for years.

Regarding projects under supervision of Department of Groundwater Resources (DGR), the Company collaborates with its experienced partners to participate in tenders and operations. Due to great connections and punctuality in operations, the Company has been given trust despite of the fierce competition.

- **Operations in Preceding Year and Future Plans**

2018 performance could still yield returns for the business on a continuous basis as the result of its renting of lands, buildings, and participation in tenders for projects held by NHA and DGR. Regarding 2019 operations, the Company shall continue to participate in tenders held by the government sector and aim for greater profits than that of 2018.



# Special Project Businesses

## 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.

## Defense Technology Department

- **Scope of Products or Services**

The Department supplies, provides installation, maintenance and after-sales services for specialized, electronic equipment and systems. Most products require specialized skills and high levels of technology. The products are mostly imported from highly-reputable and well established companies in the USA and European countries. Some products are locally purchased and developed to increase its' capability. The Department has always focused on providing products that meet customers' requirements and put importance on good long-term relationship with customers. Moreover, it has also focused on providing first class after-sales services while ensuring no surplus products that would eventually affect the environment.

- **Marketing and Competition**

The Department's target customers are mostly government agencies, military as well as other organizations involved in various communication and security technologies. Direct approach strategies to prospective customers on a project basis have been the mostly-used distribution channel. To respond to customer needs and satisfaction, the Department always researches and develops products to keep up with advancement of technology.

Competition within this market is moderate since the Department's products and service are within highly specialized fields. Any competition in these fields would be based on technological expertise, readiness of information, sales strategies, customer care, in addition to good relationship with customers.

The market trend mainly depends on the allocation of government budget and whether the 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's already delivered all products and services to the customers as a plan of year 2018. The Department also has continuously the spare part projects for every year. In 2019, the Department will provide the Equipment on Offshore Patrol Vessel to the Royal Thai Navy with delivery expected in quarter 3.

## Printing and Advanced Technology Department

- **Scope and Procurement of Products and Services**

The Printing and Advanced Technology Department handles operations relating to printing technology and innovations involved with modern printing technology-3D printing, packaging, printing on a variety of materials such as fabric, ceramic or wood, beside acting as importer of printing machinery, consumable products used in the printing process, connectivity with relevant external systems, system design and advisory services which are provided on a fully comprehensive basis in its position as distributor of high-speed variable printers in both Ink-jet and Toner forms. Services are also provided for maintenance and modifications of various printers and printing equipment.

- **Past Performance**

In 2018, the Department worked in a project to modify the GLO lotteries into a Baht 80 big pack and improved all relevant systems such as SAP and Sale and Prize Awarding systems. Works on installation of the Gravure printer and the relevant systems were also completed and delivered to the Tobacco Monopoly of Thailand.

- **Future Plans**

The Department plans to continue expanding its clientele base to other areas and to follow up on new innovations which can be applied for use by opening up more opportunities for the Department to grow and extend its market base to other relevant sectors as well.

## Consumer Electronics Department - Mobile Services (MVNO)

- **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 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 mobile prepaid services including voice and non-voice services under the brand “i-Kool”.

- **Marketing and Competition**

As a whole, the telecommunications and IT business is still expanding, with rapidly growing usage of data and internet connections. With customer behavior trending towards non-voice services and other value added services such as Mobile Internet, Mobile Payment and Mobile Entertainment being linked to smart phones, the market situation in 2018 has been very competitive. Strong competitions to gain market share and acquire new customers is particularly heavy in the price area, and bringing out new attractive promotions which directly affect the MVNO business. In addition, the telecommunications industries itself must also adapt to the growth of other digital trends, government policies, national safety and security policies. These factors provide a challenge for the company as we are seeking for business opportunities and focus on maintaining market share and also adjusting business strategy for better effectiveness in operations.

- **Social Responsibilities**

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

## Loxley Wireless Public Company Limited

- **Operations**

Loxley Wireless Public Company Limited is a subsidiary of Loxley Public Company Limited and conducts its business by providing services to both the public and private sectors. Its services are divided into two categories, i.e. high-speed database communications under the License to Conduct Category 3 Telecommunications with focus on corporate clientele or customers with their own network, and maintenance services for MITEL private automatic branch exchanges on an annual or per use basis depending on the size of each corporate customer.

- **Scope of Products and Services**

These two categories of services are performed by the Company’s own personnel who will be well-trained under the Company’s training programs and policy for staff retention to give customers the confidence that they would always be receiving good and quality services from them.

- **Market and Competition**

Continually rising Internet transactions have kept the needs for high-speed database communications and usage of the PABX among corporate customers ongoing such that demands still continue for these two categories of services in keeping with the growth of this business line.

However, competitive pricing still remains a major issue. With the Company’s strong point in the quality of its services, however, it can still maintain its clientele base besides expanding it on a continuous basis as well.

- **Risk Factors**

The Company’s service business depends mainly on the expertise of its personnel. There is always the risk, however, of their resignation such that the Company is determined to maintain them for the long-term with a variety of inducements be they in the welfare system, good working environment and encouragement through a progressive career path.

- **Future Plans**

Project to lay Dark Fiber Network along railway lines for a distance of 2,869 kms under a lease term of 30 years has been signed with the State Railway of Thailand on 27 June 2015. Site-surveys drawings/designs, preparation of equipment

and installation premises are completed and it is now in the process of procuring financing resources and preparing the operating plans.

## Data Mining Company Limited

### • Scope of Products and Services

The Company's business comprise of

1. 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.
2. 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

1. 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.
2. 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.

## 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 and training since 2006.

Up until now, GLO is not 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 prepared should GLO confirm 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.



# Joint Venture Business

## 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 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, whose combined market share represent more than half of the market. As one of the leading companies with high market share, BP-Castrol has agility to adapt its strategy and operation plan in accordance to business environment in order to increase its competitiveness and market share 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 customer 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 (TFOC) is a joint venture between Loxley Public Company Limited and Furukawa Electric Company Limited; founded more than 130 years as an expertise in the development and fabrication of advanced materials in Japan. Furukawa transfer fiber optic cable design and manufacturing technology follow International Telecommunication Union (ITU). TFOC is the first Thailand optical fiber cable manufacturer who supplies optical fiber cable for telecom and internet networks. In 2018, TFOC merged with Bangkok Telecom Co., Ltd., Thailand leader copper telephone cable and pipe. TFOC become cable solution supplier.

TFOC 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. TFOC also received the management system to update version 2015 both ISO 9001 : 2015 and ISO 14001 : 2015 certification from Bureau Veritas Certification (Thailand) Limited (BVC).

- **Marketing and Competition**

Finishing the 4G network installation and the implementation through all villages according to the “Pracharat Internet” project in Thailand by the Ministry of Digital Economy and Society, The Office of the National Broadcasting and Telecommunications Commission (NBTC) has been in charge for internet in border villages. The 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. TFOC has designed ADSS-FR cable to solve flame problem for the Metropolitan Electricity Authority (MEA) and the Provincial Electricity Authority (PEA) and planned to sell FURUKAWA products in a comprehensive solution.

## 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 a world leader in coated steel business. NS BlueScope (Thailand) manufactures aluminium/zinc alloy coated steel and pre-painted steel. BlueScope Steel’s production plant is located at Map Ta Phut Industrial Estate, Rayong province. Currently, NS BlueScope (Thailand) produces coated steel and pre-painted steel for construction, manufacturing and home appliance sectors.



For construction sector, NS BlueScope (Thailand) is the leader for producing coated steel sheet and pre-painted steel sheet, using as a material for roll-forming metal sheets for roofing and walling as well as for wall structures. NS BlueScope (Thailand)'s major brands include COLORBOND® steel and ZINCALUME® steel for industrial and large commercial buildings, BLUESCOPE Zacs® steel and JING JOE LEK® steel for small to medium commercial buildings (SMEs) and residential housing.

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



- **Marketing and Competition**

Domestic demand continues to grow at lower pace both in terms of consumption and investment. In addition, high coated steel import volumes from China and Vietnam has brought high competition to the market. These factors have put a pressure on domestic steel price.

However, metal sheet market has continued expanding significantly due to consumers are more aware of metal sheet roof superior performance over other roofing material such as concrete tile and fiber cement roof which make it a popular choice. NS BlueScope Thailand and NS BlueScope Lysaght's products are most referred to and aware of in the market, the revenue from both companies are growing continuously.

- **Future Plans**

With the confidence on Thai economy's strong future prospects, especially the construction industry, NS BlueScope (Thailand) strongly believes that its third metallic coating line plant with an investment value of 126 million USD or approximately 4,500 million Baht which is underway at Map Ta Phut Industrial Estate in Rayong province will be able to serve the premium-quality metallic coated steel for small buildings industry and the residential market from medium to small scale. The construction is expected to complete by 2018 and start operation in the first half year 2019.



# 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 to ensure that they are in compliance with policies and operating guidelines governing good corporate governance and sustainability. 6 separate departments, namely Office of Chief Financial Officer Department, Corporate Finance & Consolidated Account, Accounting Management, Strategic Investment and Investor Relations, Finance & Credit, and Legal & Securities are in charge of such activities.

- **Preceding Year Performance and 2019 Plan**

Emphasis and importance continued to be given on the issue of managing and maintaining financial liquidity with particular reference to management of project credit lines and general working capital with the use of various financial instruments such that they were able to efficiently manage financial costs and remain competitive in the market. These were accomplished through procurement of financing sources to reduce financial costs which would support the Company's growth and expansion of its new lines of business. Furthermore, Work Manuals were improved to keep in line with current work in progress with emphasis on detailed and diligent performance based on strict compliance at every stage. Support, however, will continue to be given to every Group of Business to ensure effective achievement of their goals while expediting scheduled repayments from debtors to forestall loss debts and be in line with its tasks to maintain liquid working capital. 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 information to shareholders and investors via the Company's website, with briefing made at the same time, from an outsider's point of view for senior executives in the interest of continuing development.

It is this Group's policy to focus, in 2019, on developing work processes with the use of IT technologies with its accounting and financial software and to expand its programs to support the various Business Groups to ensure that their reports are prepared correctly in line with accounting standards, taxation rules, the Stock Market's rules and requirements and other relevant laws. At the same time, work must be handled promptly and be of benefits in a timely manner to the various Business Groups; steps in working procedures must be cut down with the use of financial instruments from products which are acceptable to financial institutions to ensure that work will be accomplished promptly and accurately with greater efficiency. 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 top management to cope with significant issues for sustainable growth.

## 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 2019 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 2018 Plan**

In 2018, 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 ICT Business Group, Power Systems Business, Food Business, Service Business Group, and its subsidiaries. The Department was also responsible for supporting business information and news clipping in form of printing and online media 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, organized social activities, business development in Myanmar and elderly business.

In 2019, the Department will continue to support and provide services to all business segments in the Company and its subsidiaries. It will focus on promotion of Loxley's 80<sup>th</sup> anniversary activities, marketing activities, internal communication, and mass media connections as well as support trading in special economic zones.



# Activities

## in Areas of Corporate Social Responsibility

The Corporate Social Responsibility Department was set up by the Company with the prime mission to coordinate work with every sector to ensure compliance and consistency with its social commitments and to focus on nurturing participatory attitude and the **“Voluntary Mind”** among its personnel. While the seedling of this Voluntary Mind will be cultivated towards sustainable development, its multi-dimensional social activities had, however, earned the faith and trust of its investors, customers, business partners and stakeholders alike which, indeed, is reflective of its Corporate Vision **“INSPIRED CHOICE FOR CUSTOMERS, BUSINESS PARTNERS AND INVESTORS”**.

In 2018, the Corporate Social Responsibility Department continued to focus on Creating Shared Value with the deployment of its corporate resources and expertise in response to issues pertaining to solutions of social problems, reinforcement of potential for under-privileged communities and promotion of participation from network organizations in the neighbourhood such as the Penang Market Community, Duang Prateep Foundation and Sikkha Asia Foundation. In addition, employees under Loxley affiliation were given opportunities to formulate plans and to act as core leaders in activities under an exchange of experiences and knowledge which would lead to development not only of themselves, but also of the communities and to create new networks in their concerted efforts to work together for the good of the Society.



## Project and Corporate Social Responsibility (CSR) Activities.

### 1. Project to support the Disabled

#### 1.1 Loxley - ASM Sport Hero

This is a project in which **Loxley Public Company Limited** and an affiliate, **ASM Security Management Co., Ltd. (ASM)** have been providing their continuous support through **the Sport Association for the Disabled of Thailand under the Royal Patronage of His Majesty the King** for 7 years since 2012 until now. In 2018, the Loxley Group had a total of 70 para athletes under its regular payroll. Value-added activities for the disabled were arranged in a variety of forms as well as subsidies provided for travel expenses incurred by some para athletes to participate in overseas matches and for dissemination of news in the para sports circles via public media such as newspapers, TV shows and on the Internet.



Loxley - ASM Sport Hero

#### 1.2 Soul-lifting Project (Chu-jai)

Leisure and entertainment activities were arranged by the Soul-Lifting Project (Chu-jai) at the Sirindhorn National Medical Rehabilitation Institute's Day Care in Nonthaburi Province. They were designed by the Company's Voluntary Mind employees with an end to provide leisure and entertainment for the benefits of the physically disabled and those with multiple disabilities so that they could enjoy a better quality of life and able to overcome their physical limitations. They were also aimed at creating participatory attitude among family members to enhance understanding and acceptance for the disabled in our Society.

The Project arranged 15 activities under this Soul-Lifting concept to raise the spirits of the handicapped (Chu-jai) at once a week interval by having the handicapped athletes under the Loxley-ASM Sport Hero Project and Voluntary Mind



Soul-lifting Project (Chu-jai)



Soul-lifting Project (Chu-jai)

employees under Loxley Affiliation designing leisure/entertainment activities for the Sirindhorn National Medical Rehabilitation Institute's patients. This, indeed, made one realized the value of giving and passing on the forces and encouragement received to build up the morales and the will to live for the Institute's patients. Friendships were forged among Voluntary Mind employees and patients in these activities arranged jointly with the Day Care Clinic staff members who would, each week, gain new experiences from new and non-redundant activities which could be added as a top-on to their designing of activities for patients. In addition, a number of items were donated by the Loxley Affiliation such as loudspeaker equipment, Boccia sports equipment and electric keyboards to be used by patients in their future activities.

#### 1.3 Buddy Happiness Sharing Project

Activities were arranged under an interaction between Voluntary Mind workers in the Loxley Affiliation and other companies with participation and share-out of their capabilities for the benefits of the Society with children and youth with physical and intellectual deficiencies under the care of the Prachabodee School in Pakkret, Nonthaburi. These activities were focused on building Voluntary Mind networks through Voluntary Mind workers from various companies such as

Siam Park Bangkok Company Limited, Bangkok Post Public Company Limited, Thai Itokin Company Limited, Cinnamon Residence and the Thai with Disability Foundation, etc.

As the result of such continuing works in relation to the handicapped in order to develop their potential, the Company was awarded the Trophy of Honour for **“2018 Excellent Corporate Support for the Handicapped”** for the third consecutive year from the Ministry of Social Development and Human Security on the International Handicapped Day.



Buddy Happiness Sharing Project



Buddy Happiness Sharing Project

## 2. Community Development Projects

Since 2010, the Corporate Social Responsibility Department, in conjunction with the Penang Market Community Committee, Voluntary Mind Network and BY Penang Youth Group had been making coordinated efforts to formulate plans, determine roles/duties, summarize activities and transcribe lessons learnt through communal work under the concept of **“Work Concurrently with Development”**. In 2018, they together set up the **“Strong Communities Project”** with targets set on works handled by Children and Youth Committees in the communities to encourage participation from everyone right from conceptualization and designing of activities to sharing of duties/roles in every activities. Everything came out of their brainstorming meetings leading to agreements reached

by members of every committees who helped, not only to develop their own potential and learned how to work together in the process, but also to build up good relationships in their communities through the following activities:

### 2.1 “PSD Summer Games 2018” (Pastel Games)

The games were held as the result of participation and inter-action among 3 groups of youth leaders, i.e. Penang Market Community, Sikkha Asia Foundation and Duang Prateep Foundation. Plans were initiated with targets set to maximize the use of free time, build up communal unity and introduction of new friends. Moreover, these PSD Summer Games helped to promote participation among members of the local communities in the Klong Toey area which reinforced development of core youth leaders, created good relationships between communities to enhance their works together for the future.



PSD Summer Games 2018

### 2.2 Activities to promote Community Relationships

Activities were held throughout the year on special occasions in keeping with the community structures such as National Children’s Day, Elderlies Day, Mother’s Day, Year-End/ New Year Days, etc. to promote good relationships within communities, create happiness, enjoyment and enhancing work under the collaboration of various Committees in the communities, the BY Penang Youth Group and the Loxley CSR Team.

### 2.3 Penang Change Agent

This activity opens up areas under the **“Free Learning Space”** for local residents to collaborate in work which would trigger everyone in the community to bring about change as the Penang Change Agent. Activities were initiated according to their own interests under the management of their own **“Penang Market-New Generation Community”** to fill up open spaces inside the community with creative programmes

designed for community members under close guidance from Loxley CSR Team, Specific Voluntary Mind Team and advisors within their own community (community committees and their volunteers). As the result, 3 projects were born, i.e. Economy Grocery Store Project, Discard-Sale-Keep from the Learning Centre and Less Waste & Save the World Projects all of which demonstrate the will of community residents to stand up together to do good for their community.

#### 2.4 Where to... To Kan .... Activities (Open learning experience in Kanchanaburi Province)

Field trip to World War II Museum and the Bridge on the River Kwai with a target group of 30 children and youth from the Penang Market Community to open up their horizons with a chance to learn about the Second World War and a good day off to enjoy themselves at the same time in Kanchanaburi.



Where to... To Kan .... Activities

### 3. Support for implementation of projects in the Klong Toey area.

#### 3.1 Second Year MiraibraryCamp Project to promote the love of reading, Sikkha Asia Foundation.

Financial support were given by the Company to the Sikkha Asia Foundation's 2<sup>nd</sup> Year MiraibraryCamp Project with a target group of 60 children and youth from the Kong Toey area aimed at promoting online reading under the framework of co-existence and the art of giving and sharing through a camping package of 3 days 2 nights at Hattavudcamp in Saraburi Province. As the results, improvements were seen among these children and youth who seemed to have acquired much better skills in identifying subjects of interests in their reading, adjusted themselves better on co-existence with others and strove to develop their abilities to the point of becoming youth leaders to help directing activities inside the Foundation's library.



Duangprateep Foundation's Storytelling Caravan Project

#### 3.2 Duangprateep Foundation's Storytelling Caravan Project

Subsidies were provided by the Company to the Duang Prateep Foundation for its Storytelling Caravan Project which will enable children and youth to learn and make adjustments in the course of their daily lives in a number of areas like savings, traffic disciplines and aptitude towards co-existence with other people. This will be provided to 10 schools in the Klong Toey area and reaching more than 1,300 students in all.

And, on the celebration of the Company's 79<sup>th</sup> anniversary, activities called "Pee Im-jai, Nong Im Sook" (Joyous Me and Happy You) were held at the WaQ Yakiniku Restaurant with Loxley executives and Voluntary Mind employees offering meals and entertainments to more than 200 children in the Duang Prateep Foundation under an atmosphere of Happiness. This also gave children and youth from the Penang Market Community an opportunity to help design activities and act as leaders with all smiles, laughter and friendship vibrating throughout the event.



Duangprateep Foundation's Storytelling Caravan Project





Activities "Pee Im-jai, Nong Im Sook"



Activities "Pee Im-jai, Nong Im Sook"

### 3.3 Support for activities on the National Children's Day

With full recognition on the value of children and youth who will one day grow up to become the country's force of life and vitality, the Company has constantly been providing subsidies and supplies every year to communities in the Klong Toey neighbourhood as well as to the public and private sectors in areas of leisure and entertainment and to present awards to children and youth on the National Children's Day. In 2018, subsidies and supplies were given to applicants for assistance from a total of 5 work entities in 27 communities.



Support for activities on the National Children's Day

### 3.4 Support for activities on the Elderlies Day

Other than support given to children and youth-related activities, the elderlies who are regarded as a highly valuable resource also received their share when the Company gave out products to support activities on the Elderlies Day to 14 communities in the Klong Toey area to uplift their spirits. Arrangements were also made by the Company for the elderlies in the Penang Market Community to give the younger generations a chance to demonstrate their appreciation and gratitude to them.



Support for activities on the Elderlies Day



Activities "Pee Im-jai, Nong Im Sook"



LOX Forces United

## 4. Social Development Projects

### 4.1 LOX Forces United

The activity to unify the force of giving and sharing by the Company's Voluntary Mind employees and their families and collaboration of work with the BY Penang Youth, WHYIWHY Foundation, Sikkha Asia Foundation and Duang Prateep Foundation in the efforts to bring out happiness, laughter and fun through 15 booths packed with entertainment for 50 orphans under the care of the Children Foundation in the Province of Nakornpathom. This also gave the Foundation's officers a chance to study the framework and structure of activities as well as their modifications for use in the Foundation's activities in the future.

### 4.2 Happy Talk with Thun

This talk was held with the purpose of sharing the experience and to build up morale-boosting forces with the life of **Nong Thun or Miss Nitcharee Peneakchanasak**, an employee in the Loxley - ASM Sport Hero Project with students from 3 universities, namely : Thai Chamber of Commerce University, Thammasat University and King Mongkut's University of Technology Thonburi. Other than giving Ms Thun a chance to participate in the designing and planning of activities together with the Department of Corporate Social Responsibility, it also gave her a platform to develop her capabilities at the same time.



Happy Talk with Thun

### 4.3 Subsidies for various work entities and institutions

In 2018, financial support/subsidies were provided by the Company to various work entities and institutions, as follows :

#### Educational Institutions

financial support were provided by the Company to various universities in 2018, as follows :

- Silpakorn University towards arrangements for the TEDxSILPAKORNU.
- Mahidol University as educational subsidies for preparation of academic theses.
- Faculty of Veterinary Science, Chulalongkorn University for charitable work in providing preliminary health care/ examination for animals.
- King Mongkut's Institute of Technology Ladkrabang, for Han 2 (Forces United Divided by Two) the Ladkrabang Camp Project.

#### Foundations

- Financial assistance were given to support commitments of the of the Operation Blessing Foundation (Thai) for Clean Water well Project to provide adequate supply for the hilltribes.
- Financial support was given to the National Council on Social Welfare of Thailand for their activities on the Handicapped Day #50.
- Financial support was given to the TAB Foundation for production of books and sound media for people with eyesight defects.

#### Associations

- Financial support given to the Thai Association for Medical Instrumentation (A.M.I.) for use in academic/ technical development as funding for R & D work on prototype equipment and tools/aids for the elderlies.

#### Government units

- Financial support given to Health Center 10, Department of Health for their campaigns during the Protection Against AIDS Week in connection with World AIDS Day 2018.

#### Network of New Generation of Leaders

- Financial support given to the Global Shapers Community for the 2018 Shape Asia Pacific Conference.

## Summary of achievements from the Corporate Social Responsibility Department's activities in 2018.

### In Para Sports areas :

The Company has been continuously helping the handicapped in developing their career as para athletes under the Loxley-ASM Sport Hero Project and instilling them with the sense of worthiness with their participation in activities to help the handicapped at the Sirindhorn Institution via the Soul-Lifting (Chujai) Project to uplift their spirits

### On personnel areas :

The Company encourages its employees to constantly go out and work for the good of the Society with the results of turning out softer and more sympathetic approaches with the value of sharing and training to reach the same goals imprinted more and more in their minds. The main thing, however, is that they have been able to transcend their own limitations for the sake of other people.

### On areas of communities in the Company's neighbourhood

The Company has been looking after communities around its neighbourhood on a constant basis such that today there are signs of improved developments among children and youth in the Penang Market's area and those from the Duang Prateep Foundation and the Sikkha Asia Foundation. What has become even more evident is that they are now ready not only to initiate activities and carry out deeds for the good of their own communities, but to go out and act as Voluntary Mind workers for children and youth in other areas as well.

### Other areas

Social activities were initiated by the Company with greater persistence in conjunction with other companies with resultant works of increased social benefits - both quantitatively and qualitatively, and enhancement of friendships among Voluntary Mind workers from each participating company.



# Risk Factors

## Risk Factors from Business

### 1. 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.

### 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. 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.

#### 4. 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.

### Risk from Management

#### 5. 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.

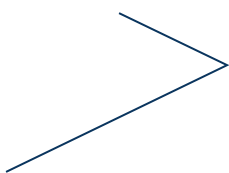
However, most of the executive members have worked with the Company for more than 20 years and some of them are the Company's shareholders. Being the shareholders would

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

#### 6. 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.



## 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 2018, 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.

On 7 April 2011, the associate filed a complaint to the Administrative Court against GLO to order GLO to resolve and proceed with the matter accordingly. On 22 December 2017, the Administrative Court of First Instance (Central Administrative Court) issued a notice to the associate that 16 January 2018 would be the final day of affirmation. On 19 April 2018, the Administrative Court of First Instance (Central

Administrative Court) set its first hearing date on 24 May 2018. On 28 June 2018, the Administrative Court of First Instance (Central Administrative Court) judged GLO to pay a total of Baht 945.6 million plus interest at the rate of 7.5% of such principal amount from the filing date until the payment to the associate.

On 25 July 2018, the associate filed an appeal against the judgment of the Administrative Court of First Instance (Central Administrative Court) dated 28 June 2018, requesting the Supreme Administrative Court to consider and adjudicate GLO to comply with the service of contract of the lottery project and compensate for the damages incurred by the delayed of the contract until the date of lawsuit and cost to restart the lottery project (Restart-Up Cost). However, if the service contract for the lottery project has to be cancelled because of the failure to comply with the contract of GLO, the associate asked the Supreme Administrative Court to consider and adjudicate GLO to compensate for the actual damage to the associate. As at 31 December 2018, the litigation proceeding in the Supreme Administrative Court was underway and the outcome was yet to be determined.

## 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 2,264,954,920.00, divided into 2,264,954,920 ordinary shares
Par Value per Share	: Baht 1.00

### Information on Registered Capital

Date/Month/Year of Registration in MOA	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	<ul style="list-style-type: none"> <li>Offering 65 million shares to existing shareholders</li> <li>Reservation of 85 million shares for the exercise of conversion rights on debentures</li> <li>Offering 10 million shares to Company directors and staffs</li> </ul>	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	<ul style="list-style-type: none"> <li>Offering shares to Ekpavee Company Limited</li> <li>Reservation for the exercise of conversion right on debentures</li> </ul>	2,000,000,000 shares, at Baht 1.00 per share 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	<ul style="list-style-type: none"> <li>Supporting the stock dividend</li> <li>Offering shares to general investors</li> <li>Reservation for the exercise of LOXLEY-W to existing shareholders</li> <li>Reservation for the exercise of LOXLEY-W to general investors who subscribe for newly issued shares</li> </ul>	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 2018, the Company's registered capital was Baht 2,331,250,000. Paid-up capital totaled Baht 2,264,954,920, divided into 2,264,954,920 ordinary shares at Baht 1par value. The remaining of 66,295,080 shares are 1) 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, and 2) the shares reserved for exercising warrants of the Company for the existing shareholders who have the right to receive the stock dividend as aforesaid and public investors who subscribe the capital increased shares of the Company as per resolution of the extraordinary general meeting of shareholders no.1/2014.

### 1.2 Other Securities

On 29 April 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. All bonds were offered for sale to institutional investors and major investors.

## 2. Shareholder

List of 10 major shareholders of the Company, as of 28 December 2018 (date of closing shareholder's register) :

No	Name	No. of shares	Percentage share
1	The Lamsam Group consisting of	691,266,338	30.53
	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 Mr.Chalermchoke Lamsam	9,876,688	0.44
2	Thai NDVR Co., Ltd. *	109,137,467	4.82
3	Mr.Kiatchai Limpichotpong	107,789,755	4.76
4	Mr.Pravit Chantraprapawat	40,596,700	1.79
5	Mr.Nuttapol Jurangkool	28,109,400	1.24



No	Name	No. of shares	Percentage share
6	MLPrasopchai Kasemsant	21,420,000	0.95
7	Mrs.Benjawan Kumpanartsanyalorn	17,178,020	0.76
8	Mr.Chuang Apatha	13,747,000	0.61
9	Mr.Chaiporn Achakul	13,400,000	0.59
10	EAST FOURTEEN LIMITED-DFA EMERG MARKET CORE EQ PORT	12,37353,435	0.55

\* 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 30 April 2018

As of 30 April 2018, 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	Percentage share
1	The Lamsam family (12 persons) and Lamsam Estate Co., Ltd.*	4,064,433	64.01
2	The Wanglee family (22 persons)	599,682	9.44
3	The Chatikavanij family (3 persons)	430,209	6.77
4	Mrs. Nartrudee Weeramaeteekul	349,291	5.50
5	Mrs. Sumanta Mekkaves	147,557	2.32
6	Aran Ordinary Partnership	129,896	2.05
7	Sujit Ordinary Partnership	129,896	2.05
8	The Jutrakul family (3 persons)	107,784	1.70
9	The Sibunruang family (3 persons)	107,784	1.70
10	The Changtrakul family (3 persons)	92,402	1.46
11	Others	191,066	3.00
<b>Total</b>		<b>6,350,000</b>	<b>100.00</b>

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

#### Dividend Payment Policy

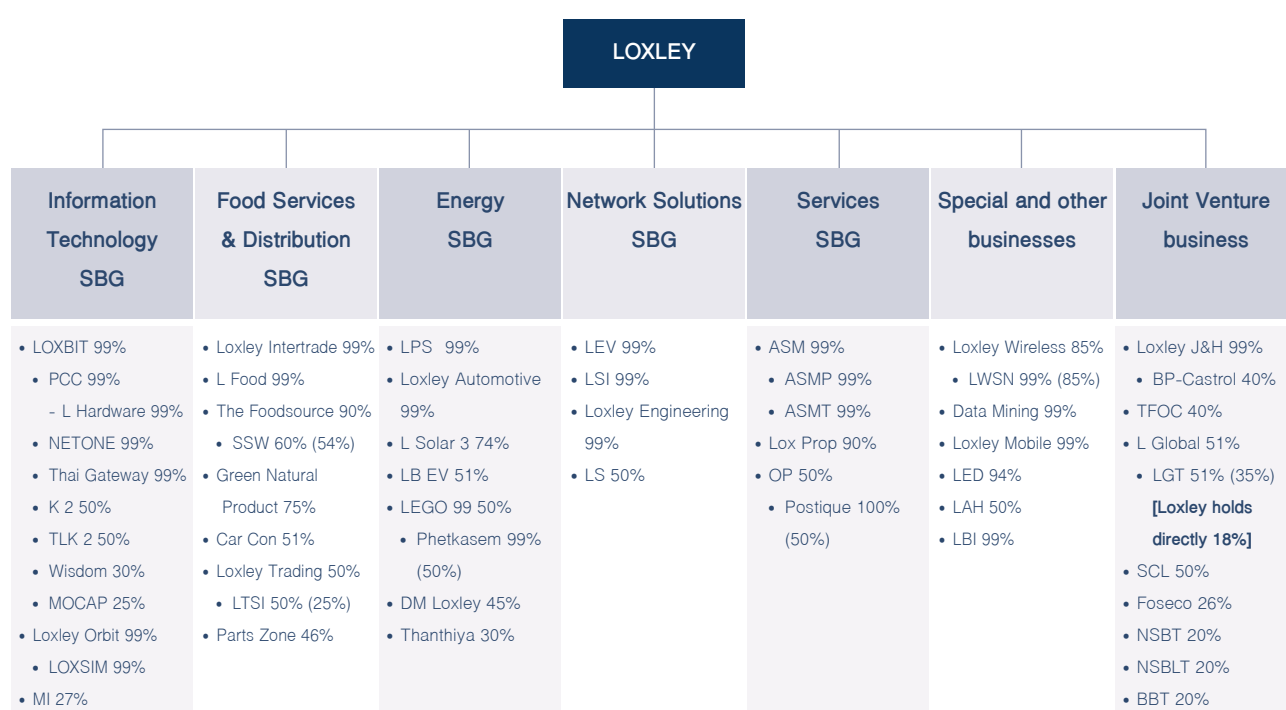
It is the Company's policy to make dividend payments of at least 40% of its net profits after corporate tax of individual financial statement and all reserves as stated in the Company's regulations and related laws. The Company considers financial status, cash flow, investment plans, business plan and 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 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. In 2015, the Company paid dividend at Baht 0.05 per share, totaling Baht 113 million. In 2016, the Company paid dividend at Baht 0.07 per share, totaling Baht 159 million. And in 2017, the Company paid dividend at Baht 0.07 per share, totaling Baht 159 million.

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

As of 31 December 2018, the Company holds shares, directly and indirectly, in 35 subsidiaries, 17 associates, and 4 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 share holding
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

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of share holding
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	50	99
7	Loxley Intertrade (Guangzhou) Co., Ltd. (Loxley Intertrade)	Room 2011, 20th Floor, 33 Yian Plaza, Jianshe Liu Rd., Yaexiu, Guangzhou 510060	Trading in the People's Republic of China	1.05 Million USD	99
8	Loxley Business innovation Co., Ltd. (LBI) (Formerly L Green Solution Company Limited)	No. 2, Soi Phaholyothin 19, Chatuchak Subdistrict, Chatuchak District, Bangkok	Sale, service, and installation of automatic telephone switching systems	10	99
9	Loxley Power Systems Co., Ltd. (LPS)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Power system business	30	99
10	L-Elevator and Engineering Co., Ltd. (LEV)	99, 101, 103, 2nd Floor, Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Trading and installation of elevator and escalator	3	99
11	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
12	Loxley System Integrator Company Limited (LSI) (Formerly Loxley Wireless System Integrator Company Limited)	No. 2 Soi Phaholyothin 19, Phaholyothin Road, Chatuchak Sub-district, Chatuchak District, Bangkok	Engineering services in the telecommunication network systems	20	99
13	ASM Security Management Co., Ltd. (ASM)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Provide security services at Suvarnabhumi Airport and others	100	99
14	Loxley Automotive Co., Ltd. (Loxley Automotive)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Manufacture, assembly, rent, lease, import, export and after sale service of all kinds of vehicles and spare parts	1	99

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of share holding
15	Loxley Environmental Dynamics Company Limited (LED)	No. 102/99 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Provide advice and guidance on the management of garbage, waste and the establishment of a waste disposal plant for electricity generation.	8.50	94
16	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
17	The Foodsource Co., Ltd. (The Foodsource)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	To import, wholesale, distribute of raw materials and food supply	30	90
18	Loxley Wireless Public Company Limited (Loxley Wireless)	No. 2 Loxley Building, Soi Phaholyothin 19, Chatuchak Subdistrict, Chatuchak District, Bangkok	Sale and service of telecommunication and information technology systems	275	85
19	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
20	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
21	Loxley Global Co., Ltd. (L Global)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Holding company	99	51
22	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
23	Lego 99 Co., Ltd. (Lego 99) (Formerly L Solar 2 Co., Ltd.)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Solar power plant business	15	50
24	Loxley Trading Company Limited (Lox Trading)	No. 102 Loxley Building, Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Sale of consumer products	50	50
25	Societe Commerciale Lao (SCL)	Unit 36, Bon Dongpalad, Alley 10 Chanthabouly District, 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 share holding
26	NetONE Network Solution Co., Ltd. (NETONE)	No. 408/81, 19 <sup>th</sup> Floor, Phaholyothin Place Building, Phaholyothin Road, Samsen Nai Subdistrict, Chatuchak District, Bangkok	Trading of computer, computer spare parts and equipment, of all types	100	99
27	Thai Gateway Company Limited (Thai Gateway)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Trading of telecommunication equipment	20	99
28	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	330	99
29	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	20	99
30	Loxley Simulation Technology Co., Ltd. (LOXSIM)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Import, export and distribution, virtual learning services and system development	40	99
31	ASM Professional Manpower Co., LTD. (ASMP)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Recruitment and other related services	4	99
32	ASM Training Company Limited (ASMT)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Personnel development, Training, and other related services	4	99
33	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
34	Siam Samut Warin Co., Ltd. (SSW)	275/1 Pracha Uthit Road, Thung Khru Subdistrict, Thung Khru District, Bangkok	Import, wholesale, and distribution of food ingredients and food products	50	54
35	Phetkasem Green Holding Co., Ltd. (Phetkasem)	No. 39/48 Soi Thawiwatthana 9 Thawiwatthana Sub-district, Thawiwatthana District, Bangkok	Manufacturing operations compressor, steam generator, pressure tank, filter, conveyor, installation of steam generator, pressure tank, filter and conveyor belt.	60	50

## Direct associates

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of share holding
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	DM-Loxley Co., Ltd. (DM Loxley)	Ban Phonepanao, Xaysetha District, Vientiane Capital, Lao PDR	Providing water supply and distribution services	45	45
4	Thai Fiber Optics Company Limited (TFOC)	No. 233 Moo 6, Soi Watchangrueng, Suksawat Road, Naiklongbangplakot, Prasamutchedi, Samutprakarn	Manufacture of fiber optic	100	40
5	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
6	Thanthiya Technology Co., Ltd. (Thanthiya)	No. 288/54-56 Phaholyothin Road, Anusaowaree Subdistrict, Bangkhen District, Bangkok	Manufacture and sale of water and waste water treatment equipment and systems	11	30
7	Mobile Innovation Co., Ltd. (MI)	No. 128/224, 227, 228 21st Floor, Phayathai Plaza Building, Phayathai Road, Thung Phayathai Subdistrict, Rajthevi District, Bangkok	Services of real time vehicles tracking management system	184	27
8	Foseco (Thailand) Limited (Foseco)	No. 170/69, 22nd Floor, Ocean Tower I Building, Rajchadaphisek Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Manufacture and sale of chemicals for metal casting	10	26
9	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
10	NS BlueScope Lysaght (Thailand) Limited (NSBLT)	No. 16, Soi Phahonyothin 96, Prachathipat Subdistrict, Thanyaburi District, Patumthani	Manufacture and sale of steel roofing	600	20
11	BlueScope Building (Thailand) Limited (BBT)	No.2 Soi G9, Pakornsongkrohrad Road, Maptaphut Subdistrict, Muang District, Rayong	Provide pre-engineered building solution	360	20

## Indirect associates

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of share holding
12	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
13	K 2 Venture Capital Co., Ltd. (K 2)	No. 349 SJ Infinite One Business Complex, Room No. 1902, 19th Floor, Vibhavadi-Rangsit Road, Chompol, Chatuchak, Bangkok	Venture capital	100	50
14	TLK 2 Management Co., Ltd. (TLK 2)	No. 349 SJ Infinite One Business Complex, Room No. 1902, 19 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chompol, Chatuchak, Bangkok	Investment by shareholding in the company which operation in Technology business	1	50
15	BP-Castrol (Thailand) Limited (BP-Castrol)	No.3 ,23 <sup>rd</sup> floor, Rajanakarn Building, South-Sathorn Road, Yannawa Subdistrict, Sathorn District, Bangkok	Sale of Castrol and BP lubricant	49	40
16	Wisdom Vast Company Limited (Wisdom)	No. 103 Moo 2, Bangkhungong Subdistrict, Bang Kruai District, Nonthaburi	Mobile and innovative solution provider	10	30
17	MOCAP Limited (MOCAP)	11th Floor, Siripinyo Building, No. 475 Sri-Ayudthaya Road, Thanon Phayathai Subdistrict, Rajtheevee District, Bangkok	Outsourcing contact center	61	25

## Direct joint ventures

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of share holding
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
3	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	50

## Indirect joint ventures

No.	Name of companies	Address	Type of business	Registered Capital (Million Baht)	% of share holding
4	Loxtrade Specialty Innovation Co., Ltd. (LTSI)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Manufacture and distribute supplementary foods for 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.Dhongchai	Lamsam	Board Chairman, Chairman of the Executive Board and Member of the Nominating & Remuneration Committee
2	Mr.Suebrakul	Soonthornthum	Vice Chairman of the Board, Vice Chairman of the Executive Board and Member of the Nominating & Remuneration Committee
3	Dr.Harit	Sutabutr	Independent Director and Chairman of the Audit Committee
4	Dr.Supavud	Saicheua <sup>*1</sup>	Independent Director and Member of the Audit Committee
5	Mr.Charoon	Chinalai	Independent Director, Member of the Audit Committee, and Chairman of the Nominating & Remuneration Committee
6	Mr.Joti	Bhokavanij <sup>*2</sup>	Independent Director
7	General Vichit	Yathip	Independent Director
8	Professor Rawat	Chamchalerm	Independent Director
9	Dr.Jingjai	Hanchanlash	Director and Vice Chairman of the Executive Board
10	Mr.Poomchai	Lamsam	Director
11	Mr.Vasant	Chatikavanij	Director and Vice Chairman of the Executive Board
12	Mr.Suraphand	Bhasitnirandr	Director, Vice Chairman of the Executive Board and Member of the Nominating & Remuneration Committee
13	Dr.Sompop	Chareonkul	Director, Vice Chairman of the Executive Board and Member of the Nominating & Remuneration Committee
14	Mr.Petch	Wanglee	Director
15	Mr.Krisada	Lamsam	Director
16	Mr.Suroj	Lamsam	Director and President
17	Mr.Chalermchoke	Lamsam	Director and Managing Director

Remarks :

<sup>\*1</sup> Dr.Supavud Saicheua has been appointed as Audit Committee member, with effect from 11 May 2018.

<sup>\*2</sup> Mr.Joti Bhokavanij resigned from the position of Audit Committee member, with effect from 1 May 2018.

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.Dhongchai Lamsam, Mr.Poomchai Lamsam, Mr. Vasant Chatikavanij, Mr. Suroj Lamsam, Mr. Chalermchoke Lamsam, Mr.Jingjai Hanchanlash, Mr.Krisada Lamsam, Mr. Petch Wanglee 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. Suebrakul 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%<sup>1</sup> 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.

<sup>1</sup> The Company has specified the qualification of the Independent Director more strictly than Capital Market Supervisory Board required.

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 2018:

No.	Name	Frequency of Attendance/Number of Meetings			
		Board of Directors	Executive Board	Audit Committee	Nominating & Remuneration Committee
1	Mr.Dhongchai Lamsam	6/6	8/8	-	3/3
2	Mr.Suebrakul Soonthornthum	5/6	5/8	-	3/3
3	Dr.Harit Sutabutr	6/6	-	4/4	-
4	Dr.Supavud Saicheua <sup>*1</sup>	5/6	-	1/2	-
5	Mr.Charoon Chinalai	6/6	-	4/4	3/3
6	Mr.Joti Bhokavanij <sup>*2</sup>	6/6	-	1/1	-
7	General Vichit Yathip	6/6	-	-	-
8	Professor Rawat Chamchalerm	6/6	-	-	-
9	Dr.Jingjai Hanchanlash	6/6	7/8	-	-
10	Mr.Poomchai Lamsam	5/6	-	-	-
11	Mr.Vasant Chatikavanij	3/6	5/8	-	-
12	Mr.Suraphand Bhasitnirandr	6/6	8/8	-	3/3
13	Dr.Sompop Chareonkul	5/6	7/8	-	3/3
14	Mr.Petch Wanglee	4/6	-	-	-
15	Mr.Krisada Lamsam	4/6	-	-	-
16	Mr.Suroj Lamsam	5/6	7/8	-	-
17	Mr.Chalermchoke Lamsam	5/6	7/8	-	-
18	Mr.Supat Karachalkul	-	8/8	-	-
19	Mrs.Kosoom Siphurmsukskul	-	8/8	-	-
20	Mr.Saknarong Saengsangapong	-	6/8	-	-
21	Mr.Karn Thongyai	-	7/8	-	-

Remark :

<sup>\*1</sup> Dr.Supavud Saicheua has been appointed as Audit Committee member, with effect from 11 May 2018.

<sup>\*2</sup> Mr.Joti Bhokavanij resigned from the position of Audit Committee member, with effect from 1 May 2018.

## The Executive Board

Members of the Executive Board are:

No.	Name		Position
1	Mr.Dhongchai	Lamsam	Chairman of the Executive Board
2	Mr.Suebrakul	Soonthornthum	Vice Chairman of the Executive Board
3	Dr.Jingjai	Hanchanlash	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
7	Mr.Suroj	Lamsam	President
8	Mr.Chalermchoke	Lamsam	Managing Director
9	Mr.Supat	Karachalkul	First Executive Vice President
10	Mrs.Kosoom	Sinphurmsukskul *	First Executive Vice President
11	Mr.Saknarong	Saengsangapong	First Executive Vice President
12	Mr.Karn	Thongyai	First Executive Vice President

Remark :

\* Mrs.Kosoom Sinphurmsukskul has resigned from her position as First Executive Vice President, with effect from 1 January 2019.

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

- 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.
- 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.
- 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.
- 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 Director 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.Karn	Thongyai	First Executive Vice President
6	Mr.Pattara	Pojanapanich	Executive Vice President
7	Mr.Nimit	Prasertsuk	Executive Vice President
8	Mr.Kittichai	Raktakanit	Executive Vice President
9	Mr.Nattapon	Dejvitak	Executive Vice President
10	Dr.Dawarit	Tansuphasiri	Executive Vice President
11	Mr.Ouychai	Rangchaikul*	Executive Vice President

Remarks :

\* Ouychai Rangchaikul has been appointed as Executive Vice President, with effect from 1 November 2018.

Secretary to the Management Board is Mr.Bongkarn Jiraboonsri.

### Scope of Authority and Responsibilities of the Management Board

- 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.
- 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.
- 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.
- 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:
  - 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.
  - 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 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 undisrupted 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 <sup>*1</sup>	Audit Committee Member
4	Dr.Supavud Saicheua <sup>*2</sup>	Audit Committee Member

Remarks :

<sup>\*1</sup> Mr.Joti Bhokavanij resigned from the position of Audit Committee member, with effect from 1 May 2018.

<sup>\*2</sup> Dr.Supavud Saicheua has been appointed as Audit Committee member, with effect from 11 May 2018 and 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.Suebtrakul Soonthornthum	Member
4	Mr.Suraphand Bhasitnirandr	Member
5	Dr.Sompop Chareonkul	Member

Secretary to the Nominating & Remuneration 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 17 members of the Company's Board of Directors was Baht 15,954,839 (constituting meeting allowances and remuneration\*).
- 1.2 Total remuneration for the Audit Committee and Nominating & Remuneration Committee members was Baht 2,160,000 (constituting meeting allowances).
- 1.3 Total remuneration for 12 Executive Board members was Baht 57,240,000 (constituting salaries, performance pay, and other benefits).

Remarks : \*The 2018 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'18 - Apr'19). 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:

Name	Company's Directors	Remuneration	Audit Committee	Nominating & Remuneration Committee
1. Mr.Pairote Lamsam <sup>*1</sup>	54,839	500,000	-	-
2. Mr.Sukit Wanglee <sup>*2</sup>	100,000	300,000	-	-
3. Mr.Dhongchai Lamsam <sup>*3</sup>	1,100,000	300,000	-	240,000
4. Mr.Suebrakul Soonthornthum	600,000	300,000	-	240,000
5. Dr.Harit Sutabutr	600,000	300,000	360,000	-
6. Dr.Supavud Saicheua <sup>*4</sup>	600,000	300,000	160,000	-
7. Mr.Charoon Chinalai	600,000	300,000	240,000	360,000
8. Mr.Joti Bhokavanij <sup>*5</sup>	600,000	300,000	80,000	-
9. General Vichit Yathip	600,000	300,000	-	-
10. Professor Rawat Chamchalerm	600,000	300,000	-	-
11. Dr.Jingjai Hanchanlash	600,000	300,000	-	-
12. Mr.Poomchai Lamsam	600,000	300,000	-	-
13. Mr.Vasant Chatikavanij	600,000	300,000	-	-
14. Mr.Suraphand Bhasitnirandr	600,000	300,000	-	240,000
15. Dr.Sompop Chareonkul	600,000	300,000	-	240,000
16. Mr.Petch Wanglee <sup>*6</sup>	500,000	-	-	-
17. Mr.Krisada Lamsam <sup>*7</sup>	500,000	-	-	-
18. Mr.Suroj Lamsam	600,000	300,000	-	-
19. Mr.Chalermchoke Lamsam	600,000	300,000	-	-
<b>Total</b>	<b>10,654,839</b>	<b>5,300,000</b>	<b>840,000</b>	<b>1,320,000</b>

Remarks :

- \*1 Mr.Pairote Lamsam, former Board Chairman, passed away on 17 January 2018.
- \*2 Mr.Sukit Wanglee resigned from his position as Vice Chairman of the Board, with effect from 24 February 2018.
- \*3 Mr.Dhongchai Lamsam has been appointed as Board Chairman, with effect from 24 February 2018.
- \*4 Dr.Supavud Saicheua has been appointed as Audit Committee member, with effect from 11 May 2018.
- \*5 Mr.Joti Bhokavanij resigned from the position of Audit Committee member, with effect from 1 May 2018.
- \*6 Mr.Petch Wanglee has been appointed as a director, with effect from 24 February 2018.
- \*7 Mr.Krisada Lamsam has been appointed as a director, with effect from 24 February 2018.

## 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 to enhance its competitive capacity which will give confidence to its shareholders and all relevant parties. During 2018, the Company started to examine and review the principles of CG Code which will be applicable with relevancy to the context of its business, as follows:

## Corporate Governance Policy

After reviewing the Policy of Corporate Governance which had been laid down by the Company's Board of Directors since 2013, the Board Meeting No. 1/2562, on 28 February 2018, made adjustments to the policy to keep it in line with the SEC's new CG Code. The following shows Company's compliance with the Code of Corporate Governance in its performance in 2018 :

## 1. Right of Shareholders

The Company resolved to call an Annual General Meeting of Shareholders for the Year 2018 on 30 April 2018 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.

### 1.1 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.

1.2 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.

1.3 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, stakeholding, etc.

1.4 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.

- 1.5 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 anyone 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.
- Promote accessibility for internal communication in order to keep employees posted on both internal and external current news through intranet system for two-way communication, enabling employees to post their views.
- 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.

#### **Responsibility to Employees and Executives**

- Determining compensation structures in line with the Company's operating results both for the short-term, such as profit-generating capacity for each year and for the long-term, such as compensation made on the basis of market rates, knowledge, abilities, responsibility and performance pursuant to the KPI of each employee and of his/her work unit.
- 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. Safety campaigns promoted through safety warning signs put up inside the building and messages sent out to every employee, for example, on how to use electrical appliances correctly and safely and on measures of cleanliness and hygiene, etc.
- Treat employees fairly and value their development, knowledge, and competency transfer through extensive and regular opportunities given to them, particularly promoting new young executives.
- 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. Provide fair bidding while thoroughly providing information details and conditions in written paper with no exception.
- Fair agreements prepared and compliance of agreements executed with business partners and creditors.
- Treat creditors with fairness and repay debts as scheduled. Look after collaterals, conditions, and other contractual terms to ensure correct and complete compliance in line with good corporate governance. Where action is foreseen to be impossible or impractical, prompt negotiations must be made with business partners/creditors to find remedial action together and forestall damages.

#### **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 turning off electricity in some parts of the office during lunch break and reduction of elevators during off-peak hours, campaigns for employees and food hall booths inside Loxley Building to use cloth in lieu of plastic bags, 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. Avoid any action which will be unfair to employees and give employees the chance to file their complaints if they suffer hardships or unfair treatment to ensure proper remedy.

## **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](http://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 updated regularly.
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 2018.

5. The Company shall disclose the Directors and Management's Remunerations of 2018 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. 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.
- Opportunity Day by SET
    - 1) On 16 March 2018 : To disclose the operating performance of 2017 and 2018's operating plan as well as the direction of 2018
    - 2) On 27 August 2018 : To disclose the operating performance for the first six months of 2018 and the direction of 2018
  - Providing a quarterly operating performance analysis to distribute to the analysts who issue a stock coverage so that the sufficient information could be sent to the prospective investors
  - Analyst meeting
  - Publications to report the operating performance

In 2019, 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. Investors can contact Investor Relations Unit at 0-2348-8141 or e-mail address : boonlertj@loxley.co.th. The Company discloses the contact information on the website as well.

In 2018, 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 2018 included

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 (%)
		31 Dec 2017	31 Dec 2018		
1	Mr.Dhongchai Lamsam	26,732,044	26,732,044	-	1.18
	spouse and underage children	1,168,513	1,168,513	-	0.05
2	Mr.Suebtrakul Soonthornthum	-	-	-	-
	spouse and underage children	-	-	-	-
3	Dr.Harit Sutabutr	55,125	55,125	-	0.002
	spouse and underage children	-	-	-	-
4	Dr.Supavud Saicheua	-	-	-	-
	spouse and underage children	-	-	-	-
5	Mr.Charoon Chinalai	-	-	-	-
	spouse and underage children	-	-	-	-

No.	Name	Number of Shares		Number of Shares Increased (Decreased)	Percentage of Shareholding (%)
		31 Dec 2017	31 Dec 2018		
6	Mr.Joti Bhokavanij spouse and underage children	-	-	-	-
7	Gen.Vichit Yathip spouse and underage children	-	-	-	-
8	Professor Rawat Chamchalerm spouse and underage children	-	-	-	-
9	Dr.Jingjai Hanchanlash spouse and underage children	630,000	630,000	-	0.03
10	Mr.Poomchai Lamsam spouse and underage children	1,050,000	1,050,000	-	0.05
11	Mr.Vasant Chatikavanij spouse and underage children	2,242,478	2,242,478	-	0.10
12	Mr.Suraphand Bhasitnirandr spouse and underage children	-	-	-	-
13	Dr.Sompop Chareonkul spouse and underage children	720,000	720,000	-	0.03
14	Mr.Petch Wanglee spouse and underage children	-	-	-	-
15	Mr.Krisada Lamsam spouse and underage children	-	-	-	-
16	Mr.Suroj Lamsam spouse and underage children	1,699,795	1,699,795	-	0.07
17	Mr.Chalermchoke Lamsam spouse and underage children	9,876,688	9,876,688	-	0.44
18	Mr.Supat Karachalkul spouse and underage children	-	-	-	-
19	Mrs.Kosoom Sinphurmsukskul spouse and underage children	5,250	5,250	-	0.000
20	Mr.Saknarong Saengsangapong spouse and underage children	-	-	-	-
21	Mr.Karn Thongyai spouse and underage children	5,000	5,000	-	0.000
22	Mr.Pichai Mooputtarak spouse and underage children	21,000	21,000	-	0.001
		25,200	25,200	-	0.001

## 5. Board Responsibilities

With full realization of the importance and duties of its Board of Directors to supervise and take care of its operations in the Company's maximum interests, directors and executives, therefore, must discharge their duties with responsibility, diligence and honesty such that the structure, role and duties of the Board was set out clearly by the Company pursuant to the Corporate Governance Code. They may be separated under the following headings:

### 5.1 Structure of the Board of Directors

In 2018, 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 (4 directors), accounting/finance (4 directors), economics/management (5 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.

### 5.2 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.

### 5.3 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

#### **5.4 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.

Evaluation process consists of the Secretary of the Nominating & Remuneration Committee sending performance evaluation forms on the Board and the President to every member of the Board member to make their annual performance evaluation. The evaluation forms will then be sent back to the Secretary of the Nominating & Remuneration Committee who will collate the scores and make a summary before sending the results to the Nominating & Remuneration Committee for their consideration and further submission to the Company's Board of Directors for action.

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 88.8%.

The board of directors also determined evaluation on the president (Mr. Suroj Lamsam) to compare work performance according to the guidelines recommended by the SET; the result was approximately 90.5%. The board of directors have assigned the chairman of the board to report the result to the president and the board of directors.

#### **5.5 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.

And to enable the Company's directors and President to devote their time adequately and efficaciously in the discharge of their duties for the Company, the Board adjusted the Corporate Governance policy to determine their terms of office as follows:

- Company Directors shall not hold more than 5 posts as directors in SET listed companies.
- The President shall not hold more than 2 posts as director in SET listed companies.

#### **5.6 Plan of succession for high-level executives**

Trends are strong in the Company to ensure development of its middle and senior level executives under a continuing work succession plan being carried out by various work units with consultations and meetings held between executives and relevant operating officers in order to formulate plans and directions of work capable of ensuring achievement of targets. To go forward in this direction, therefore, senior executives in each line of work will have to give their consideration and support to medium level executives down along the hierarchy or to staff members in that particular line of work to develop their potential such that they could take the responsibility and be able to act as a replacement of one another in their line of work. Modus operandi and the main process of this succession plan are as follows:

1. Assessment of an employee's potential, capability to learn new works or take responsibility for greater workload and value than his/her current portfolio on an individual basis vis-à-vis a higher position -- to ascertain whether an employee is suitable for the new position or not.
2. Plan of development on an individual basis and action taken to ensure achievement of targets.
3. Performance evaluation and selection made pursuant to criteria set by the Company.

### 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 2018, members of the executive board attended the development and training courses as follows:

Name	Course
Mr.Petch Wanglee	<ul style="list-style-type: none"> <li>• Certificate for Senior Executives at Energy Science, Thailand Energy Academy 11/2018</li> </ul>
Mr.Supat Karachalkul	<ul style="list-style-type: none"> <li>• Updated on new version of Thai Financial Reporting Standards (TFRS) for using in 2019 and 2020 (1/2018), Federation of Accounting Professions</li> <li>• Overall of Thai Financial Reporting Standards (TFRS) Class 4, Federation of Accounting Professions</li> </ul>

### 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.

### 5.10 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. Pursuant to the Office of the National Counter Corruption Commission's encouragement to legal entities in the private sector to 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.

#### 5.11 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, Klong Toey, Klong 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.

#### 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, Management Board, Audit Committees, Nominating and Remuneration Committee. (More details regarding the roles and responsibilities in Management Section).

#### Recruitment and Appointment of Directors and High-level Executives

Selection of the Company’s Board of Directors, its President, Executive Directors right through to the various Committees will be made via selection and scrutiny first carried out by the Nominating and Remuneration Committee before further

submission to the Board and/or Meeting of Shareholders for approval. Action will be taken pursuant to the Company’s policy and consideration given to the candidates’ relevant qualifications, knowledge, ability and adequate time devoted to the Company’s work (details pertaining to selection of directors and qualifications of Independent Directors and Audit Directors are given under the heading of Management).

#### Supervision and Monitoring of Operations of Subsidiaries, Affiliates and Joint Ventures

In order to look after its investment interests, there are mechanisms in the Board to supervise and monitor operations of its subsidiaries and other ventures in which the Company has invested which include:

- Appointment of the Company’s high-level executive(s) as manager(s) or executive(s) proportionately to the Company’s equity, who will be appointed by the Board or assigned by Chairman of the Executive Board or appointed by the President depending on the size of the business the Company has invested in.
- Setting out lines of action concerning supervision/ monitoring of companies in which the Company has invested which shall be adhered to by its representative director(s) to ensure that operations by the subsidiary, affiliate and joint venture are conducted in the same direction and in keeping with the Company’s policy.
- Support given to have an appropriate and adequately reliable internal control system in place and to ensure that various transactions are made properly in line with the law and applicable criteria/rules.
- Supervision over disclosure of financial standing and operating results including major transactions to ensure proper compliance with the Company’s criteria.

#### 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.

#### **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 10,269,000.00.

##### Non-audit Fee

- Observation fee in merchandize annihilation : Baht 36,000.00
- An agreed-upon procedure for business acquisition : Baht 520,000.00

#### **Modification of the CG Code for use**

At the Board Meeting No. 1/2562 on 28 February 2019, the Company's Corporate Governance Policy were modified to keep it more in line with the SEC's new CG Code, as follows:

1. Determination of the Independent Director's term of office.
2. Determination of the number of SET Listed Companies in which each director and the President may be appointed to.

Most of CG criteria have already been in use by the Company although there are some which may not be applied as yet on the ground of necessity and the nature of the Company's businesses. Essentially, they are as follows:

1. The Company's Board Chairman should be an Independent Director and there should be more than half Independent Directors sitting on the Board.
  - The Board has not as yet selected an Independent Director as the Board Chairman as it is convinced that the current Chairman (Mr.Dhongchai Lamsam) is a person with the qualifications and experiences who best understands the nature of the Company's businesses and always has adequate time to offer his advice to the Management in the Company's best interest. As for the Board, it comprises one-third Independent Directors out of the entire Board which is in line with SEC's basic criteria while each of them is equipped with the knowledge and experience suitable for the Company's businesses and could provide it with valuable and independent advice.
2. The Nominating & Remuneration Committee should consist mostly of Independent Directors
  - The Nominating & Remuneration Committee's duties are to give their consideration to criteria governing payment and form of remuneration to directors and members of various sub-committees for submission to the Board and the Meeting of Shareholders for approval under the prescribed procedure. As for criteria governing payment and remuneration of other high-level executives, pertinent evaluation will be made linked to the performance of the Company and that of each particular executive.
3. The Board should consider establishing its CG Committee and Risks Management Committee
  - The Company has in place an internal control and risks management system as part of its operating process with regular follow-ups and reports on performance at meetings of relevant sub-committees.
4. The Board should arrange to have the performance of each of its members evaluated on an individual basis.
  - Consideration will be given by the Company to consider appropriate criteria and methods to further prepare the Directors Performance Evaluation form.



# Personnel

The Company has never had any labor argument for the past 3 years. As at 31 December 2018, it had 645 permanent staff, and 80 contract staffs, divided by groups as follows:

Segment	Total (Personnel)
Energy SBG	63
Network Solutions SBG 1	163
Network Solutions SBG 2	51
Food Services & Distribution SBG	101
Information Technology SBG	0
Services SBG	7
Special Project Businesses	49
Innovation Businesses	11
Corporation Center	280
<b>Total Employees</b>	<b>725</b>

Total Personnel Remuneration of Company staff from January to December 2018 in form of salaries, wages, overtime, and bonus was Baht 511 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

Action were taken continuously by the Human Resources Department to develop the potential, knowledge and ability of employees at all levels befitting work in their respective positions and reflective of business requirements which will get them well-prepared for business expansion. The Department is, therefore, intent in making every efforts to develop personnel at all levels and in all professional lines through integrated development of skills, knowledge and capabilities with professional career path designed for those who will become future successors in their particular line of business and for them to be imbued, at the same time, with the Corporate Culture and Core Value in line with the Company's strategies and direction for its operations. HR also gives advice or acts as HR Business Partner to the Strategic Business Group (SBG) under the re-structure so that they can participate in determining strategic plans and ensuring implementation in line with the Company's Mission and Vision so as to become the Change Agent in support of digitalization

and new innovations with connectivity to outside factors for its HR management in addition to other relevant internal factors. Thus, the Department must be ready to conduct its work with greater professionalism in order to get its personnel ready to step up to meet global changes and ensure that the organization strides forward into the future with confidence and strength.

Pursuant to the Company's vision and strategies, the Company has set policies to build Corporate Culture imbued with the right spirit and core value, which is one of human resources management strategies and base on 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. Development of human potential and working teams.
  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 formulate activities to promote employee participation and good relationships among employees and organization.
- 2. Development of human potential and working teams :** Emphasis is given by HR to create the Employee Value Proposition (EVP) which would be more attractive and allow the new generation to see long-term plans which will not be limited only to remunerative aspects that are already available in other organizations, but will also let them see the challenge and good working experiences with opportunities awaiting them in this organization. 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.

**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 2018 came to 12 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 such as the Higher Certificate course on Politics and Government in the Democratic System, from King Prajadhipok's Institute, the Top Management courses, from the Capital Market Academy (CMA) and the National Defence College of Thailand (NDC), and Top Executive Program in Commerce and Trade (TEPCoT) from the Commerce Academy, etc.
  - Strengths Finder & Building Coaching Skills : to enhance strengths of executives in order to build their coaching and problem solving skills. The development of coaching skills shall release potentials of both executives and staffs for the organization's effectiveness.
  - Team Quality Management (TQM#8) : to enhance management skills for middle executives at the levels of managers or equivalents in the areas of management, leadership and creating shared value.
  - Leadership Development Program #2 : development of coaching skills with 18 modules for managers or equivalents 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.
  - Professional Supervisor Skills Program : for supervisory levels to build up their skills for team management.
- 4. Building up the Future :** to plan for career development of personnel with the potential to be promoted as successors in various positions in the future, selections and plans were made by HR and Strategic Business Groups to develop Young Talents and Successors in an objective manner.

For 2019, strategic plans are set on a continuous basis for the 5 Business Segments under last year's re-organized business structure not only to increase their potential and competitiveness but also to ensure achievement of targets. Thus, the HRBP (HR Business Partner) has stepped in with an increased role to help with plans, development and management in personnel areas for the Business Segments, i.e. human resources planning in line and suitable to each Business Segment, developing teams to meet the challenges of works requiring multi-skills and plans for human resources retention by reinforcing loyalty, etc.

Other than this, plans are set for development of digital work systems which is considered vital in response to the step forward towards Thailand 4.0 era. It is the Department's policy, therefore, to develop this area of Digital Transformation on a continuous basis by improving its HRIS: Coach system for enhanced performance, capacity to provide better accessibility to data for employees under a Self Service form in areas of welfare, look after salary-payment documents, various leave requests and performance evaluation such that they are prompt, streamlined and time-saving. All of these will play a part in helping employees feel satisfied and provide an answer to Modern Day Management in a digital era under the face of constant changes.

## **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 2018, 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

During 2018, workplace accident reported to be zero; and there is no absents and illness resulting from work-related incident.

# Information of Company Executives

1 Mr.Dhongchai Lamsam	Age 72, Nationality - Thai
<ul style="list-style-type: none"> <li>Board Chairman</li> <li>Chairman of the Executive Board</li> <li>Nominating &amp; Remuneration Committee Member</li> </ul>	<ul style="list-style-type: none"> <li>Since 24 February 2018</li> <li>Since 1 January 2017</li> <li>Since 14 November 2003</li> </ul>
<b>Education/Training</b>	<ul style="list-style-type: none"> <li>Honorary PhD Degree, Business Administration, 2012, Kasem Bundit University</li> <li>Bachelor of Science (Honors), Chemical Technology, Chulalongkorn University</li> <li>M.Sc. Industrial Engineering Illinois Institute of Technology, U.S.A.</li> <li>Advanced Management Program, Harvard Business School, U.S.A.</li> <li>Director Accreditation Program 12/2004, Thai Institute of Directors Association</li> </ul>
<b>Expertise</b>	Management and Science
<b>Listed Companies (1)</b>	<p>2018 - present • Chairman of the Board, Loxley Plc / Technology and trading business</p> <p>2017 - present • Chairman of the Executive Board, Loxley Plc / Technology and trading business</p> <p>2003 - present • Nominating &amp; Remuneration Committee, Loxley Plc / Technology and trading business</p>
<b>Non-Listed Companies / Other Business (13)</b>	<p><i>Direct Subsidiaries (5)</i></p> <p>2010 - present • Director, Loxley Joint and Hold Co., Ltd. / Holding Company</p> <p>2006 - present • Chairman, Loxley Global Co., Ltd. / Holding Company</p> <p>2004 - present • Director, Green Natural Product Co., Ltd. / Manufacture and distribute citrus essential oil</p> <p>1989 - present • Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services</p> <p>1977 - present • Director, Loxley Trading Co., Ltd. / Sale of consumer Products</p> <p><i>Direct Associates (4)</i></p> <p>2003 - present • Director, Loxley GTECH Technology Co., Ltd. / Sale and service of information technology and online lottery sale system</p> <p>1996 - present • Director, Thai Fiber Optics Co., Ltd. / Manufacture of fiber optic</p> <p>1995 - present • Director, NS BlueScope (Thailand) Limited / Manufacture and sale of cold rolled steel</p> <p>1994 - present • Director, BP-Castrol (Thailand) limited / Sale of Castrol and BP lubricant</p>

*Others (4)*

- 1990 - present • Managing Director, Ekpavee Co., Ltd. / Holding Company
- 1981 - present • President, 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**

- 2012 - 2018 • Chairman, L Food Solutions Co., Ltd. / Food service
- 2013 - 2018 • Chairman, Loxley Wireless Plc / Sale and service of telecommunication and information technology systems
- 2005 - 2017 • Director, L-TAG Technologies Co., Ltd. / Sale of construction materials and installation service of waste water treatment system and other sanitation
- 1995 - 2017 • Chairman, Data Mining Co., Ltd. / Service of information technology equipment and computer systems service
- 2006 - 2017 • Chairman, ASM Security Management Co., Ltd. / Security
- 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%
- Spouse or Underage Children : 1,168,513 shares or 0.05%

**Family Relationship among Executives**

Brother-in-law of Dr.Jingjai Hanchanlash, Brother of Mr.Poomchai Lamsam, Cousin of Mrs.Kosoom Siphurmsukskul, Uncle of Mr.Vasant Chatikavanij, Mr.Krisada Lamsam, and Mr.Suroj Lamsam, Father of Mr.Chalermchoke Lamsam

<b>2</b>	<b>Mr.Suetrakul Soonthornthum</b>	<b>Age 76, Nationality - Thai</b>
	<ul style="list-style-type: none"> <li>• Vice Chairman of the Board</li> <li>• Vice Chairman of the Executive Board</li> <li>• Nominating &amp; Remuneration Committee Member</li> </ul>	<ul style="list-style-type: none"> <li>• Since 24 February 2018</li> <li>• Since 1 January 2017</li> <li>• Since 14 November 2003</li> </ul>
	<b>Education/Training</b>	<ul style="list-style-type: none"> <li>• MBIM, Hon.Dlitt : Curtin University, Australia</li> <li>• PMD. Havard University, Graduate School of Business Administration - U.S.A.</li> <li>• National Defense College - Thailand</li> <li>• Director Accreditation Program 17/2004, Thai Institute of Directors Association</li> </ul>
	<b>Expertise</b>	Accounting and Management
	<b>Listed Companies (4)</b>	<ul style="list-style-type: none"> <li>2018 - present • Vice Chairman of the Board, Loxley Plc. / Technology and trading business</li> <li>2017 - present • Vice Chairman of the Executive Board, Loxley Plc. / Technology and trading business</li> </ul>

- 2016 - present • Chairman of the Audit Committee, Phatra Leasing Plc. / Provide professional car leasing management and administration for juristic persons
- 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

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**Non-Listed Companies /  
Other Business (12)**

*Direct Subsidiaries (3)*

- 2010 - present • Director, Loxley Joint and Hold Co., Ltd. / Holding company
- 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

*Direct Associates (5)*

- 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

*Other (4)*

- 2012 - present • Independent Director, Muang Thai Life Assurance Plc. / Life insurance business
- 2004 - present • Director, United Overseas Bank (Thai) Plc / Banking service
- 1990 - present • Director, Ekpavee Co., Ltd. / Holding company
- 1972 - present • Director, Zin Suapah Co., Ltd. / Parking Service

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**Work Experience for  
the Past 5 years**

- 2006 - 2017 • Director, ASM Security Management Co., Ltd. / Security service
- 2004 - 2017 • Director, Data Mining Co., Ltd. / Service of information technology equipment and computer systems
- 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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**Shareholding in Loxley**

- Own : None
- Spouse or Underage Children : None

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**Family Relationship among  
Executives**

None

3	Dr.Harit Sutabutr	Age 82, Nationality - Thai
	<ul style="list-style-type: none"> <li>Independent Director</li> <li>Chairman of the Audit Committee</li> </ul>	<ul style="list-style-type: none"> <li>Since 1 April 1993</li> <li>Since 14 December 2008</li> </ul>
	<b>Education/Training</b>	<ul style="list-style-type: none"> <li>Ph.D. Mechanical Engineering, University of California, Berkeley</li> <li>Director Accreditation Program 16/2004, Thai Institute of Directors Association</li> </ul>
	<b>Expertise</b>	Management and Engineering
	<b>Listed Companies (1)</b>	1993 - present • Independent Director, Loxley Plc / Technology and trading business 2008 - present • Chairman of the Audit Committee, Loxley Plc / Technology and trading business
	<b>Non-Listed Companies / Other Business (2)</b>	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
	<b>Work Experience for the Past 5 years</b>	-
	<b>Shareholding in Loxley</b>	<ul style="list-style-type: none"> <li>Own : 55,125 shares or 0.002%</li> <li>Spouse or Underage Children : None</li> </ul>
	<b>Family Relationship among Executives</b>	None

4	Dr.Supavud Saicheua	Age 62, Nationality - Thai
	<ul style="list-style-type: none"> <li>Independent Director</li> <li>Audit Committee Member</li> </ul>	<ul style="list-style-type: none"> <li>Since 28 February 2007</li> <li>Since 11 May 2018</li> </ul>
	<b>Education/Training</b>	<ul style="list-style-type: none"> <li>Ph.D. in Economics, University of Hawaii at Manoa, U.S.A.</li> <li>M.A. in Economics, University of the Philippines (Diliman), Philippines</li> <li>B.A. in Economics, Victoria University of Wellington, New Zealand</li> <li>Director Accreditation Program 36/2005, Thai Institute of Directors Association</li> </ul>
	<b>Expertise</b>	Economics
	<b>Listed Companies (2)</b>	2018 - present • Audit Committee Member, Loxley Plc / Technology and trading business 2007 - present • Independent Director, Loxley Plc / Technology and trading business 2005 - present • Executive Director, Managing Director (Head of Research) Phatra Securities Plc / Securities services
	<b>Non-Listed Companies / Other Business (3)</b>	2017 • Expert Member 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



<b>Work Experience for the Past 5 years</b>	2013 - 2016	<ul style="list-style-type: none"> <li>• Special Expert, Thailand Creative Economy Agency / Government entity</li> </ul>
	2012 - 2016	<ul style="list-style-type: none"> <li>• Advisor of Investment Committee Government Pension Fund / Independent entity under the supervision of Ministry of Finance</li> </ul>
	2011 - 2014	<ul style="list-style-type: none"> <li>• Commission Member, Office of the Police Commission / Government entity</li> </ul>
	2011 - 2013	<ul style="list-style-type: none"> <li>• Committee, Strategic Committee for Reconstruction and Future Development / Government entity</li> </ul>
	2008 - 2011	<ul style="list-style-type: none"> <li>• Investment Expert of Investment Committee Government Pension Fund / Independent entity under the supervision of Ministry of Finance</li> </ul>
<b>Shareholding in Loxley</b>		<ul style="list-style-type: none"> <li>• Own : None</li> <li>• Spouse or Underage Children : None</li> </ul>
<b>Family Relationship among Executives</b>		None

<b>5</b>	<b>Mr.Charoon Chinalai</b>	<b>Age 80, Nationality - Thai</b>
	<ul style="list-style-type: none"> <li>• Independent Director</li> <li>• Audit Committee Member</li> <li>• Chairman of Nominating &amp; Remuneration Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Since 1 April 1993</li> <li>• Since 27 December 2001</li> <li>• Since 29 February 2012</li> </ul>
	<b>Education/Training</b>	<ul style="list-style-type: none"> <li>• Civil Engineering, King's College London University, England</li> <li>• Director Accreditation Program 12/2004, Thai Institute of Directors Association</li> </ul>
	<b>Expertise</b>	Engineering
	<b>Listed Companies (1)</b>	<p>2012 - present • Chairman of Nominating &amp; Remuneration Committee, Loxley Plc / Technology and trading business</p> <p>2001 - present • Audit Committee, Loxley Plc / Technology and trading business</p> <p>1993 - present • Independent Director, Loxley Plc / Technology and trading business</p>
	<b>Non-Listed Companies / Other Business (2)</b>	<p>2002 - present • Independent Director, NS BlueScope Lysaght (Thailand) Limited / Manufacture and sale of steel roofing</p> <p>1992 - present • Director, Parinda Plc. / Quarry concession and stone mill factory</p>
	<b>Work Experience for the Past 5 years</b>	<p>1980 - 2016 • Director, Coffral-Thai Co., Ltd. / Construction equipment rental service</p> <p>1980 - 2016 • Director, EkThana Engineering Co., Ltd. / Rental of construction equipment</p>
	<b>Shareholding in Loxley</b>	<ul style="list-style-type: none"> <li>• Own : None</li> <li>• Spouse or Underage Children : None</li> </ul>
	<b>Family Relationship among Executives</b>	None

<b>6</b>	<b>Mr.Joti Bhokavanij</b>	<b>Age 76, Nationality - Thai</b>
	<ul style="list-style-type: none"> <li>Independent Director</li> </ul>	<ul style="list-style-type: none"> <li>Since 30 April 2012</li> </ul>
	<b>Education/Training</b>	<ul style="list-style-type: none"> <li>Fellow of the Association of Chartered Certified Accountants, England</li> <li>Programme for Management Development, Harvard Business School, U.S.A.</li> <li>Marketing Management Programme, Stanford University, Graduated School of Business, U.S.A.</li> <li>Director Accreditation Program (DAP), Thai Institute of Directors Association</li> <li>Chairman 2000, Thai Institute of Directors Association</li> <li>Director Certification Program (DCP), Thai Institute of Directors Association</li> <li>IOD National Director Conference 2012-Moving Corporate Governance Forward : Challenge for Thai Directors, Thai Institute of Directors Association</li> <li>Monitoring the Quality of Financial Reporting (MFR), Thai Institute of Directors Association</li> <li>Successful Formulation &amp; Execution of Strategy (SFE), Thai Institute of Directors Association</li> <li>How to Measure the Success of Corporate Strategy (HMS), Thai Institute of Directors Association</li> <li>Monitoring Fraud Risk Management (MFM)</li> <li>Monitoring the Internal Audit Function (MIA)</li> <li>Monitoring the system of Internal Control and Risk Management (MIR)</li> </ul>
	<b>Expertise</b>	Accounting
	<b>Listed Companies (4)</b>	<p>Sep 2017 - present • Independent Director and Chairman of the Audit Committee, True Corporation Plc / Information and communication services</p> <p>Aug 2016 - Present • Member of the Corporate Governance Committee, Siam Maro Plc/ Wholesale business</p> <p>2013 - present • Independent Director and Audit Committee Member, Siam Makro Plc / Wholesale business</p> <p>2013 - present • Chairman, Bangkok Ranch Plc / Provide product from duck meat</p> <p>2012 - present • Member of the Finance Committee and Member of the Compensation and Nominating Committee, True Corporation Plc / Information and communication services</p> <p>2012 - present • Independent Director, Loxley Plc / Technology and trading business</p>
	<b>Non-Listed Companies / Other Business (1)</b>	<p>2009 - present • Director, Thai Smart Card Co., Ltd. / Additional service to financial institutions</p>
	<b>Work Experience for the Past 5 years</b>	<p>2012 - Apr 2018 • Audit Committee Member, Loxley Plc / Technology and trading business</p> <p>1999 - Sep 2017 • Independent Director and Member of the Audit Committee, True Corporation Plc / Information and communication services</p>

	2002 - 2017	• Director, Bangkok Inter Teletech Plc. / Holding Company
	2002 - 2017	• Director, True Move Co., Ltd. / Mobile phone operator and distributor
	1999 - 2017	• Director, Kingfisher Holdings Limited / Frozen seafood business
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<b>Shareholding in Loxley</b>		<ul style="list-style-type: none"> <li>• Own : None</li> <li>• Spouse or Underage Children : None</li> </ul>
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<b>Family Relationship among Executives</b>		None

<b>7</b>	<b>General Vichit Yathip</b>	<b>Age 72, Nationality - Thai</b>								
	<ul style="list-style-type: none"> <li>• Independent Director</li> </ul>	<ul style="list-style-type: none"> <li>• Since 17 December 2015</li> </ul>								
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	<b>Education/Training</b>	<ul style="list-style-type: none"> <li>• Master of Public Administration, Bangkokthonburi University</li> <li>• Command and General Staff College Class 60</li> <li>• B.A., Chulachomkiao Royal Military Academy Class 20</li> <li>• Armed Forces Academies Preparatory School Class 9</li> <li>• Director Certification Program 105/2008, Thai Institute of Directors Association</li> <li>• Diploma, National Defence College, The Joint State - Private Sector Course Class 9</li> <li>• Modern Management Class 1, the National Defence College</li> <li>• Top Management Program, Class 7/2008, Capital Market Academy</li> <li>• Politics and Government in Democratic Systems for Executive class 12, King Prajadhipok's Institute</li> <li>• Top Executive Program in Commerce and Trade class 3, Commerce Academy (TEPCoT3)</li> <li>• Advanced Political and Electoral Development Program (APED II), Political and Electoral Development Institute, Office of the Election Commission of Thailand</li> <li>• Advanced Security Management Program Class 3</li> <li>• Bhumipalung Phandin for Executive Class 1</li> <li>• OIC Advanced Insurance Program Class 2</li> <li>• Thammasat Leadership Program (TLP) Class 3</li> <li>• Executive Program for Management Development (Mahanakorn 4)</li> </ul>								
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	<b>Expertise</b>	Political Science								
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	<b>Listed Companies (4)</b>	<table> <tr> <td>2015 - present</td> <td>• Independent Director, Loxley Plc / Technology and trading business</td> </tr> <tr> <td>2014 - present</td> <td>• Independent Director and Chairman of the Audit Committee, Three Sixty Five Plc / Public relations and advertising services</td> </tr> <tr> <td>2013 - present</td> <td>• Independent Director and Member of the Audit Committee, Bangkok Airways Plc / Airline, airport services</td> </tr> <tr> <td>2010 - present</td> <td>• Independent Director and Member of the Audit Committee, Vanachai Group Plc / Manufacture of wood — based panels</td> </tr> </table>	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	2010 - present	• Independent Director and Member of the Audit Committee, Vanachai Group Plc / Manufacture of wood — based panels
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									
2010 - present	• Independent Director and Member of the Audit Committee, Vanachai Group Plc / Manufacture of wood — based panels									
<hr/>										
	<b>Non-Listed Companies / Other Business (4)</b>	<table> <tr> <td>Present</td> <td>• Graduate Vice President, Nakhon Phanom University Council</td> </tr> <tr> <td>Present</td> <td>• Director, Thai-Myanmar Culture and Economy Association</td> </tr> <tr> <td>2015 - present</td> <td>• President, Thailand-Cambodia Friendship Association</td> </tr> <tr> <td>2010 - present</td> <td>• Director, Singisanyerpao Co., Ltd.</td> </tr> </table>	Present	• Graduate Vice President, Nakhon Phanom University Council	Present	• Director, Thai-Myanmar Culture and Economy Association	2015 - present	• President, Thailand-Cambodia Friendship Association	2010 - present	• Director, Singisanyerpao Co., Ltd.
Present	• Graduate Vice President, Nakhon Phanom University Council									
Present	• Director, Thai-Myanmar Culture and Economy Association									
2015 - present	• President, Thailand-Cambodia Friendship Association									
2010 - present	• Director, Singisanyerpao Co., Ltd.									

<b>Work Experience for the Past 5 years</b>	2012 - 2017	<ul style="list-style-type: none"> <li>Chairman of the Board, Nippon Pack (Thailand) Plc. / Manufacture and sale of flexible plastic packaging</li> </ul>
	2016 - 2017	<ul style="list-style-type: none"> <li>Member of National Reform Steering Assembly</li> </ul>
	2014 - 2016	<ul style="list-style-type: none"> <li>Independent Director, MC Group Plc / Retailing business of apparels and Lifestyle</li> </ul>
	2014 - 2015	<ul style="list-style-type: none"> <li>Member of National Reform Council</li> </ul>
	2009 - 2011	<ul style="list-style-type: none"> <li>Chairman, MWA Board of Directors</li> </ul>

<b>Shareholding in Loxley</b>	<ul style="list-style-type: none"> <li>Own : None</li> <li>Spouse or Underage Children : None</li> </ul>
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<b>Family Relationship among Executives</b>	None
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<b>8</b>	<b>Professor Rawat Chamchalerm</b>	<b>Age 74, Nationality - Thai</b>
	<ul style="list-style-type: none"> <li>Independent Director</li> </ul>	<ul style="list-style-type: none"> <li>Since 28 April 2016</li> </ul>
<b>Education/Training</b>		<ul style="list-style-type: none"> <li>Master Degree of Laws, Chulalongkorn University</li> <li>Bachelor of Laws, Thammasat University</li> <li>Barrister at Law, Thai Bar Association</li> <li>Diploma, National Defence College, The Joint State - Private Sector Course Class 1</li> <li>Director Certification Program/2008, Thai Institute of Directors Association</li> <li>Director Accreditation Program/2004, Thai Institute of Directors Association</li> <li>SMART GO/2004</li> </ul>
<b>Expertise</b>		Law
<b>Listed Companies (4)</b>	2016 - present 2011 - present 2010 - present 2010 - present	<ul style="list-style-type: none"> <li>Independent Director, Loxley Plc / Technology and trading business</li> <li>Independent Director, Serm Suk Plc / Beverage manufacturer and distributor of both soft drinks and non-carbonated soft drinks</li> <li>Chairman of the Board, Sino-Thai Engineering and Construction Plc. / Engineering and construction</li> <li>Independent Director, True Corporation Plc / IT and communication business</li> </ul>
<b>Non-Listed Companies / Other Business (16)</b>	Present Present Present Present Present Present Present Present Present Present Present Present Present Present Present 2004 - present	<ul style="list-style-type: none"> <li>Vice Chairman, Don Muang Tollway Plc.</li> <li>Adjunct Professor, Faculty of Law, Chulalongkorn University</li> <li>Adjunct Professor, Institute of Legal Education, Thai Bar Association</li> <li>Adjunct Professor, Master Degree, Mahidol University</li> <li>Adjunct Professor, Doctoral, Bangkokthonburi University</li> <li>Adjunct Professor, Faculty of Law, Mae Fah Luang University</li> <li>Lecturer in Justice Affairs, The Ministry of Justice</li> <li>Lecturer in Department of Special Investigation, The Ministry of Justice</li> <li>Lecturer in Institute of Administration Development, The Ministry of Interior of Thailand</li> <li>Special Lecturer, Office of the Attorney General</li> </ul>

	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
<b>Work Experience for the Past 5 years</b>	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
<b>Shareholding in Loxley</b>		• Own : None • Spouse or Underage Children : None
<b>Family Relationship among Executives</b>		None

<b>9</b>	<b>Dr.Jingjai Hanchanlash</b>	<b>Age 76, Nationality - Thai</b>
	• Director • Vice Chairman of the Executive Board	• Since 15 May 2014 • Since 1 January 2017
<b>Education/Training</b>		• Doctoral d'Uniiversity de CAEN, France • Director Accreditation Program 1/2003, Thai Institute of Directors Association • Audit Committee Program 19/2007, Thai Institute of Directors Association • Certificate in Project Analysis, University of Connecticut, U.S.A. • Certificate in Mid-Career Management Training, University of Western Ontario, Canada
<b>Expertise</b>		Law
<b>Listed Companies (5)</b>	2017 - present 2015 - present 2014 - present 2014 - present 2001 - present	• Vice Chairman of the Executive Board, Loxley Plc. / Technology and trading business • Independent Director, Thai Wah Plc / Manufacture and distribute various products • Director, Loxley Plc. / Technology and trading business • Vice Chairman, Muang Thai Insurance Plc. / Insurance business • Director and Executive Director, Asian Phytoceuticals Plc. / Manufacture of dietary supplements, cosmetics and personal care products developed from natural plant and botanical extracts

2000 - present • Independent Director and Audit Committee, Laguna Resorts & Hotel Plc. / Hotel operations

**Non-Listed Companies /**

*Direct Subsidiaries (2)*

**Other Business (13)**

2016 - present • Director, Societe Commerciale Lao / Trading in Laos

2016 - present • Director, Loxley Simulation Technology Co., Ltd. / Virtual learning services

*Others (11)*

2014 - present • Director of the Executive Board, King Prajadhipok Institute / Government Entity

2009 - present • Expert Director Member, The Thailand Research Fund (TRF) / Government Entity

2007 - present • Director, Office of the Public Sector Development Commission / Government Entity (Ministry of Foreign Affairs of The Kingdom of Thailand)

2007 - present • Member of the Council, King Prajadhipok Institute / Government Entity

2007 - present • Member, Saranrom Institute of Foreign Affairs, Foundation

1997 - present • Board Member, SPIE Oil & GAS Service (Thailand) Ltd. / Oil & Gas exploration & production

1996 - present • Member, Chumbhot-Pantip Foundation Council / Foundation

1996 - present • President, Alliance Francaise / Association

1996 - present • Honorary Consul, Honorary Consulate of Jamaica to Thailand / Consulate

1996 - present • Vice Chairman, The Thai Chamber of Commerce and Board of Trade of Thailand

present • Board, Jenlak Vie Consulting Co., Ltd./ Consulting Business

**Work Experience for the Past 5 years**

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**Shareholding in Loxley**

- Own : 630,000 shares or 0.03%
- Spouse or Underage Children: 2,621,850 shares or 0.12%

**Family Relationship among Executives**

Brother-in-Law of Mr.Dhongchai Lamsam and Mr.Poomchai Lamsam, Uncle-in-law of Mr.Vasant Chatikavanij, Mr.Krisada Lamsam, Mr.Suroj Lamsam and Mr.Chalermchoke Lamsam

10	Mr.Poomchai Lamsam	Age 70, Nationality - Thai
	<ul style="list-style-type: none"> <li>• Director</li> </ul>	<ul style="list-style-type: none"> <li>• Since 1 April 1993</li> </ul>
	<b>Education/Training</b>	<ul style="list-style-type: none"> <li>• B.A. Political Science, (1973) University of Colorado, U.S.A.</li> <li>• Strayer College, U.S.A.</li> <li>• Trent College, England</li> <li>• Saint Gabriel, Thailand</li> <li>• Director Accreditation Program 28/2004, Thai Institute of Directors Association</li> </ul>

<b>Expertise</b>	Management
<b>Listed Companies (3)</b>	2010 - present • Advisor, Muang Thai Insurance Plc. / Insurance business 1993 - present • Director, Loxley Plc. / Technology and Trading business 1987 - present • Vice Chairman, Phatra Leasing Plc. / Car Leasing management and administration for juristic persons
<b>Non-Listed Companies / Other Business (3)</b>	2010 - present • Director and Advisor, Muang Thai Life Assurance Plc. / Life insurance business 2010 - present • Director, Muangthai Holding Co., Ltd. / Holding Company 1988 - present • Director, Muangthai Real Estate Plc. / Real Estate business
<b>Work Experience for the Past 5 years</b>	-
<b>Shareholding in Loxley</b>	<ul style="list-style-type: none"> <li>• Own : 1,050,000 shares or 0.05%</li> <li>• Spouse or Underage Children : 60,112 shares or 0.002%</li> </ul>
<b>Family Relationship among Executives</b>	Brother of Mr.Dhongchai Lamsam, Brother-in-law of Dr.Jingjai Hanchanlash, Uncle of Mr.Vasant Chatikavanij, Mr. Krisada Lamsam, Mr.Suroj Lamsam, and Mr.Chalermchoke Lamsam

<b>11</b>	<b>Mr.Vasant Chatikavanij</b>	<b>Age 63, Nationality - Thai</b>
	<ul style="list-style-type: none"> <li>• Director</li> <li>• Vice Chairman of the Executive Board</li> </ul>	<ul style="list-style-type: none"> <li>• Since 1 April 1993</li> <li>• Since 1 January 2017</li> </ul>
	<b>Education/Training</b>	<ul style="list-style-type: none"> <li>• M.S. Chemical Engineering, Lehigh University, U.S.A.</li> <li>• B.S.E. Chemical Engineering, Princeton University, U.S.A.</li> <li>• Director Accreditation Program 12/2004, Thai Institute of Directors Association</li> </ul>
	<b>Expertise</b>	Engineering and Management
	<b>Listed Companies (1)</b>	2017 - present • Vice Chairman of the Executive Board, Loxley Plc. / Technology and trading business
	<b>Non-Listed Companies / Other Business (12)</b>	<b>Subsidiaries (4)</b> 2016 - present • Director, LWSN Co., Ltd. / Telecommunication, IT systems and submarine cable network services 2016 - Present • Director, Loxley Simulation Technology Co., Ltd./ Virtual simulation solutions and services 2011 - present • Chairman, Loxley Mobile Co., Ltd. / Sale and service of various prepaid electronics cash card 1999 - present • Chairman, Loxley Orbit Plc. / Software solution provider <b>Associates (2)</b> 2012 - present • Director, Loxley & AIT Holding Co., Ltd. / Regional Information and Communication Technology (ICT) Network Provider

- 2007 - present • Director, Mobile Innovation Co., Ltd. / Service of real time vehicles tracking management system

*Other (6)*

- 2009 - present • Director, Muangthai Asset Co., Ltd. / Holding company
- 2007 - present • Director, Point Asia Land Co., Ltd./ Property business
- 1995 - present • Director, Eximnet Co., Ltd. / Service of information technology and computer systems
- 1992 - present • Director, Lopburi Carp Co., Ltd. / Import, export, sell and hatch fishes and aquamatic creatures
- 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**

- 2017 - 2018 • Director, Loxley Environmental Dynamic Co., Ltd / Manufacture, assemble and sell of Solid waste management system
- 2016 - 2018 • Director, LWTN Co., Ltd. / Telecommunication, IT systems and fiber optic network services
- 2013 - 2018 • Director, Loxley Wireless Plc. / Sale and service of telecommunication and information technology systems
- 1995 - 2017 • Director, Data Mining Co., Ltd. / Service of information technology equipment and computer systems
- 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%
- Spouse or Underage Children : None

**Family Relationship among Executives**

Nephew of Mr.Dhongchai Lamsam, Mr.Poomchai Lamsam and Dr.Jingjai Hanchanlash,  
Cousin of Mr.Krisada Lamsam, Mr.Suroj Lamsam and Mr.Chalermchoke Lamsam



<b>12</b>	<b>Mr.Suraphand Bhasitnirandr</b>	<b>Age 67, Nationality - Thai</b>
	<ul style="list-style-type: none"> <li>• Director</li> <li>• Vice Chairman of the Executive Board</li> <li>• Nominating &amp; Remuneration Committee Member</li> </ul>	<ul style="list-style-type: none"> <li>• Since 1 February 1999</li> <li>• Since 1 January 2017</li> <li>• Since 14 November 2003</li> </ul>
	<b>Education/Training</b>	<ul style="list-style-type: none"> <li>• Master Degree in Business Administration, University of West Los Angeles, U.S.A.</li> <li>• Bachelor Degree in Accountancy (Honours), Chulalongkorn University</li> <li>• Director Accreditation Program 12/2004, Thai Institute of Directors Association</li> <li>• Certificate Politics and Government in Democratic Systems for Executives Course, King Pradjadhipok's Institute 10/2006</li> <li>• Certificate Capital Market Academy Leader Program, Capital Market Academy 5/2007</li> <li>• Certificate Top Executive Program in Commerce and Trade (TEPCoT 5), University of the Thai Chamber of Commerce 5/2012</li> </ul>
	<b>Expertise</b>	Accountancy and Business Management
	<b>Listed Companies (1)</b>	<p>2017 - present • Vice Chairman of the Executive Board, Loxley Plc. / Technology and trading business</p> <p>2003 - present • Nominating &amp; Remuneration Committee, Loxley Plc. / Technology and trading business</p>
	<b>Non-Listed Companies / Other Business (9)</b>	<p><i>Subsidiaries (9)</i></p> <p>2017 - present • Chairman, Green Natural Products Co., Ltd. / Manufacture and sale of kaffir oil, essential oil and other healthcare products</p> <p>2015 - present • Director, L Food Solutions Co., Ltd. / Food service</p> <p>2015 - present • Chairman, Parts Zone (Thailand) Co., Ltd./ Trading in automotive parts and equipment</p> <p>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</p> <p>2012 - present • Chairman, Loxley Intertrade (Guangzhou) Co., Ltd. / Trading in the People's Republic of China</p> <p>2011 - present • Director, SCL Co., Ltd. / Trading in Lao People's Democratic Republic</p> <p>2008 - present • Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services</p> <p>2007 - present • Director, Loxley Trading Co., Ltd. / Sale of consumer products</p> <p>2005 - present • Chairman, L-Elevator and Engineering Co., Ltd. / Sale and Installation of elevators and escalators</p>
	<b>Work Experience for the Past 5 years</b>	<p>2016 - 2018 • Chairman, Loxtrade Specialty Innovation Co., Ltd. / Manufacture and distribute supplementary foods</p> <p>2015 - 2017 • Vice Chairman, Thai National Shipper's Council</p>

- 2012 - 2017 • Director, Nakhon Prathom Rajabhat University / Government educational institution
- 2014 - 2017 • Chairman, Solana Marketing Co., Ltd./ Provide services on Event Organizing; eg. Concerts, Sport Games
- 2013 - 2017 • Director, BlueScope Buildings (Thailand) Limited / Provide pre-engineering building solution
- 2012 - 2017 • Chairman, L Green Solution Co., Ltd. / Provide alternative energy
- 2012 - 2017 • Chairman, Mainstay Property Solutions & Security Services Co., Ltd. / Provide security service and general cleaning service
- 2005 - 2017 • Director, L-TAG Technologies Co., Ltd./ Sale of construction materials and installation service of waste water treatment system and other sanitation
- 2008 - 2016 • Senior Executive Vice President, Loxley Plc. / Technology and Trading Business
- 1999 - 2007 • Executive Vice President, Loxley Plc. / Technology and Trading Business

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**Shareholding in Loxley**

- Own : None
- Spouse or Underage Children: None

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**Family Relationship among Executives**

None

<b>13</b>	<b>Dr.Sompop Chareonkul</b>	<b>Age 70, Nationality - Thai</b>
<ul style="list-style-type: none"> <li>• Director</li> <li>• Vice Chairman of the Executive Board</li> <li>• Nominating &amp; Remuneration Committee Member</li> </ul>	<ul style="list-style-type: none"> <li>• Since 15 November 2001</li> <li>• Since 1 January 2017</li> <li>• Since 1 January 2017</li> </ul>	
<b>Education/Training</b>		<ul style="list-style-type: none"> <li>• B. Commerce (1st Class Honours), Chulalongkorn University</li> <li>• MBA, (Marketing), University of Wisconsin-Madison, U.S.A.</li> <li>• M.S. (Business Administration), University of Wisconsin- Madison, U.S.A. C225</li> <li>• Ph.D. (Business Madison, U.S.A Administration), University of Wisconsin- Madison, U.S.A.</li> <li>• National Defense College (4212)</li> <li>• Director Accreditation Program 15/2004, Thai Institute of Directors Association</li> <li>• Advanced Security Management Program, National Defense College Association of Thailand</li> <li>• Top Executive Program in Commerce and Trade: TEPCoT 4 (Commerce Academy)</li> <li>• Poompalungpandin Program (RIAL I), Chulalongkorn University</li> <li>• Advanced Political and Electoral Development Program APED IV, Political and Electoral Development Institute, Office of The Election Commission of Thailand</li> <li>• The 3rd Metropolis Development Programmer for Top Executive (the Meropolis 3)</li> <li>• Thammasat Leadership Program (TLP VII)</li> </ul>

<b>Expertise</b>	Commerce and Business Management
<b>Listed Companies (1)</b>	2017 - present • Vice Chairman of the Executive Board, Loxley Plc. / Technology and Trading business
<b>Non-Listed Companies / Other Business (4)</b>	<p><i>Subsidiaries (2)</i></p> <p>2008 - present • Chairman of the Board, ASM Security Management Co., Ltd. / Security service</p> <p>2007 - present • Director, Loxley Trading Co., Ltd. / Sale of consumer products</p> <p><i>Associates (1)</i></p> <p>2013 - present • Chairman, LS Technology Solutions Co., Ltd. / Operate the security technology solutions in Asian region</p> <p><i>Other (1)</i></p> <p>2008 - present • Chairman of the Executive Board, Law Enforcement Technology Solutions Co., Ltd. / Design and installation services of security systems</p>
<b>Work Experience for the Past 5 years</b>	<p>2001 - 2016 • Senior Executive Vice President, Loxley Plc. / Technology and Trading business</p> <p>1998 - 2015 • Executive Director, Oriental Post Co., Ltd. / Advertising series post production service</p> <p>2008 - 2015 • Director, Postique Co., Ltd. / Advertising and film services</p>
<b>Shareholding in Loxley</b>	<ul style="list-style-type: none"> <li>• Own: 720,000 shares or 0.03%</li> <li>• Spouse or Underage Children : None</li> </ul>
<b>Family Relationship among Executives</b>	None

<b>14</b>	<b>Mr.Petch Wanglee</b>	<b>Age 55, Nationality - Thai</b>
	<ul style="list-style-type: none"> <li>• Director</li> </ul>	<ul style="list-style-type: none"> <li>• Since 24 February 2018</li> </ul>
	<b>Education/Training</b>	<ul style="list-style-type: none"> <li>• Master Degree in Business Administration, University of Babson College, U.S.A.</li> <li>• Bachelor Degree in Business Administration, University of Hartford, U.S.A.</li> <li>• Certificate Politics and Government in Democratic Systems for Executives Course, King Pradjadhipok's Institute 9/2005</li> <li>• Certificate Government joint defence Course, Thailand National Defence College 22/2009</li> <li>• Certificate Capital Market Academy Leader Program, Capital Market Academy 17/2013</li> <li>• Certificate for Senior Executives at Energy Science, Thailand Energy Academy 11/2018</li> </ul>
	<b>Expertise</b>	Management
	<b>Listed Companies (1)</b>	24 February 2018 - present • Director, Loxley Plc. / Technology and Trading business

**Non-Listed Companies /  
Other Business (11)**

- 2018 - present • President, Thanakorn Vegetable Oil Co., Ltd. /  
Manufacture and sale of vegetable oil
- 2014 - present • Director, Sitthinan Co., Ltd. / Thai glass noodle manufacturer
- 2007 - present • Director, Loxley Trading Co., Ltd. / Sale of consumer products
- 2006 - present • Secretary, Soybean and Rice Bran Oil processor  
Association / association
- 2006 - present • Director, C.E.S. Co., Ltd. / Construction and Engineering Services
- 2004 - present • Director, Poonphol Co., Ltd. / Holding company and trader of  
agricultural product
- 2004 - present • Director, Poonudom Co., Ltd. / Trader of agricultural  
products and transportation services
- 2003 - present • Director, PPM Holding Co., Ltd. / Holding company
- 2000 - present • Director, Pirakit Co., Ltd. / Holding company
- 1994 - present • Director, Poonpipat Co., Ltd. / Warehouse and logistics services
- 1991 - present • Director, Rangsit Ruam Patana Co., Ltd. / Develop and  
manage areas for markets and apartments

**Work Experience for  
the Past 5 years**

- 2016 - 2017 • Senior Executive Vice President, Thanakorn Vegetable Oil Co., Ltd.  
/ Manufacture and sale of vegetable oil
- 2012 - 2015 • Deputy Managing Director, Thanakorn Vegetable Oil  
Co., Ltd. / Manufacture and sale of vegetable oil
- 2006 - 2011 • Assistant Managing Director, Thanakorn Vegetable Oil Co., Ltd. /  
Manufacture and sale of vegetable oil
- 2004 - 2006 • Vice President, Poonphol Co., Ltd. / Holding company and Trader  
of agricultural product
- 2000 - 2003 • Deputy Director, Poonphol Co., Ltd. / Holding  
company and Trader of agricultural product
- 1999 - 2000 • Asset Product Manager, Standard Chartered Bank  
Nakornthon / Banking services

**Shareholding in Loxley**

- Own : None
- Spouse or Underage Children : None

**Family Relationship among  
Executives**

None

<b>15</b>	<b>Mr.Krisada Lamsam</b>	<b>Age 54, Nationality - Thai</b>
	• Director	• Since 24 February 2018
	<b>Education/Training</b>	<ul style="list-style-type: none"> <li>• Master of Arts, University of Oregon State, U.S.A.</li> <li>• Bachelor of Science, St. John Fisher College, Rochester, New York, U.S.A.</li> <li>• Director Accreditation Program 2013, Thai Institute of Directors Association</li> </ul>
	<b>Expertise</b>	Management Finance Banking Insurance and Life Assurance
	<b>Listed Companies (2)</b>	24 February 2018 • Director, Loxley Plc. / Technology and Trading Business - present
	<b>Non-Listed Companies / Other Business (11)</b>	2016 - present • Director, Muang Thai Insurance Plc. / Insurance business 2018 - present • Managing Director, Lamsam Estate Co., Ltd. / Holding Company 2018 - present • Managing Director, Pruetthada Co., Ltd. / Holding Company 2018 - present • Director, Zin Suapah Co., Ltd. / Parking Service 2016 - present • Chairman, SF Corporation Plc. / operator of movie theaters 2016 - present • Chairman and Chairman of Executive Board, Meister Technik Co., Ltd. (Audi Thailand) / sale of new automotive 2016 - present • Chairman and Chairman of Executive Board, Suplaor Co., Ltd. / Manufacturer of private vehicle 2016 - present • Chairman and Chairman of Executive Board, Autobliss Co., Ltd. / sale of new automotive 2013 - present • Vice Chairman, Muang Thai Holding Co., Ltd. / Holding Company 2011 - present • Vice Chairman, Pruksa Clinic Co., Ltd. / General Practitioner Clinic 2010 - present • Vice Chairman, Muang Thai Insurance Plc./ Insurance Business 1995 - present • Director, Thavee Pramote Co., Ltd. / rental of real estate services
	<b>Work Experience for the Past 5 years</b>	1996 - 2018 • Director, Pruetthada Co., Ltd. / Holding Company 2013 - 2015 • Vice Chairperson, Kasikorn Bank Plc. / Banking services 2012 - 2013 • Chairman, Kasikorn Securities Plc. / Securities services 2010 - 2013 • Senior Executive Vice President, Kasikorn Bank Plc. / Banking services 2009 - 2011 • Chairman, Kasikorn Leasing Plc. / provide hire purchasing financing to individual and business customers
	<b>Shareholding in Loxley</b>	<ul style="list-style-type: none"> <li>• Own : None</li> <li>• Spouse or Underage Children : None</li> </ul>
	<b>Family Relationship among Executives</b>	Nephew of Mr.Dhongchai Lamsam, Mr.Poomchai Lamsam, and Dr.Jingjai Hanchanlash, Cousin of Mr.Vasant Chatikavanij, Mr.Suroj Lamsam, and Mr.Chalermchoke Lamsam

<b>16</b>	<b>Mr.Suroj Lamsam</b>	<b>Age 52, Nationality - Thai</b>
	<ul style="list-style-type: none"> <li>• Director</li> <li>• President</li> </ul>	<ul style="list-style-type: none"> <li>• Since 27 April 2004</li> <li>• Since 1 January 2017</li> </ul>
	<b>Education/Training</b>	<ul style="list-style-type: none"> <li>• MM. Sasin Graduate Institute of Business Administration of Chulalongkorn University</li> <li>• MA., Communications, New York University, New York U.S.A.</li> <li>• BA., Marketing and Consumer Studies, Syracuse University, Syracuse New York</li> <li>• Graduate Diploma in Management of Public Economy, King Prajadhipok's Institute</li> <li>• Director Accreditation Program 40/2005, Thai Institute of Directors Association</li> </ul>
	<b>Expertise</b>	Management
	<b>Listed Companies (2)</b>	<p>2017 - present • President, Loxley Plc. / Technology and Trading business</p> <p>2017 - present • Director, QTC Energy Plc. / Conducts the businesses of manufacturing and distributing custom made transformers and provides various types of services for customers</p>
	<b>Non-Listed Companies / Other Business (23)</b>	<p><i>Direct Subsidiaries (13)</i></p> <p>2018 - present • Chairman, The Foodsource Co., Ltd. / Import, wholesell and retail of food material and produce food products</p> <p>2018 - present • Director, Siamsamut Warin Co., Ltd. / Import, wholesale and distribution of food ingredients and food products</p> <p>2018 - present • Director, Loxley Joint and Hold Co., Ltd. / Holding Company</p> <p>2017 - present • Director, Loxley Intertrade (Guangzhou) Co., Ltd. / Trading in the People's Republic of China</p> <p>2017 - present • Chairman, Loxbit Plc. / Trading of telecommunication equipment and programs</p> <p>2017 - present • Director, ASM Security Management Co., Ltd. / Security service</p> <p>2016 - present • Director, Loxley Trading Co., Ltd. / Trading of consumer products</p> <p>2016 - present • Director, Loxley Global Co., Ltd. / Holding company</p> <p>2012 - present • President, L Food Solutions Co., Ltd. / Food service</p> <p>2011 - present • Director, Loxley Mobile Co., Ltd. / Sale and service of various prepaid electronics cash card</p> <p>2008 - present • President, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services</p> <p>2008 - present • President, Data Mining Co., Ltd. / Service of information technology equipment and computer systems</p> <p>2000 - present • President, Thai Gateway Co., Ltd./Trading of Telecommunication equipment</p> <p><i>Direct Associates (4)</i></p> <p>2018 - present • Director, BP-Castrol (Thailand) Limited / Sale of Castrol and BP lubricant</p> <p>2018 - present • Director, Lox trade Specialty Innovation Co., Ltd. / Manufacture and distribute supplementary foods</p>

2017- 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

2016 - present • Director, Loxley GTECH Technology Co., Ltd. / Sale and service of information technology and online lottery system

*Others (6)*

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

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**

2004 - 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 : 1,699,795 shares or 0.07%
- Spouse or Underage Children : None

**Family Relationship among Executives**

Nephew of Mr.Dhongchai Lamsam, Mr.Poomchai Lamsam, and Dr.Jingjai Hanchanlash, Cousin of Mr.Vasant Chatikavanij, Mr.Krisada Lamsam, and Mr.Chalermchoke Lamsam

<b>17</b>	<b>Mr.Chalermchoke Lamsam</b>	<b>Age 45, Nationality - Thai</b>
	<ul style="list-style-type: none"> <li>• Director</li> <li>• Managing Director</li> </ul>	<ul style="list-style-type: none"> <li>• Since 22 December 2010</li> <li>• Since 1 January 2017</li> </ul>
	<b>Education/Training</b>	<ul style="list-style-type: none"> <li>• Bachelor of Business Administration, Chulalongkorn University</li> <li>• MBA., Seattle University, U.S.A.</li> <li>• Public Administration and Public Laws, King Prajadhipok's Institute</li> <li>• Director Accreditation Program 106/2013, Thai Institute of Directors Association</li> </ul>
	<b>Expertise</b>	Business Management and Accounting
	<b>Listed Companies (1)</b>	2017 - present • Managing Director, Loxley Plc. / Technology and trading business
	<b>Non-Listed Companies / Other Business (25)</b>	<i>Direct Subsidiaries (14)</i>
		2017 - present • Director, Loxbit Plc. / Trading of telecommunication equipment and programs
		2017 - present • Director, L Food Solutions Co., Ltd. / Food service
		2017 - present • Director, L-Elevator and Engineering Co., Ltd. / Sale and Installation of elevators and escalators

- 2017 - present • Director, ASM Security Management Co., Ltd. / Security service
- 2017 - present • Director, Loxley Automotive Co., Ltd. / Manufacture, assemble, rent, leasing, import, export and after sale services of automotive business
- 2016 - present • Director, L Solar 3 Co., Ltd. / Manufacture and distribute electricity from solar power
- 2016 - present • Director, Loxley System Integrator Co., Ltd. / Telecommunication System Integrator
- 2015 - present • Director, LB EV Co., Ltd. / Manufacturing and trading electricity automotive
- 2015 - present • Chairman, Loxley Power Systems Co., Ltd. / Construction of electrical substation & transmission and provide electrical system
- 2014 - present • Director, Lego99 Co., Ltd. / Operate solar power plant
- 2012 - present • Director, Loxley Intertrade (Guangzhou) Co., Ltd. / Trading in the People's Republic of China
- 2012 - present • Director, Green Natural Products Co., Ltd. / Manufacture and sale of kaffir oil, essential oil and other healthcare products
- 2011 - present • Director, Loxley Mobile Co., Ltd. / Sale and service of various prepaid electronics cash card
- 2010 - present • Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services

***Associates (5)***

- 2018 - present • Director, NS BlueScope (Thailand) Limited / Manufacture and sale of cold rolled steel
- 2018 - present • Director, NS BlueScope Lysaght (Thailand) Limited / Manufacture and sale of steel roofing
- 2017 - present • Director, BlueScope Buildings (Thailand) Limited / Provide pre-engineering building solution
- 2013 - present • Director, LS Technology Solutions Co., Ltd. / Operate the security technology solutions in Asian region
- 2005 - present • Director, Thai Fiber Optics Co., Ltd. / Manufacture of fiber optic

***Others (6)***

- 2017 - present • Director, Phuket Smart Bus Co., Ltd. / Provide bus services
- 2014 - present • Director, GMP (Thailand) Co., Ltd. / Manufacture, sale and import-export seafood and processed foods
- 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
- present • Director, Point Asia Land Development Co., Ltd. / Geological service



**Work Experience for  
the Past 5 years**

- |             |   |
|-------------|---|
| 2010 - 2018 | • Director, L Solar 1 Co., Ltd. / Operate solar power plant   |
| 2010 - 2018 | • Director, Loxley Wireless Plc / Sale and service of telecommunication and information technology systems  |
| 2014 - 2017 | • Director, SLA Asia Co., Ltd. / Installation of telecommunication  |
| 2012 - 2017 | • Director, Loxley Business Innovation Co., Ltd. / provide alternative energy   |
| 2011 - 2017 | • Director, L Force 1 Co., Ltd. / Supply, manufacture and sell of shooting stimulation for fixed shooting and trapshooting                              |
| 2005 - 2017 | • Director, L-TAG Technologies Co., Ltd. / Sale of construction materials and installation service of waste water treatment system and other sanitation |
| 1998 - 2017 | • Director, LTS Travel Service Co., Ltd. / Tourism business and sale of plane tickets   |
| 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%
- Spouse or Underage Children : 3,920,437 shares or 0.17%

**Family Relationship among  
Executives**

Son of Mr.Dhongchai Lamsam, Nephew of Mr.Poomchai Lamsam and Dr.Jingjai Hanchanlash, Cousin of Mr.Vasant Chatikavanij, Mr.Krisada Lamsam, and Mr.Suroj Lamsam

<b>18</b>	<b>Mr.Supat Karachalkul</b>	<b>Age 54, Nationality - Thai</b>
-----------	-----------------------------	-----------------------------------

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• First Executive Vice President</li> <li>• Chief Financial Officer</li> </ul> | <ul style="list-style-type: none"> <li>• Since 1 January 2017</li> <li>• Since 1 January 2011</li> </ul> |
|---|--|

**Education/Training**

- 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 3<sup>rd</sup> 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
- Strategic CFO In Capital Markets Program 5, The Stock Exchange of Thailand
- Updated on new version of Thai Financial Reporting Standards (TFRS) for using in 2019 and 2020 (1/2018), Federation of Accounting Professions

- Overall of Thai Financial Reporting Standards (TFRS) Class 4, Federation of Accounting Professions

<b>Expertise</b>	Accountancy and Laws
<b>Listed Companies (1)</b>	2017 - present • First Executive Vice President, Loxley Plc. / Technology and trading business 2011 - present • Chief Financial Officer, Loxley Plc. / Technology and trading business
<b>Non-Listed Companies / Other Business (12)</b>	<i>Direct Subsidiaries (8)</i> 2018 - present • Director, Siamsamut Warin Co., Ltd. / Import, whole sell and retail of food material and produce food products 2018 - present • Director, Loxley Trading Co., Ltd. / Sale of consumer products 2018 - present • Director, The Foodsource Co., Ltd. / Import, whole sell and retail of food material and produce food products 2017 - present • Director, Loxley Intertrade (Guangzhou) Co., Ltd. / Trading in the People's Republic of China 2017 - present • Director, Loxbit Plc. / Trading of telecommunication equipment and programs 2013 - present • Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services 2006 - present • Director, Loxley Global Co., Ltd. / Holding Company 2006 - present • Director, ASM Security Management Co., Ltd. / Provide security service <i>Associates (2)</i> 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 <i>Other (2)</i> 2018 - present • Director, Built Land PCL. / Development of real estates business 2014 - present • Director, Rutnin Eye Hospital / Hospital Business
<b>Work Experience for the Past 5 years</b>	2013 - 2017 • Director, L Green Solution Co., Ltd. / Provide alternative energy 2010 - 2017 • Director, L Solar 1 Co., Ltd. / Operate solar power plant 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
<b>Shareholding in Loxley</b>	<ul style="list-style-type: none"> <li>• Own : None</li> <li>• Spouse or Underage Children : None</li> </ul>
<b>Family Relationship among Executives</b>	None

<b>19</b>	<b>Mrs.Kosoom Siphurmsukskul</b>	<b>Age 65, Nationality - Thai</b>
	<ul style="list-style-type: none"> <li>• First Executive Vice President</li> </ul>	<ul style="list-style-type: none"> <li>• Since 1 January 2017 - 1 January 2019</li> </ul>
<b>Education/Training</b>		<ul style="list-style-type: none"> <li>• Master of Business Administration (MBA), University of Dallas, U.S.A.</li> <li>• Finance &amp; Accounting for the non-Financial Professionals, Double Digits Ltd.</li> <li>• Senior Executive, Sasin Graduate Institute of Business Administration of Chulalongkorn University, Bangkok</li> <li>• Director Accreditation Program 99/2012, Thai Institute of Directors Association</li> <li>• Financial Statements for Directors 2012, Thai Institute of Directors Association</li> <li>• Top Executive Program in Commerce and Trade, Commerce Academy University of the Thai Chamber of Commerce</li> </ul>
<b>Expertise</b>		Management
<b>Listed Companies (1)</b>	2017 - Jan 2019	<ul style="list-style-type: none"> <li>• First Executive Vice President, Loxley Plc / Technology and trading business</li> </ul>
<b>Non-Listed Companies / Other Business (4)</b>		<p><i>Subsidiaries (3)</i></p> <ul style="list-style-type: none"> <li>2019 - present • Director, Loxley Trading Co., Ltd. / Sale consumer products</li> <li>2015 - 2018 • Director, Loxley Intertrade (Guangzhou) Co., Ltd. / Trading in Republic of China</li> <li>2012 - present • Director, L Food Solutions Co., Ltd. / Food service</li> </ul> <p><i>Associates (1)</i></p> <ul style="list-style-type: none"> <li>2016 - present • Director, Loxtrade Specialty Innovation Co., Ltd. / Manufacture and distribute supplementary foods</li> </ul>
<b>Work Experience for the Past 5 years</b>		<ul style="list-style-type: none"> <li>2017 - 2018 • First Executive Vice President, Loxley Plc / Technology and trading business</li> <li>2000 - 2018 • Managing Director, Loxley Trading Co., Ltd. / Sale consumer products</li> <li>2012 - 2016 • Executive Vice President, Loxley Plc / Technology and trading business</li> <li>2012 - 2016 • Director, Thai Herbal Product Co., Ltd. / Produce herbal products in phytopharmaceutical style</li> <li>2005 - 2012 • Director, L-TAG Technologies Co., Ltd. / Sale of construction materials and installation service of waste water treatment system and other sanitation</li> </ul>
<b>Shareholding in Loxley</b>		<ul style="list-style-type: none"> <li>• Own : None</li> <li>• Spouse or Underage Children : 5,250 shares or 0.000%</li> </ul>
<b>Family Relationship among Executives</b>		Cousin of Mr.Dhongchai Lamsam

<b>20</b>	<b>Mr.Saknarong Saengsangapong</b>	<b>Age 57, Nationality - Thai</b>
		<ul style="list-style-type: none"> <li>• First Executive Vice President</li> <li>• Since 1 January 2017</li> </ul>
<b>Education/Training</b>		<ul style="list-style-type: none"> <li>• Master Degree, Business Administration (International Program), Bangkok University</li> <li>• Bachelor of Science, Chiangmai University</li> <li>• Certificate in Advance Computer Engineering, CICC, Tokyo, Japan</li> <li>• Columbia Senior Executive Program, Columbia University, U.S.A.</li> <li>• Advance Certificate in politics &amp; Governance in Democratic Systems for Executives class 12, King Prajadhipok's Institute</li> <li>• Director Accreditation Program 99/2012, Thai Institute of Directors Association</li> <li>• Executive Program for Management Development (Mahanakorn 2), Urban Green Development Institute Bangkok</li> <li>• National Defence Program for public and private Executive 23 (NDC 2010), National Defence College</li> <li>• The Rule of Law Democracy, College Constitution (Version 1), Institute of Constitution Studies, The Office of the Constitute Court</li> <li>• Executive Program for Senior Administrative justice class 5, The Administrative Court</li> <li>• Executive Program (CMA. 19), Capital Market Academy</li> <li>• Executive Program in Energy Literacy for a Sustainable Future, Thailand Energy Academy</li> <li>• The Programme for Senior Executives on Justice Administration (B.Y.S.22), National Justice Academy Office of The Judiciary</li> </ul>
<b>Expertise</b>		Business Administration, Science and Computer Engineering
<b>Listed Companies (1)</b>	2017 - present	<ul style="list-style-type: none"> <li>• First Executive Vice President, Loxley Plc / Technology and trading business</li> </ul>
<b>Non-Listed Companies / Other Business (5)</b>	<i>Subsidiaries (5)</i>	
	2006 - present	<ul style="list-style-type: none"> <li>• President &amp; CEO, LOXBIT Plc. / Trading of telecommunication equipment, computers and computer programs</li> </ul>
	2016 - present	<ul style="list-style-type: none"> <li>• Director, K2 Venture Capital Co., Ltd. / Holding company</li> </ul>
	2004 - present	<ul style="list-style-type: none"> <li>• Chairman, L Hardware &amp; Services Co., Ltd. / Installation and repair of IT equipment, sale of computers and peripherals</li> </ul>
	1998 - present	<ul style="list-style-type: none"> <li>• Chairman, NetONE Network Solution Co., Ltd. / Sale and service of IT systems</li> </ul>
	1993 - present	<ul style="list-style-type: none"> <li>• Chairman and 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</li> </ul>
<b>Work Experience for the Past 5 years</b>	2012 - 2016	<ul style="list-style-type: none"> <li>• Executive Vice President, Loxley Plc / Technology and trading business</li> </ul>
<b>Shareholding in Loxley</b>		<ul style="list-style-type: none"> <li>• Own : None</li> <li>• Spouse or Underage Children : None</li> </ul>
<b>Family Relationship among Executives</b>		None

<b>21</b>	<b>Mr.Karn Thongyai</b>	<b>Age 58, Nationality - Thai</b>
	• First Executive Vice President	• Since 1 January 2017
<b>Education/Training</b>		<ul style="list-style-type: none"> <li>• Master Degree of Computer and Information Science, University of New Haven, U.S.A.</li> <li>• Capital Market Academy 2017</li> <li>• The National Defence College 2012</li> <li>• Advanced Security Management Program 2</li> <li>• Financial Statement for Director 4/2009, Thai Institute of Directors Association</li> </ul>
<b>Expertise</b>		Security Service
<b>Listed Companies (1)</b>	2017 - present	• First Executive Vice President, Loxley Plc./Technology and trading business
<b>Non-Listed Companies / Other Business (8)</b>		<p><i>Subsidiaries (6)</i></p> <p>2019 • Director, Bangkok Health Care Management Co., Ltd./Nursinghome &amp; Rehabilitating care for elderly</p> <p>2018 - present • Chairman of the Board of Directors, ASM Professional Manpower Co., Ltd. / Recruitment and other related services</p> <p>2018 - present • Chairman of the Board of Directors, ASM Training Co., Ltd. / Personal development, Training, and other related services</p> <p>2018 - present • Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services</p> <p>2017 - present • Director, Law Enforcement Technology Solutions Co., Ltd. / Design and installation of security system</p> <p>2006 - present • Chief Executive Officer, ASM Security Management Co., Ltd. / Provide security service</p> <p><i>Associates (1)</i></p> <p>2013 - present • Director, LS Technology Solutions Co., Ltd. / Operate the security technology solutions in Asian region</p> <p><i>Others (2)</i></p> <p>2017 - present • Chairman of the Board of Directors, Mainstay Property Solutions &amp; Security Services Co., Ltd. / Provide security service and general cleaning service</p>
<b>Work Experience for the Past 5 years</b>	2014 - 2016	• Executive Vice President, Loxley Plc./Technology and trading business
	2006 - 2016	• Managing Director, Law Enforcement Technology Solutions Co., Ltd. / Design and installation of security system
<b>Shareholding in Loxley</b>		<ul style="list-style-type: none"> <li>• Own : None</li> <li>• Spouse or Underage Children : 5,000 shares or 0.0000%</li> </ul>
<b>Family Relationship among Executives</b>		None

<b>22</b>	<b>Mr.Pichai Mooputtarak</b>	<b>Age 59, Nationality - Thai</b>
	<ul style="list-style-type: none"> <li>Company Secretary</li> </ul>	<ul style="list-style-type: none"> <li>Since 11 January 2008</li> </ul>
	<b>Education/Training</b>	<ul style="list-style-type: none"> <li>LL.B., Ramkhamhaeng University</li> <li>Certificate in Law and Regulations for Company Secretary in accordance with the law of SET and mai, Law and Development Research Center, Chulalongkorn University</li> <li>Company Secretary Program 27/2008 (CSP), Thai Institute of Directors Association</li> <li>Effective Minutes Taking 11/2008 (EMT), Thai Institute of Directors Association</li> <li>Anti-Corruption for Executive Program 12/2014, Thai Institute of Directors Association</li> <li>Verifying the CAC Checklist : Experience Sharing from Auditors</li> <li>Anti-Corruption in Thailand : Sustaining the Momentum, IOD</li> </ul>
	<b>Expertise</b>	Law
	<b>Listed Companies (1)</b>	<p>2017 - present • Senior Vice President, Legal &amp; Securities Dept., Loxley Plc. / Technology and trading business</p> <p>2008 - present • Secretary to the Board of Directors, Loxley Plc. / Technology and trading business</p>
	<b>Non-Listed Companies / Other Business</b>	None
	<b>Work Experience for the Past 5 years</b>	<p>2010 - 2016 • Vice President, Legal &amp; Securities Dept., Loxley Plc. / Technology and trading business</p> <p>2006 - 2009 • Assistant Vice President, Legal &amp; Securities Dept., Loxley Plc. / Technology and trading business</p>
	<b>Shareholding in Loxley</b>	<ul style="list-style-type: none"> <li>Own : 21,000 shares or 0.001%</li> <li>Spouse or Underage Children : 25,200 shares or 0.001%</li> </ul>
	<b>Family Relationship among Executives</b>	None



Director		Company		Direct and Indirect Joint ventures	Direct and Indirect Associates																
				1. Car Convenience Co., Ltd.	2. LS Technology Solutions Company Limited	3. Loxley & AIT Holding Co., Ltd.	4. Loxtrade Specialty Innovation Co., Ltd.	1. Parts Zone (Thailand) Co., Ltd.	2. DM Loxley Co., Ltd.	3. Thai Fiber Optics Company Limited	4. Loxley GTECH Technology Co., Ltd.	5. Thanthiya Technology Co., Ltd.	6. Mobile Innovation Co., Ltd.	7. Foseco (Thailand) Limited	8. NS BlueScope (Thailand) Limited	9. NS BlueScope Lysaght (Thailand) Limited	10. BlueScope Building (Thailand) Co., Ltd.	11. K 2 Venture Capital Co., Ltd.	12. TLK 2 Management Co., Ltd.	13. BP-Castroi (Thailand) Limited	14. Wisdom Vast Company Limited
1	Mr. Dhongchai Lamsam							/	/			/									
2	Mr. Suebrakul Soonthornthum											C	/	/	/						/
3	Dr. Harit Sutabutr																				
4	Dr. Supavud Saicheua																				
5	Mr. Charoon Chinalai													/							
6	Mr. Joti Bhokavanij																				
7	Gen. Vichit Yathip																				
8	Prof. Rawat Chamchalerm																				
9	Dr. Jingjai Hanchanlash																				
10	Mr. Poomchai Lamsam																				
11	Mr. Vasant Chatikavanij			/										/							
12	Mr. Suraphand Bhasitnirandr	C					C														
13	Dr. Sompop Chareonkul		C																		
14	Mr. Petch Wanglee																				
15	Mr. Krisada Lamsam																				
16	Mr. Suroj Lamsam	/		/					/												/
17	Mr. Chalermchoke Lamsam		/					/				/	/	/							
18	Mr. Supat Karachakul	/	/																		
19	Mrs. Kosoom Sinphurmsukskul			/																	
20	Mr. Saknarong Saengsangapong																/				
21	Mr. Karn Thongyai		/																		

Remarks : C = Chairman P = President / = Director





## Information of Directors' Positions in the Subsidiaries

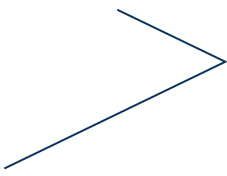
Director	Company	Direct and Indirect Subsidiaries																																							
		1. Loxley Wireless Public Company Limited	2. Loxbit Public Company Limited	3. Data Mining Co., Ltd.	4. Loxley Joint and Hold Co., Ltd.	5. Loxley Mobile Company Limited	6. L Food Solutions Company Limited	7. Loxley Intertrade (Guangzhou) Co., Ltd.	8. Loxley Business Innovation Co., Ltd.	9. ASM Security Management Co., Ltd.	10. ASM Professional Manpower Co., LTD.	11. ASM Training Company Limited	12. Loxley Property Development Co., Ltd.	13. The FoodSource Co., Ltd.	14. Stam Samut Warin Co., Ltd.	15. Societe Commercial Lao	16. Loxley Global Co., Ltd.	17. Loxley Trading Co., Ltd.	18. Green Natural Product Co., Ltd.	19. L-Elevator and Engineering Co., Ltd.	20. Loxley Power Systems Co., Ltd.	21. LB EV Co., Ltd.	22. Professional Computer Company Limited	23. Loxley Orbit Public Company Limited	24. NetOne Network Solution Co., Ltd.	25. Thai Gateway Company Limited	26. L Hardware & Services Co., Ltd.	27. Lego 99 Co., Ltd.	28. LWSN Company Limited	29. L Solar 3 Co., Ltd.	30. Loxley Engineering Co., Ltd.	31. Loxley System Integrator Company Limited	32. Loxley Environmental Dynamics Company Limited	33. Loxley Automotive Co., Ltd.	34. Loxley Simulation Technology Co., Ltd.	35. Phetkasem Green Holding Co., Ltd.					
1 Mr. Nimit Prasertsuk																					/																/				
2 Mr. Kittichai Raktakanit												/									/																	/	/		
3 Dr. Dawarit Tansuphasiri					/	/	/	/																/																	
4 Mr. Thongyai Chanthanawan	/						/																						/												
5 Mr. Tim Tak Timothy Wong	/	/		/			/																				/									/	/				
6 Mr. Werachai Kitsirisin	/																																								
7 Mrs. Vanida Viriyatharangkunr		/																						/	/	/															
8 Mr. Ali Bin Hussan Aljunied	/	/																									/												/		
9 Mrs. Wanida Saengkaew				/																																					
10 Miss Duangmanee Boonpong																									/																
11 Mr. Charaspong Lamsam				/									/																												
12 Mr. Witawat Mesommonta													/																												
13 AM. Adireg Sastararuchi								/																																	
14 Mr. Vichaya Chatikavanij												/																													
15 Mr. Piboon Piboontum																												/		P									/		
16 Mr. Wachra Asvanuwatra																					P																				
17 Mr. Tanu Sirisaowalak																					/																				
18 Mrs. Sirinan Lamsam																									/															/	
19 Miss Kamolthorn Malavichai																								/	/		/														
20 M.R. Pornrapee Abhakorn																								/	/																
21 Mr. Parivat Tharincharoen																											/														

Remarks : P = President / = Director



Director	Company	Direct and Indirect Subsidiaries																																								
		1. Loxley Wireless Public Company Limited	2. Loxbit Public Company Limited	3. Data Mining Co., Ltd.	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. Loxley Business Innovation Co., Ltd.	9. ASM Security Management Co., Ltd.	10. ASM Professional Manpower Co., LTD.	11. ASM Training Company Limited	12. Loxley Property Development Co., Ltd.	13. The FoodSource Co., Ltd.	14. Siam Samut Warin Co., Ltd.	15. Societe Commercial Lao	16. Loxley Global Co., Ltd.	17. Loxley Trading Co., Ltd.	18. Green Natural Product Co., Ltd.	19. L-Elevator and Engineering Co., Ltd.	20. Loxley Power Systems Co., Ltd.	21. LB EV Co., Ltd.	22. Professional Computer Company Limited	23. Loxley Orbit Public Company Limited	24. NetOne Network Solution Co., Ltd.	25. Thai Gateway Company Limited	26. L Hardware & Services Co., Ltd.	27. Lego 99 Co., Ltd.	28. LWSN Company Limited	29. L Solar 3 Co., Ltd.	30. Loxley Engineering Co., Ltd.	31. Loxley System Integrator Company Limited	32. Loxley Environmental Dynamics Company Limited	33. Loxley Automotive Co., Ltd.	34. Loxley Simulation Technology Co., Ltd.	35. Phetkasern Green Holding Co., Ltd.						
50 Mr. Chatri Sabado Srivichit													/	/																												
51 Mr. Atipong Lohabundwong															/																											
52 Miss Kamonporn ShinKiatThanakun															/																											
53 Mr. Chistopher Sze Hoo Lam																	/																									
54 Mr. Gerald Hin Tsun To																	/																									
55 Mr. Kim Pun Wong																	/																									
56 Mr. Kitti Jongcharoenkijkarn																												/														
57 Mr. Suntad Yingyong																													/													
58 Mr. Udomsak Kaewsiri																												/												/		
59 Mr. Oudet Souvannavong																	P																									
60 Mr. Viphet Sihachakr																	/																									
61 Mr. Ty Leeaphorn																	/																									
62 Mrs. Manichan Phommachack																	/																									
63 Mrs. Sangmanee Viyagate																	/																									
64 Miss Siriphon Chomyong											/	/																														
65 Mr. Kachean Kittipichasak										/	/																															
66 Mr. Pasakorn Aksornsuan									/																																	
67 Mr. Jaturon Chonthananukool									/																																	
68 Mr. Tawatchai Songsamphant									/																																	
69 Mr. Chanawat Wuthisela									/																																	
70 Mrs. Sukanya Somsri									/																																	
71 Miss Knokporn Suveerayuth									/																																	
72 Mr. Liu Xueliang																							/																			
73 Mr. Zhang Jia																							/																			
74 Mr. Aisoon Pichetjamras																									/																	
75 Miss Teeraya Kritsadapong																													/													

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 2018 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 actions 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.

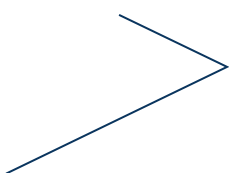
The Company's Board of Directors opines that the Company's overall internal control system is at a satisfying level. The system can reasonably assure that the Company's and its subsidiaries' annual financial statements ending 31 December 2018 are reliable, comply with the generally accepted accounting standards and properly adhere to the laws and other related regulations.



(Mr.Dhongchai Lamsam)  
Chairman of the Board



(Mr.Suroj Lamsam)  
President



## Report of the Audit Committee

The Audit Committee of Loxley Public Co., Ltd. consists of 3 independent directors whose knowledges, ability, 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 2018, the Audit Committee held 4 meetings. Meeting attendance details are as follows:

No.	Name	Position	No. of Total Meetings	No. of Meeting attended
1	Dr.Harit Sutabutr	Chairman	4	4
2	Mr.Charoon Chinalai	Member	4	4
3	Mr.Joti Bhokavanij <sup>*1</sup>	Member	1	1
4	Dr.Supavud Saicheua <sup>*2</sup>	Member	2	1

Remarks:

\*1 Mr.Joti Bhokavanij resigned from the position of Audit Committee member, with effect from 1 May 2018.

\*2 Dr.Supavud Saicheua has been appointed as Audit Committee member, with effect from 11 May 2018.

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 Thai Financial Reporting Standards 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.

The Audit Committee held one meeting with the Company's Auditors without presence of the management.

3. Reviewed disclosures of data on connected transactions every quarter pursuant to the Notification of the Securities Exchange Commission of Thailand on : Disclosure of Information and Conduct by Listed Companies on Connected 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.



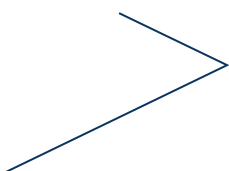
5. Reviewed in order to ensure that the Company conducted its business according to the Securities and Exchange law, regulations of the Stock Exchange of Thailand, and related laws.
6. Considered, selected and proposed the appointment of independent individuals to act as the Company's Auditor and their remuneration for 2018 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 Thai Financial Reporting Standards 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.

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

#### Transactions

Sale of goods and rendering of services

Fees and other income

Purchase of goods and rendering of services

Distribution costs

Administrative expenses

Finance costs

Purchase of investment

#### Pricing policies

Market prices, contractually agreed prices or third party compatible prices

Market prices or contractually agreed prices

Market prices, contractually agreed prices or prices agreed by distributors who absorb distribution costs

Market prices or contractually agreed prices

Market prices or contractually agreed prices

Market rates or contractually agreed rates

Fair value or contractually agreed prices

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 2018, 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.

Significant transactions for the year ended 31 December 2018 with related parties were as follows :

Related Parties and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
<b>Subsidiaries</b>			
Loxley Wireless Public Company Limited 85% of its shares are held by Loxley Plc	Income from sale of goods and rendering of services	2.46	• Space rental service based on area and other services as scope of works at third party compatible prices.
	Interest income	2.88	• Interest income as contractually agreed prices at market rate
	Services expenses	4.65	• Internet services as scope of works at third party compatible prices
	Other receivables	0.21	
	Other payables	0.38	
	Deposit	0.53	
<b>Associates and joint ventures</b>			
BP - Castrol (Thailand) Limited 40% of its shares are held by Loxley Joint and Hold Co., Ltd., with the following directors in common : Mr.Dhongchai Lamsam, Mr.Suebtrakul Soonthornthum, and Mr.Suroj Lamsam	Income from rendering of services	9.24	• Normal transactions at third party compatible prices
	Purchase of goods	117.36	• Normal transactions at third party compatible prices
	Trade accounts payable	24.61	
Foseco (Thailand) Limited 26% of its shares are held by Loxley Plc, with a director in common, namely Mr.Suebtrakul Soonthornthum.	Income from rent and rendering of services	11.09	• 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.
	Other receivables	2.35	
	Deposit	0.01	
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	0.63	• Normal transactions at third party compatible prices.
	Trade accounts receivable - net	-	• 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.
	Other receivables - net	-	
	Loan - net	-	
NS BlueScope Lysaght (Thailand) Limited 20% of its shares held by Loxley Plc. Directors in common are : Mr.Suebtrakul Soonthornthum, Mr.Chalermchoke Lamsam, and Mr.Charoon Chinalai	Income from rendering of services	0.44	• Normal transactions at third party compatible prices
	Purchase of goods	214.00	• Purchase of goods for projects, recognized as normal transaction at the at third party compatible prices.
	Trade accounts receivable	0.08	
	Trade accounts payable	24.65	

Related Parties and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
NS BlueScope Lysaght (Thailand) Limited 20% of its shares held by Loxley Plc. Directors in common are: Mr.Dhongchai Lamsam, Mr.Suebtrakul Soonthornthum, and Mr.Chalermchoke Lamsam	Income from sale of goods and rendering of services	1.59	<ul style="list-style-type: none"> <li>Normal transactions at third party compatible prices</li> </ul>
	Trade accounts receivable	0.03	
BlueScope Buildings (Thailand) Limited 20% of its shares held by Loxley Plc. Directors in common are : Mr.Suebtrakul Soonthornthum and Mr.Chalermchoke Lamsam	Income from rendering of services	0.03	<ul style="list-style-type: none"> <li>Normal transactions at third party compatible prices</li> <li>Normal transactions at third party compatible prices</li> </ul>
	Purchase of goods	3.05	
LPDPS Joint Venture Loxley Property Development Co., Ltd. has 44% interests in joint operation.	Income from sale of goods and rendering of services	41.18	<ul style="list-style-type: none"> <li>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.</li> <li>Interest income as contractually agreed prices at market rate</li> <li>The Joint Venture asked for loan from Loxley and a subsidiary, since it had limited credit line from other financial resources. The interest rate was at market rate.</li> </ul>
	Interest income	0.66	
	Trade accounts receivable - net	0.05	
	Loan - net	30.00	
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 rendering of services	0.10	<ul style="list-style-type: none"> <li>Normal transactions at third party compatible prices</li> <li>Normal transactions at third party compatible prices</li> </ul>
	Purchase of goods	11.01	
DM-Loxley Co., Ltd. 46% of its shares are held by Loxley	Income from sale	12.45	<ul style="list-style-type: none"> <li>Income derived from project as scope of works, recognized as normal transaction at third party compatible prices.</li> </ul>
TLK 2 Management Co., Ltd. 50% of its shares are held by Loxbit	Income from rendering of services	4.06	<ul style="list-style-type: none"> <li>Normal transactions as scope of works at third party compatible prices</li> <li>Interest income as contractually agreed prices at market rate</li> <li>The Indirect Associate asked for loan from a subsidiary, its major shareholder, since it had limited credit line from other financial resources. The interest rate was at market rate.</li> </ul>
	Interest income	0.15	
	Loan	2.00	

Related Parties and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
Car Convinie Co., Ltd. 51% of its shares held by Loxley Plc. Directors in common are : Mr.Suroj Lamsam, Mr.Suraphand Bhasitnirandr, and Mr.Supat Karachalkul	Income from rendering of services	0.08	<ul style="list-style-type: none"> <li>• Normal transactions as scope of works at third party compatible prices</li> <li>• Interest income as contractually agreed prices at market rate</li> <li>• Normal transactions at third party compatible prices</li> <li>• Car Convinie asked for loan from Loxley, its major shareholder, since it had limited credit line from other financial resources. The interest rate was at market rate.</li> </ul>
	Interest income	0.12	
	Service expenses	0.03	
	Other receivables	0.06	
	Loan - net	-	
LXFM Joint Venture Loxley Plc has 57% interests in joint operation.	Income from sale of goods and rendering of services	27.77	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
Others	Income from sale of goods, rendering of services and others	1.58	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
	Purchase of goods and services	1.92	
	Selling cost and administrative expenses	0.19	
	Trade accounts receivable	0.27	
	Other receivables	0.07	
	Trade accounts payable	0.30	

#### 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 and Mr.Petch Wanglee.	Purchase of goods	1,237.18	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
	Trade accounts payable	148.61	

Related Parties and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
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 and rendering of services	14.59	• 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.
	Interest income	0.08	• Interest income as contractually agreed prices at market rate
	Service expenses	6.92	• Printing service as normal transaction, based on work scope, at third party compatible prices
	Trade accounts receivable	5.97	
	Other receivables	0.06	
	Other payables	0.01	
Muang Thai Life Assurance Public Company Limited Directors in common are Mr.Poomchai Lamsam, Mr.Suebtrakul Soonthornthum, and Mr.Krisada Lamsam.	Income from sale	40.37	• Income derived from projects as normal business transaction at third party compatible prices.
	Service expenses	1.73	• Normal business transaction at third party compatible prices
	Trade accounts receivable	0.98	
	Trade accounts payable	0.02	
Muang Thai Insurance Public Company Limited 5% of its shares are held by Loxley Plc., with directors in common, namely Dr.Jingjai Hanchanlash and Mr.Krisada Lamsam.	Income from rendering of services	1.97	• Income derived from projects as normal business transaction at third party compatible prices.
	Service expenses	12.79	• Normal business transaction at third party compatible prices
	Trade accounts payable	0.93	
	Other payables	0.21	
Ekpavee Company Limited Major shareholder, 26% shareholding of Loxley Plc.Directors in common are Mr.Dhongchai Lamsam, Mr.Vasant Chatikavanij, Mr.Suebtrakul Soonthornthum, Mr.Suroj Lamsam and Mr.Chalermchoke Lamsam	Income from rendering of services	0.34	• Normal business transaction at third party compatible prices
	Interest paid	4.00	• Interest paid for loan at market rate
	Loan	80.00	• 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.Dhongchai Lamsam, Mr.Vasant Chatikavanij, and Mr.Chalermchoke Lamsam	Income from rental fee and rendering of services	3.76	• Space rental fee based on area and other income based on scope of works at third party compatible prices.
	Service expenses	3.00	• Normal business transaction at third party compatible prices
	Other receivables	0.06	
	Other payables	5.76	
	Deposit	0.22	

Related Parties and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
Mappoint Asia (Thailand) Public Company Limited 16% of its shares are held by Ekpavee Co., Ltd.	Income from sale of goods	5.05	<ul style="list-style-type: none"> <li>• Normal business transaction at third party compatible prices</li> <li>• For use in projects at third party compatible prices</li> </ul>
	Purchase of goods	2.97	
Law Enforcement Technology Solutions Co., Ltd. 53% of its shares are held by Loxley International Co., Ltd. and 47% by Mr. Dhongchai Lamsam. Directors in common are Mr.Chalermchoke Lamsam, Dr.Sompop Chareonkul and Mr.Karn Thongyai.	Income from rental fee and rendering of services	2.02	<ul style="list-style-type: none"> <li>• Space rental fee based on area and other income based on scope of works at third party compatible prices.</li> <li>• Security maintenance service and CCTV equipment expenses for projects as work scope at third party compatible prices.</li> </ul>
	Service expenses	8.95	
	Trade accounts receivable	0.02	
	Other receivables	4.11	
	Trade accounts payable	0.10	
	Other payables	0.02	
	Deposit	0.34	
Lox Service Co., Ltd. 93% of its shares are held by Ekpavee Co., Ltd.	Income from sale of goods, rental fee and rendering of services	1.93	<ul style="list-style-type: none"> <li>• Income derived from selling goods at third party compatible prices. Space rental fee based on area and other income based on scope of works at third party compatible prices.</li> <li>• Normal business transaction at third party compatible prices</li> </ul>
	Service expense	0.28	
	Other receivable	0.19	
	Trade accounts payable	0.01	
	Deposit	0.06	
Mainstay Property Solutions & Security Services Co., Ltd. 94% of its shares are held by Ekpavee Co., Ltd., with a director in common, namely Mr.Karn Thongyai.	Income from sale of goods, rental fee and rendering of services	2.32	<ul style="list-style-type: none"> <li>• Income derived from selling goods at third party compatible prices. Space rental fee based on area and other income based on scope of works at third party compatible prices.</li> <li>• Normal transactions as scope of works at third party compatible prices</li> </ul>
	Service expenses	0.37	
	Trade accounts receivable	0.45	
	Other receivables	0.01	
	Trade accounts payable	0.03	
	Other payables	0.01	
	Deposit	0.26	
Lamsam Estate Co., Ltd. Directors in common are Mr.Dhongchai Lamsam, Mr.Suroj Lamsam, and Mr.Krisada Lamsam.	Income from rental fee and rendering of services	1.77	<ul style="list-style-type: none"> <li>• Space rental fee based on area and other income based on scope of works at third party compatible prices.</li> </ul>
	Deposit	0.36	

Related Parties and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
Phatra Leasing Public Company Limited Directors in common are Mr.Poomchai Lamsam and Mr.Suebtrakul Soonthronthum.	Service expense Trade accounts payable Other payables	26.53 0.12 0.13	<ul style="list-style-type: none"> <li>• Normal business transaction as scope of works at third party compatible prices</li> </ul>
Phuket Smart Bus Co., Ltd. 15% of its shares are held by Loxley Plc., with a director in common, namely Mr.Chalermchoke Lamsam.	Income from sale of goods Interest income Service expenses	3.16 0.07 0.15	<ul style="list-style-type: none"> <li>• Normal business transaction at third party compatible prices</li> <li>• Interest income at market rate or contractually agreed prices</li> <li>• Normal business transaction at third party compatible prices</li> </ul>
Zin Suapah Company Limited 20% of its shares are held by Ekpavee Co., Ltd., with the following directors in common : Mr.Dhongchai Lamsam, Mr.Suebtrakul Soonthornthum, and Mr.Krisada Lamsam.	Income from rendering of services Service expenses Other receivables	1.29 0.38 0.01	<ul style="list-style-type: none"> <li>• Income from services as scope of works at third party compatible prices.</li> <li>• Space rental fee based on area and number of cars parked as normal transactions at third party compatible prices</li> </ul>
Q Solar 1 Co., Ltd. (Formerly “L Solar 1 Co., Ltd.”) Director in common, namely Mr.Chalermchoke Lamsam	Income from rental fee and rendering of services Service expenses Trade accounts receivable Other receivables Trade accounts payable Deposit	6.51 0.47 0.01 0.98 0.04 0.17	<ul style="list-style-type: none"> <li>• Space rental fee based on area, income from consultancy and other services based on scope of works at third party compatible prices.</li> <li>• Normal business transaction at third party compatible prices</li> </ul>
Others	Income from sale of goods, rendering of services, and others Trade accounts receivable Trade accounts payable Loan from director Deposit	1.19 0.13 0.32 1.28 0.10	<ul style="list-style-type: none"> <li>• 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.</li> </ul>



# Management Discussion and Analysis

## Related to the Results of Business Operations

### Performance of the Company and Subsidiaries in 2018, 2017 and 2016

#### Income

In 2018, 2017 and 2016, the Company had total income of Baht 13,582.77 million, Baht 15,928.91 million and Baht 13,855.46 million, respectively. Income structure can be described as follows :

Income Structure (Unit : Million Baht)	Year ended 31 Dec 2018		Year ended 31 Dec 2017		Year ended 31 Dec 2016	
	Value	%	Value	%	Value	%
Revenue from sale of goods and rendering of services	13,188.48	97.10	15,639.45	98.18	13,709.77	98.95
Gain on sales of investments - net	-	-	* 96.88	0.61	17.20	0.12
Fees and other income	394.29	2.90	192.58	1.21	128.49	0.93
<b>Total income</b>	<b>13,582.77</b>	<b>100.00</b>	<b>15,928.91</b>	<b>100.00</b>	<b>13,855.46</b>	<b>100.00</b>

The main income of the Company was approximately 55-60% from projects and 40-45% from rendering of services and sale of goods which can be classified by business segment as presented in the total income by business segment table.

\*In 2017, gain on sales of investments of Baht 96.88 million was from the disposal of investment in Q Solar 1 Co., Ltd., a subsidiary, to a non-related party.

#### Total income by business segment

Total income in 2018, 2017, and 2016 as categorized by business segment is as follows :

Income Structure (Unit : Million Baht)	Year ended 31 Dec 2018		Year ended 31 Dec 2017		Year ended 31 Dec 2016	
	Value	%	Value	%	Value	%
Information Technology SBG	3,636.99	26.78	3,358.82	21.09	2,978.30	21.49
Food Services & Distribution SBG	3,311.93	24.38	3,675.08	23.07	3,825.01	27.61
Energy SBG	1,532.09	11.28	1,791.53	11.25	1,916.61	13.84
Network Solutions SBG	2,240.25	16.49	4,194.58	26.34	2,681.62	19.35
Services SBG	2,600.59	19.14	2,005.17	12.59	1,621.74	11.70
Special Project Businesses and Others	881.56	6.49	1,357.56	8.52	1,349.03	9.74
<b>Total income</b>	<b>14,203.41</b>	<b>104.56</b>	<b>16,382.74</b>	<b>102.85</b>	<b>14,372.31</b>	<b>103.73</b>

Income Structure (Unit : Million Baht)	Year ended 31 Dec 2018		Year ended 31 Dec 2017		Year ended 31 Dec 2016	
	Value	%	Value	%	Value	%
	Less Related Transaction	(655.16)	(4.82)	(598.00)	(3.75)	(582.45)
Add Unallocated Other	34.52	0.26	144.17	0.90	65.60	0.48
<b>Grand total income</b>	<b>13,582.77</b>	<b>100.00</b>	<b>15,928.91</b>	<b>100.00</b>	<b>13,855.46</b>	<b>100.00</b>

The 2018 grand total income was Baht 13,582.77 million, comprising of the income from Information Technology, Food Services & Distribution, Network Solutions, and Services Business Segment with the proportion of 26.78%, 24.38%, 16.49% and 19.14% of grand total income, respectively. By comparing to the 2017 income, Network Solutions SBG income of Baht 4,194.58 million had decreased to Baht 2,240.25 million mainly as the result of the completion of the switching from the analog to digital system project from Broadcast Department

In 2017, the grand total income of Baht 15,928.91 million came from Information Technology, Food Services & Distribution, Network Solutions, and Services Business Segments at 21.09%, 23.07%, 26.34%, and 12.59% respectively. Vis-à-vis 2016 income, one can see an increase in the Network

Solutions SBG from Baht 2,681.62 million to Baht 4,194.58 million mainly as the result of the higher number of digital network installation projects and projects from the government policy to expand investment.

#### Fees and Other Income

Fees and Other Income comprised earnings from space rental, management services and others. In 2018, the Company generated Baht 294.29 million of earnings in this area or an increase of Baht 201.71 million over 2017 as the results of re-appraisal of real property under its investment pursuant to financial reporting standards thereby giving it a profit of Baht 113.60 million from appraisal of real property for investment that has not actually materialized, as well as other income ensuing from reversal of its provisioning for doubtful debts with repayments received during the course of the year.

#### Costs and Expenses

The Company had costs and expenses in 2018, 2017, and 2016 as follows :

Items	Consolidated financial statements					
	2018		2017		2016	
	Value	Per income	Value	Per income	Value	Per income
<b>Costs and Expenses</b>						
Cost of sale of goods and rendering of services	11,296.15	83.17%	13,550.40	85.07%	11,770.19	84.95%
Distribution costs	762.25	5.61%	799.19	5.02%	792.80	5.72%
Administrative expenses	1,538.11	11.32%	1,481.72	9.30%	1,536.42	11.09%
Loss from debt restructuring	-	0.00%	337.27	2.12%	-	0.00%
<b>Total costs and expenses</b>	<b>13,596.51</b>	<b>100.10%</b>	<b>16,168.58</b>	<b>101.50%</b>	<b>14,099.42</b>	<b>101.76%</b>
Share of profit of investments in associates and joint ventures, net	355.36	2.62%	482.69	3.03%	653.57	4.72%
Finance costs	185.44	1.37%	187.82	1.18%	189.73	1.37%
<b>Profit before income tax expense</b>	<b>156.18</b>	<b>1.15%</b>	<b>55.20</b>	<b>0.35%</b>	<b>219.87</b>	<b>1.59%</b>
Income tax	82.52	0.61%	56.57	0.36%	42.76	0.31%
Less Non-controlling interests	18.40	0.14%	51.87	0.33%	(4.69)	-0.03%
<b>Profit to owners of the Company</b>	<b>92.06</b>	<b>0.68%</b>	<b>50.49</b>	<b>0.32%</b>	<b>172.42</b>	<b>1.24%</b>

### Cost of sale of goods and rendering of services

The Company's costs for sale of goods and provision of services in 2018 and 2017 were Baht 11,296.15 and Baht 13,550.40 million -- a drop of 16.64% and 4.03% respectively from 2017 and 2016 in line with the reduced sales turnover. Looking at gross profit margin of 14.35% in 2018, or an increase of 13.36% over 2017, it can be seen that this is the result of 1) the Information Technology business line's services as System Integrator with greater focus on enhancing its works with value than on equipment sales and 2) Network Solutions business line with its gross profit margin normalizing as the result of delivery of Mega Project works compared with the preceding year's turnout which was somewhat low.

### Distribution costs and administrative expenses

In 2018, distribution costs for the Company's Groups were Baht 762.25 million, a drop from 2017's Baht 799.19 million in line with the reduced sales turnover even though distribution costs as a percentage of sales were still maintained at the 5-6% level for 2016-2018.

Major administrative expenses comprised personnel-related expenses, depreciation, amortization of Debts Doubtful as Loss and rental of office spaces, equipment and vehicles. 2018 Administrative expenses were Baht 1,538.11 million, or an increase over 2017's Baht 1,481.72 million as the result of the policy to make provisioning for depreciation on some of its current assets.

### Loss from debt restructuring

Loss of Baht 337.27 million, in 2017, was incurred as the result of debt restructuring by a subsidiary (Loxley Wireless Public Company Limited). A compromise agreement was signed by the said company with its trade debtor, Office of the Welfare of the Promotion Commission for Teachers and Education Personnel (OTEP) on a sum of Baht 1,386.06 million of outstanding trade account receivables under a 6 year term of installed repayment with the present value to be received in the overall amounting to Baht 1,048.79 million thereby leaving the subsidiary under this debt re-structure with a loss of Baht 337.27 million which was recognized in full as expenses in 2017.

During 2018, the Company received regular re-payments from OTEP under the Installment Plan.

### Financial Costs

The Company's financial costs in 2018 were Baht 185.44 million or a drop of Baht 2.38 million from Baht 187.82 million in 2017 as the result of its decreased working capital and increased cash flow deriving from operations which led to reduced bank overdraft facilities and short-term loans from financial institutions during the year.

### Share of profit from investments

Among joint ventures of the Company, the major investment the Company made was in galvanized steel and lubricant industries. The Company's shares of profit from investments in associates and joint ventures in 2018, 2017 and 2016 were Baht 355.36 million, Baht 482.69 million, and Baht 653.57 million, respectively. The decrease in 2018 was mainly from the lower performance of galvanized steel business group who contributed shares of profit (loss) from investment of in 2018 and 2017 of Baht (2.07) million and Baht 137.67 million, respectively because of the fluctuation of material prices and trade disputes between China and US.

### Profit before income tax expense and Net profit

Net profit attributable to the equity holders of the Company in 2018, 2017 and 2016 was Baht 92.06 million, Baht 50.49 million and Baht 172.42 million, respectively.

In 2018, the Company's net profits increased by Baht 41.57 million or 82.33% over 2017 primarily as the results of reduced distribution costs and administrative expenses, increased gross profit margins and increased fees and other income.

## The Company's and subsidiaries' financial status as of 31 December 2018, 2017 and 2016

As of 31 December 2018, 2017 and 2016, assets, liability and shareholder's equity of the Company are as follows :

Unit : Million Baht	31 Dec 2018	31 Dec 2017	31 Dec 2016
Assets	15,097.11	16,209.64	15,709.87
Liabilities	9,096.87	9,915.59	9,085.28
Shareholders' equity	6,000.24	6,294.05	6,624.59
<b>Total liabilities and shareholders' equity</b>	<b>15,097.11</b>	<b>16,209.64</b>	<b>15,709.87</b>

### Assets

The Company's total assets as of 31 December 2018, 2017 and 2016 were Baht 15,097.11 million, Baht 16,209.64 million and Baht 15,709.87 million, respectively.

### Significant assets are as follows :

#### Temporary Investment

Temporary investment funds consisted of fixed-term deposits and short-term financial institution promissory notes. As at 31 December 2018, 2017 and 2016, the Company and its subsidiaries had the temporary investments of Baht 579.75, 803.23, and 1,207.96 million, respectively. The movements in the temporary investments came from the regular changes in working capital management.

#### Trade accounts receivable (short-term and long-term)

As of 31 December 2018, 2017 and 2016, the Company's trade accounts receivable were Baht 3,007.27 million, Baht 2,665.22 million and Baht 3,934.46 million, respectively and the increase (decrease) rate at the end of 2018 and 2017 were 12.83% and (32.26%) 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. In 2016, the major accounts receivable was from project work for the Office of the Welfare of the Promotion Commission for Teachers and Education Personnel (OTEP). In December 2017, the Company entered into a compromise agreement with OTEP; therefore, the debtor was classified in a new category as receivable under debt restructuring agreement. The Company set up provision for doubtful accounts for trade accounts receivable for the year 2018, 2017 and 2016 of Baht 125.12 million, Baht 59.10 million and Baht 75.53 million, respectively.

#### Receivable under debt restructuring agreements (short-term and long-term)

As at 31 December 2018 and 2017, the Company's receivable under debt restructuring agreements were Baht 943.52 million and Baht 1,048.80 million respectively which dropped as the result of OTEP's repayments under the installment plan as per explanation given for items of loss under the debt restructuring plan.

#### Other receivables (short-term and long-term)

As of 31 December 2018, 2017 and 2016, the Company's other receivables were Baht 667.61 million, Baht 516.49 million and Baht 493.26 million, respectively. The account consists of value added tax, promotion receivables, prepaid expenses, advance to employees, prepaid withholding tax, and deposit, etc. The increase rate at the end of 2018 and 2017 were 29.26% and 4.71% respectively.

#### Non-billed trade accounts receivable (short-term and long-term)

Non-billed trade account receivable represented the value of ongoing work with payment expected to be made by customers after the Company has discharged its contractual performance albeit the period of delivery for the purpose of collecting payment from the various projects is not yet due. The reason for this high volume of non-billed trade account receivable is because, in some cases, contractual disbursements will be made after installation of works is completed and has passed the customer's final acceptance test while the Company, on the other hand, will recognize its income from the project's completed achievement pursuant to financial reporting standards which, however, may not correspond with the issuance of its invoice. 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 at 31 December 2018, 2017 and 2016, the Company's non-billed trade account receivables were Baht 1,419.59, 2,481.89 and 1,471.07 million respectively with the rates of (decrease) increase as at 2018 and 2017 year-end of (42.80%) and 68.71% respectively mainly -- for the decrease, from its billing and collection of payment from such mega projects during the year and, for the increase, from income recognized from mega-projects in line with work achievements.

#### **Retentions receivable (short-term and long-term)**

As of 31 December 2018, 2017 and 2016, the total retentions receivable both short and long terms were Baht 247.30 million, Baht 236.93 million and Baht 224.67 million, respectively. The increase as of year end of 2018 and 2017 were 4.38% and 5.46% 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 2018, 2017 and 2016 of Baht 1,429.60, 1,708.20 and 1,334.10 million respectively with rates of (decrease) increase as at the end of 2018 and 2017 being (16.31%) and 28.04% respectively. A decreased stock inventory in 2018 stemmed mainly from works of installation to be delivered in 2018. 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 Information Technology line's ongoing projects. The Company had set a provision for the reduced value of goods during 2018, 2017 and 2016 of Baht 8.49, 23.42 and 31.10 million, respectively.

#### **Advances paid to suppliers**

Advances paid to suppliers as of 31 December 2018, 2017 and 2016 were Baht 541.83 million, Baht 227.54 million and Baht 305.48 million, respectively. The increase (decrease)

at the end of 2018 and 2017 were 138.13% and (25.51%) respectively. The main reason of the increase of advances paid to suppliers in 2018 was from receiving payment from big projects recently.

#### **Other current assets**

Other current assets as of 31 December 2018, 2017 and 2016 were Baht 8.43 million, Baht 14.31 million and Baht 13.94 million, respectively. They included office equipments and staff uniforms receivable, etc. The increase (decrease) at the end of 2018 and 2017 were (41.20%) and 2.73%, respectively.

#### **Investments in associates and joint ventures**

Investments in associates and joint ventures as of 31 December 2018, 2017 and 2016 were Baht 2,749.69 million, Baht 2,894.08 million and Baht 2,933.21 million, respectively. The decrease mainly due to recognition of share of profit from associates, at the end of 2018 and 2017 were 4.99% and 1.33%, respectively.

#### **Other long-term investments**

Other long-term investments as of 31 December 2018, 2017 and 2016 were Baht 468.74 million, Baht 710.76 million and Baht 499.95 million, respectively. The (decrease) increase as at the end of 2018 and 2017 were (34.05%) and 42.17% respectively. The main reason came from a decrease of fair value of available for sale securities. As of 31 December 2018, the long-term investments included investment in Muang Thai Insurance Public Company Limited of Baht 309.40 million, QTC Energy Public Company Limited of Baht 84.42 million, Thanakorn Vegetable Oil Company Limited of Baht 39.35 million and other investments of Baht 35.57 million.

#### **Property, plant and equipment**

Property, plant and equipment included property, buildings and extension, furniture, office equipment, tools and equipment, rental equipment, vehicles and project in progress. On 31 December 2018, 2017 and 2016, such fixed assets values were Baht 1,108.19 million, Baht 1,204.12 million and Baht 1,823.13 million, respectively. The significant decrease in 2017 was due to the deconsolidation of Q Solar 1 Co., Ltd., a subsidiary in that year.

### Real estate for investment

Fair value of real estate for investment of Loxley Group (as appeared in the consolidated financial statement) and of the Company (as appeared in separate financial statement) as of 31 December 2018 accounted at Baht 598.11 million and Baht 164.90 million respectively. The fair value assessed by independent assessor approved by the SEC office was based on the present value of net cash flows to be generated from the property. The fair value in 2018 were higher than those in 2017 which were Baht 477.17 million and Baht 127.60 million respectively; the Company recognized gain from the assessment of unrealized real estate for investment of Baht 113.60 million in 2018.

### Intangible asset

Intangible assets of the Company include software licenses. As of 31 December 2018, 2017 and 2016, intangible assets were Baht 114.95 million, Baht 90.07 million and Baht 86.74 million, respectively. The increases at the end of 2018 and 2017 were 27.64% and 3.83% respectively.

### Liabilities

The Company's total liabilities as of 31 December 2018, 2017 and 2016 were Baht 9,096.87 million, Baht 9,915.59 million and Baht 9,085.28 million, respectively, representing the (decrease) increase rate at (8.26%) and 9.14% by the end of 2018 and 2017.

## Significant liabilities are as follows

### Bank overdraft and short-term loans from financial institutions

As of 31 December 2018, 2017 and 2016, the Company's bank overdraft and short-term loan from financial institutions were Baht 1,823.17 million, Baht 1,815.36 million and Baht 1,990.55 million, respectively. The increase (decrease) at the end of 2018 and 2017 were 0.43% and (8.80%) respectively. The bank overdraft and short-term loans from financial institutions comprised bank overdraft, short-term loans and debts from trust receipts. The short-term loan in 2016 was mainly from Office of the Welfare Promotion Commission for Teachers and Educational Personnel (OTEP) project. In April 2017 and June 2018, this short-term loan was approved to extend the repayment period; therefore, this short-term loan was reclassified as a long-term loan since 2017.

### Trade accounts payable

Trade accounts payable as of 31 December 2018, 2017 and 2016 were Baht 1,866.79 million, Baht 2,922.52 million and Baht 2,270.16 million, respectively. The (decrease) increase at the end of 2018 and 2017 were (36.12%) and 28.74% respectively. Most of them were trade payables from projects handling. The decrease of trade accounts payable was in line with income and working capital management.

### Other payables (short-term and long-term)

Other payables as of 31 December 2018, 2017 and 2016 were Baht 992.09 million, Baht 1,196.33 million and Baht 1,170.20 million, respectively. The (decrease) increase at the end of 2018 and 2017 were (17.07%) and 2.23% respectively. As of 31 December 2018, the Company's other payables consisted of accrued cost and warranty cost and general payable expenses in 2018. The decrease of other payables was mainly from projects' accrued cost and warranty cost.

### Advances received from customers

Advances received from customers as of 31 December 2018, 2017 and 2016 were Baht 1,371.96 million, Baht 852.08 million and Baht 1,226.67 million, respectively. The increases (decrease) at the end of 2018 and 2017 were 61.07% and (30.54%) respectively. In 2017, the increase came from advances received from customers of Network Solutions SBG and Information Technology SBG as the works were gradually installed and the revenue was recognized.

### Short-term loans from related parties

Short-term loans from related parties as of 31 December 2018, 2017 and 2016 were Baht 81.28 million, Baht 80.28 million and Baht 102.28 million, respectively. Increase at the end of 2018 was 1.25% and (decrease) in 2017 was (21.51%). The Company has obtained a loan of Baht 80 million from related person(s) or legal entity(ies), with Baht 265.47 million borrowed by a subsidiary for the purchase of real property for investment in 2016 and another portion borrowed from a financial institution.

**Long-term liabilities**

Unit : Million Baht	31 Dec 2018	31 Dec 2017	31 Dec 2016
Current portion of long-term liabilities	65.31	68.05	140.57
Long-term liabilities	1,000.48	1,160.61	356.61
Long-term debentures	1,000.00	1,000.00	1,000.00
<b>Total long-term liabilities</b>	<b>2,065.79</b>	<b>2,228.66</b>	<b>1,497.18</b>

Long-term liabilities as of 31 December 2018, 2017 and 2016 were Baht 2,065.79 million, Baht 2,228.66 million and Baht 1,497.18 million, respectively. The (decrease) increases at the end of 2018 and 2017 were (7.31%) and 48.86%, respectively. As at 31 December 2018, such long-term liabilities consisted of Baht 919.88 million loan obtained by a subsidiary with a 6-year installed repayment term under the debts restructuring plan; long-term loan of Baht 1,000 million with repayment scheduled at Baht 300 million in 2020 and Baht 700 million in 2022 and another creditor as the result of its financial leasing agreement to lease machinery and equipment.

**Employees benefit obligations (short-term and long-term)**

Employees benefit obligations as of 31 December 2018, 2017 and 2016 were Baht 633.23 million, Baht 605.42 million and Baht 576.83 million, respectively. The increases at the end of 2018 and 2017 were 4.59% and 4.96% respectively. The Company forecasted such obligations using the Projected Unit Credit Method handled by independent actuaries.

**Shareholders' equity**

Shareholders' equity as of 31 December 2018 was Baht 6,000.24 million, comprising of 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 141.75 million and Baht 1,104.31 million, respectively, and other components of equity of Baht 1,882.89 million.

The reduced Shareholders' Equity in 2018 was caused mostly by the reduced fair value of Baht 208.37 million in temporary investment as mentioned in the explanation on other long-term investments.

**Cash flow of the Company and subsidiaries at the end of 2018, 2017 and 2016**

Net cash flow from (used in) operations in 2018, 2017 and 2016 was (Baht 137.82 million), Baht (Baht 1,054.87 million), and Baht 935.02 million, respectively. As for 2018 and 2017, Net Cash Flow from operating activities was in the minus as the result of changes in working capital increased. Major changes in 2018 working capital came from major changes of assets and operating liabilities such as an increase in trade accounts receivable of Baht 412.82 million, an increase in other receivables of Baht 115.41 million, a decrease in unbilled trade accounts receivable of Baht 1,062.21 million, a decrease in inventories of Baht 293.66 million, a decrease in trade accounts payable of Baht 1,095.55 million, and an increase in advances received from customers of Baht 519.30 million. The Company paid Baht 196.56 million for income tax and withholding tax of 2018.

The Company's net cash provided by (used in) investment activities in 2018, 2017 and 2016 were Baht 619.21, 986.35 and (378.46) million respectively. Net Cash Flow provided by (used in) these activities in 2018, 2017 and 2016 were dividends received of Baht 519.13, 644.33 and 703.48 million respectively; investment in land, building and equipment increased by Baht 81.29, 126.60 and 236.21 million respectively. The decrease (increase) in current investments were Baht 224.93, 407.69, and (575.81) million respectively.

The Company's net cash provided by (used in) financing activities 2018, 2017 and 2016 was Baht (Baht 463.61 million), Baht 337.32 million and (Baht 457.86 million), respectively. Significant financing activities in 2018, 2017 and 2016 came from the increase (decreases) of bank overdraft and short-term loans from financial institutions of (Baht 15.51 million), Baht 847.89 million and (Baht 81.30 million),

respectively; repayment of long-term liabilities of Baht 169.65, 120.26 and 128.07 million, respectively. The Company paid finance costs of Baht 160.61, 171.03 and 189.79 million respectively. In 2018 and 2017, the Company paid cash dividends of Baht 158.55 and 113.25 million in 2016.

Therefore, in 2018, 2017 and 2016, the Company's net cash and cash equivalents increase were Baht 17.78, 268.80, and 98.70 million, respectively.

## The Company's financial ratio analysis

### Liquidity Ratio

Liquidity Ratio	2018	2017	2016
Current ratio (times)	1.35	1.34	1.14
Quick ratio (times)	0.96	1.00	0.87
Flow liquidity (times)	(0.02)	(0.15)	0.15
Account receivable turnover (times)*	2.42	3.02	3.01
Collection period (days)**	148.58	119.25	119.72
Inventory turnover (times)	7.13	8.72	9.63
Inventory turnover period (days)	50.52	41.29	37.39
Account payable turnover (times)	4.72	5.22	5.90
Payment period (days)	76.32	68.98	61.06
Cash cycle (days)	122.78	91.56	96.05

\* Account receivable turnover is calculated on accounts receivable, excluded OTEP.

\*\* Period of debt-collection is calculated on the aggregate total of trade accounts receivable, unbilled trade accounts receivable and retentions receivable.

In the overall, the Company's 2016-2018 ratio of liquidity were within normal parameters with more than 1.00 times value without changes of any materiality. However, the overall picture of its 2018 Cash Cycle was longer when compared to that of the preceding year as there were account receivables which remained outstanding and payable for a substantial sum from government work units. During 2018, however, action was taken by the Company to expedite payments and it had received payments of more than Baht 1,400 million for project works undertaken to replace equipment, from the analog to digital systems.

### Profitability Ratio

Profitability Ratio	2018	2017	2016
Gross profit margin (%)	14.35%	13.36%	14.15%
Operating profit margin (%)	0.70%	0.32%	1.26%
Net profit margin (%)	0.68%	0.32%	1.24%
Return of equity (%)	1.52%	0.81%	2.77%



**Efficiency Ratio**

Efficiency Ratio	2018	2017	2016
Return on assets (%)	0.59%	0.32%	1.15%
Return on fixed assets (%)	22.84%	16.59%	21.56%
Asset turnover (times)	0.87	1.00	0.92

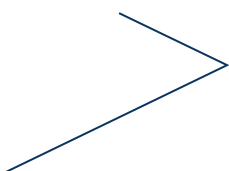
The Company's Profitability Ratio and Efficiency Ratio improved over last year as the result of reduced distribution costs and expenses, increased gross profit margins and increased fees and other income.

**Financial Policy Ratio**

Financial Policy Ratio	2018	2017	2016
Debt to equity (times)	1.52	1.58	1.37
Dividend payout ratio* (%)	N/A	49.02%	52.25%

\* Dividend payout ratio is calculated on the separate financial statements.

The Company's debt to equity ratios for 2018, 2017 and 2016 were 1.52, 1.58 and 1.37 times respectively. The increase in 2017 resulted from higher project revenue which required additional project finance to manage the projects. However, the project finance will gradually decline once each particular project is completed.



# 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 2018, 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 2018 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 2018 and 2017 of Loxley Public Company Limited and its subsidiaries included investments in certain associates which their accounting period is different from 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 those associates for the year ended 30 June 2018 and 2017 which were audited by other auditors and for the six-month period ended 31 December 2018 and 2017 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 2018 which amounted to Baht 1,527 million, and the share of their net loss for the year ended 31 December 2018 of Baht 2 million. Consequently, I was unable to determine whether any adjustments to these amounts were necessary. The auditor's report of the financial statements for the year ended 31 December 2017 was expressed a qualified opinion regarding to this matter which the carrying amount at equity method of those investments in the consolidated financial statements as at 31 December 2017 amounted to Baht 1,669 million, and the share of their net profit for the year ended 31 December 2017 of Baht 114 million.

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* section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is 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 2018, and the share of their net loss for the years ended 31 December 2018. The auditor's report of the financial statements for the year ended 31 December 2017 was expressed a qualified opinion regarding to this matter. 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(e) and 3(p) to the financial statements	
<b><i>The key audit matter</i></b>	<b><i>How the matter was addressed in the audit</i></b>
<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"> <li>• The engineers' surveys of work performed;</li> <li>• The estimated final costs of the contract at completion; and</li> <li>• 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.</li> </ul> <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"> <li>• challenging competency of the Group's engineers in respect of estimation the stage of completion of individual projects;</li> <li>• inspecting key terms in the contracts relating to estimates made and revenue recognition in the financial statements;</li> <li>• obtaining detailed position papers from the management and assessing the reasonableness of estimates by reviewing the result of estimates in previous years;</li> <li>• testing mathematical accuracy of contract revenue and related receivables;</li> <li>• testing the details of actual costs incurred by tracing to sufficient supporting documents;</li> <li>• assessing the Group's ability to deliver contracts within budget by analysing the relationship of cost versus billing on contracts;</li> <li>• physically inspecting the existence and the reasonableness of stage of completion of individual projects; and</li> <li>• considering the Company's disclosures in accordance with the related Thai Financial Reporting Standards.</li> </ul>

Valuation of investments in subsidiaries, associates and joint ventures, and other long-term investments	
Refers to the notes 2(d), 3(g), 3(k), 12, 13, and 15 to the financial statements	
<b><i>The key audit matter</i></b>	<b><i>How the matter was addressed in the audit</i></b>
<p>The Company held a number of investments in subsidiaries, associates and joint ventures, and other long-term investments. 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"> <li>• inspecting the design and implementation of relevant controls;</li> <li>• considering the profitability of the investee, historical financial information and other information to assess the sufficiency of allowance for impairment of investment;</li> <li>• assessing the Group's budgeting procedures which is the source of discounted future cash flow model;</li> <li>• 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;</li> <li>• testing mathematical accuracy; and</li> <li>• considering the Group's disclosures in accordance with the related Thai Financial Reporting Standards.</li> </ul>

Valuation of trade accounts receivable, other receivables, and receivable under debt restructuring agreement	
Refers to the notes 2(d), 3(g), 3(k), 12, 13, and 15 to the financial statements	
<b><i>The key audit matter</i></b>	<b><i>How the matter was addressed in the audit</i></b>
<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"> <li>• testing the design and implementation and the effectiveness of the Group's controls over the monitoring of receivables and over the collection process;</li> <li>• 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;</li> <li>• testing the completeness and accuracy of information provided by the entity and the accuracy of the provision calculation;</li> <li>• analyzing all items of overdue balance over normal credit term without setting up allowance for; and</li> <li>• considering the adequacy of the Group's disclosures in accordance with the related Thai Financial Reporting Standards.</li> </ul>

*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.



(Marisa Tharathornbunpakul)  
Certified Public Accountant  
Registration No. 5752

KPMG Phoomchai Audit Ltd.  
Bangkok  
27 February 2019

## Statement of financial position

## LOXLEY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2018	2017	2018	2017
			<i>(in Baht)</i>		
<b>Current assets</b>					
Cash and cash equivalents	6	1,117,683,484	1,099,928,820	163,339,289	224,660,367
Current investments	15	579,749,662	803,225,035	502,604,692	223,399,707
Trade accounts receivable	8, 19	3,007,269,919	2,665,217,249	981,704,568	1,164,065,601
Other receivables	9	295,350,373	291,445,856	75,814,035	132,795,776
Current portion of receivable under debt restructuring agreement	10	139,526,560	106,106,017	-	-
Unbilled trade accounts receivable		1,283,695,579	2,339,191,904	478,147,237	1,769,635,229
Retentions receivable		18,304,463	122,383,623	18,053,963	104,170,623
Short-term loans to related parties	5	32,000,000	2,000,000	55,328,865	115,180,000
Short-term loans to other parties		-	3,251,460	-	-
Inventories	11	1,429,599,748	1,708,196,744	309,187,066	398,158,904
Advances paid to suppliers		541,834,155	227,535,797	414,996,405	124,927,469
Dividend receivables	5	-	-	100,000,000	233,000,000
Other current assets		8,423,466	14,315,772	280,373	505,603
<b>Total current assets</b>		<b>8,453,437,409</b>	<b>9,382,798,277</b>	<b>3,099,456,493</b>	<b>4,490,499,279</b>
<b>Non-current assets</b>					
Investments in associates and joint ventures	12	2,749,685,355	2,894,081,774	965,103,112	971,610,512
Investments in subsidiaries	13	-	-	2,173,284,487	2,134,284,487
Other long-term investments	15	468,740,906	710,763,462	411,547,318	654,408,686
Other receivables	9	372,260,412	225,048,370	144,390,086	75,468,704
Receivable under debt restructuring agreement	10	803,988,558	942,690,146	-	-
Unbilled trade accounts receivable		135,895,196	142,694,440	135,895,196	142,694,440
Retentions receivable		229,002,560	114,549,070	209,647,704	114,549,070
Long-term loans to related parties	5	-	-	36,921,227	-
Investment properties	16, 19	598,113,000	477,173,809	164,900,000	127,600,000
Property, plant and equipment	17, 19	1,108,191,497	1,204,122,559	522,085,290	519,264,429
Goodwill	4, 18	38,638,160	-	-	-
Intangible assets	18	114,949,003	90,064,989	48,223,160	49,223,011
Other non-current assets	7	24,212,280	25,651,262	-	-
<b>Total non-current assets</b>		<b>6,643,676,927</b>	<b>6,826,839,881</b>	<b>4,811,997,580</b>	<b>4,789,103,339</b>
<b>Total assets</b>		<b>15,097,114,336</b>	<b>16,209,638,158</b>	<b>7,911,454,073</b>	<b>9,279,602,618</b>

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	
		2018	2017	2018	2017
			(in Baht)		
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from financial institutions	19	1,823,174,678	1,815,357,539	340,863,341	771,346,596
Trade accounts payable	20	1,866,795,636	2,922,518,095	647,242,040	1,279,304,645
Other payables	21	984,434,833	1,183,372,836	275,320,224	379,568,350
Advances received from customers		1,371,959,294	852,080,486	531,884,963	262,069,845
Current portion of long-term liabilities	19	65,308,053	68,054,259	405,421	-
Short-term loans from related parties	5, 19	81,280,000	80,280,000	-	206,000,000
Short-term loans from other parties	19	48,506,222	8,792,923	-	-
Income tax payable		8,416,281	1,081,900	-	-
Current provisions for employee benefits	23	33,738,575	65,101,899	26,269,768	46,181,272
<b>Total current liabilities</b>		<b>6,283,613,572</b>	<b>6,996,639,937</b>	<b>1,821,985,757</b>	<b>2,944,470,708</b>
<b>Non-current liabilities</b>					
Other payables	21	7,651,412	12,955,646	-	-
Long-term liabilities	19	1,000,477,622	1,160,610,962	551,034	-
Long-term debentures	19	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Deferred tax liabilities	22	205,640,395	205,065,527	152,879,667	167,593,077
Non-current provisions for employee benefits	23	599,487,909	540,319,754	317,404,915	294,877,328
<b>Total non-current liabilities</b>		<b>2,813,257,338</b>	<b>2,918,951,889</b>	<b>1,470,835,616</b>	<b>1,462,470,405</b>
<b>Total liabilities</b>		<b>9,096,870,910</b>	<b>9,915,591,826</b>	<b>3,292,821,373</b>	<b>4,406,941,113</b>
<b>Equity</b>					
Share capital	24				
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		2,264,954,920	2,264,954,920	2,264,954,920	2,264,954,920
Additional paid in capital					
Premium on ordinary shares	24	503,250,900	503,250,900	503,250,900	503,250,900
Retained earnings					
Appropriated					
Legal reserve	25	141,746,500	135,142,500	141,746,500	135,142,500
Unappropriated		1,104,313,196	1,197,318,270	1,254,223,529	1,306,380,876
Other components of equity	25	1,882,886,977	2,097,408,501	454,456,851	662,932,309
<b>Equity attributable to owners of the parent</b>		<b>5,897,152,493</b>	<b>6,198,075,091</b>	<b>4,618,632,700</b>	<b>4,872,661,505</b>
Non-controlling interests	14	103,090,933	95,971,241	-	-
<b>Total equity</b>		<b>6,000,243,426</b>	<b>6,294,046,332</b>	<b>4,618,632,700</b>	<b>4,872,661,505</b>
<b>Total liabilities and equity</b>		<b>15,097,114,336</b>	<b>16,209,638,158</b>	<b>7,911,454,073</b>	<b>9,279,602,618</b>

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	
		2018	2017	2018	2017
		<i>(in Baht)</i>			
<b>Income</b>	5, 26				
Revenue from sale of goods and rendering of services		13,188,477,502	15,639,450,495	4,053,953,387	6,960,968,033
Gain on sales of investments	4, 13	-	96,882,048	-	200,097,465
Dividend income	12, 13, 15	19,995,919	28,878,659	626,483,119	739,272,788
Fees and other income	27	374,296,785	163,699,782	234,640,902	168,466,549
<b>Total income</b>		<b>13,582,770,206</b>	<b>15,928,910,984</b>	<b>4,915,077,408</b>	<b>8,068,804,835</b>
<b>Expenses</b>	5				
Cost of sale of goods and rendering of services		11,296,151,136	13,550,402,166	3,466,138,594	6,166,627,864
Distribution costs	28	762,247,750	799,193,122	397,733,165	437,373,610
Administrative expenses	29	1,538,110,811	1,818,986,455	833,523,492	1,066,848,575
Finance costs		185,437,838	187,818,304	78,154,442	74,543,063
<b>Total expenses</b>	31	<b>13,781,947,535</b>	<b>16,356,400,047</b>	<b>4,775,549,693</b>	<b>7,745,393,112</b>
<b>Share of profit of investments in associates and joint ventures, net</b>	12	<b>355,362,554</b>	<b>482,688,124</b>	-	-
<b>Profit before income tax expense</b>		<b>156,185,225</b>	<b>55,199,061</b>	<b>139,527,715</b>	<b>323,411,723</b>
Income tax expense	32	(82,522,536)	(56,573,352)	(7,460,000)	-
<b>Profit (loss) for the year</b>		<b>73,662,689</b>	<b>(1,374,291)</b>	<b>132,067,715</b>	<b>323,411,723</b>
<b>Profit (loss) attributable to:</b>					
Owners of the parent		92,065,401	50,492,911	132,067,715	323,411,723
Non-controlling interests	14	(18,402,712)	(51,867,202)	-	-
<b>Profit (loss) for the year</b>		<b>73,662,689</b>	<b>(1,374,291)</b>	<b>132,067,715</b>	<b>323,411,723</b>
<b>Earnings per share</b>	33				
Basic earnings per share		<b>0.04</b>	<b>0.02</b>	<b>0.06</b>	<b>0.14</b>

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

## Statement of comprehensive 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	
		2018	2017 <i>(in Baht)</i>	2018	2017
<b>Profit (loss) for the year</b>		<b>73,662,689</b>	<b>(1,374,291)</b>	<b>132,067,715</b>	<b>323,411,723</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Defined benefit plan actuarial losses	23	(19,773,600)	-	(19,074,218)	-
		<b>(19,773,600)</b>	<b>-</b>	<b>(19,074,218)</b>	<b>-</b>
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating foreign operations		(1,188,696)	(4,107,054)	-	-
Change in fair value of available-for-sale investments, net	15	(230,538,582)	(17,507,751)	(230,648,868)	(17,508,211)
Income tax relating to items that will be reclassified subsequently to profit or loss	22	22,173,410	3,501,642	22,173,410	3,501,642
		<b>(209,553,868)</b>	<b>(18,113,163)</b>	<b>(208,475,458)</b>	<b>(14,006,569)</b>
<b>Other comprehensive income (expense) for the year</b>		<b>(29,327,468)</b>	<b>(18,113,163)</b>	<b>(227,549,676)</b>	<b>(14,006,569)</b>
<b>Total comprehensive income (expense) for the year</b>		<b>(155,664,779)</b>	<b>(19,487,454)</b>	<b>(95,481,961)</b>	<b>309,405,154</b>
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of the parent		(137,408,098)	32,379,748	(95,481,961)	309,405,154
Non-controlling interests		(18,256,681)	(51,867,202)	-	-
<b>Total comprehensive income (expense) for the year</b>		<b>(155,664,779)</b>	<b>(19,487,454)</b>	<b>(95,481,961)</b>	<b>309,405,154</b>

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	Exchange differences on translating foreign operations	Change in Fair value of available-for-sale investments, net	Portion of Company (in Baht)	Revaluation surplus on assets, net	Portion of subsidiary	Change in percentage of holding in subsidiaries and associates	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity
<b>Year ended 31 December 2017</b>														
<b>Balance at 1 January 2017</b>	2,264,954,770	503,250,000	118,971,500	1,321,543,193	(2,586,357)	321,723,582	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	
<b>Transactions with owners, recorded directly in equity</b>														
<i>Contributions by and distributions to owners of the parent</i>														
Shares options exercised	150	900	-	-	-	-	-	-	-	-	1,050	-	1,050	
Paid-up share capital of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	7,999,800	7,999,800	
Dividends of subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(8,002,500)	(8,002,500)	
Dividends to owners of the parent	-	-	-	(158,546,834)	-	-	-	-	-	-	(158,546,834)	-	(158,546,834)	
<b>Total contributions by and distributions to owner</b>	<b>150</b>	<b>900</b>	<b>-</b>	<b>(158,546,834)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(158,546,834)</b>	<b>(2,700)</b>	<b>(158,548,484)</b>	
<b>Changes in ownership interests in subsidiaries</b>														
<i>Changes in ownership interests in subsidiaries</i>														
Decrease in non-controlling interests without a change in control	-	-	-	-	-	-	-	-	28,855,049	28,855,049	28,855,049	(54,592,281)	(25,737,232)	
Decrease in non-controlling interests with a change in control	-	-	-	-	-	-	-	-	28,855,049	28,855,049	28,855,049	(126,776,806)	(152,514,038)	
<b>Total changes in ownership interests in subsidiaries in equity</b>	<b>150</b>	<b>900</b>	<b>-</b>	<b>(158,546,834)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,855,049</b>	<b>28,855,049</b>	<b>(126,776,806)</b>	<b>(181,369,087)</b>	<b>(311,062,522)</b>	
<b>Total transactions with owners, recorded directly in equity</b>														
<b>Comprehensive income for the year</b>														
Profit or loss	-	-	-	50,492,911	-	-	-	-	-	-	50,492,911	-51,867,202	-1,374,291	
Other comprehensive income	-	-	-	-	(4,107,054)	(14,006,109)	-	-	-	(18,113,163)	(18,113,163)	-	-18,113,163	
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,492,911</b>	<b>(4,107,054)</b>	<b>(14,006,109)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18,113,163)</b>	<b>32,379,748</b>	<b>-51,867,202</b>	<b>-19,487,454</b>	
Transfer to legal reserve	-	-	16,171,000	(16,171,000)	-	-	-	-	-	-	-	-	-	
<b>Balance at 31 December 2017</b>	<b>2,264,954,920</b>	<b>503,250,000</b>	<b>135,142,500</b>	<b>1,197,318,270</b>	<b>(6,693,411)</b>	<b>307,717,473</b>	<b>355,215,296</b>	<b>137,830,880</b>	<b>1,303,338,263</b>	<b>2,097,408,501</b>	<b>6,198,075,091</b>	<b>95,971,241</b>	<b>6,294,046,332</b>	

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

#### Other components of equity

	Retained earnings										Change in percentage of holding in subsidiaries, associates and joint venture				Total equity
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Exchange differences on translating foreign operations	Change in fair value of available-for-sale investments, net	Portion of Company (in Bahri)	Revaluation surplus on assets, net	Portion of subsidiary	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity		
at 31 December 2018	2,264,954,920	503,250,900	135,142,500	1,197,318,270	(6,693,411)	307,717,473	355,215,296	137,830,880	1,303,338,263	2,097,408,501	6,198,075,091	95,971,241	6,294,046,332		
at 1 January 2018	-	-	-	-	-	-	-	-	-	-	-	15,590,000	15,590,000		
Contributions by owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-	(1,487,000)	(1,487,000)		
Contributions by owners of the parent	-	-	-	-	-	-	-	-	-	-	-	-	-		
Dividends of subsidiaries to non-controlling interests	-	-	-	(158,546,844)	-	-	-	-	-	-	(158,546,844)	-	(158,546,844)		
Dividends to owners of the parent	-	-	-	(158,546,844)	-	-	-	-	-	-	(158,546,844)	-	(158,546,844)		
Total contributions by and distributions to owner	-	-	-	(158,546,844)	-	-	-	-	-	-	(158,546,844)	-	(158,546,844)		
Changes in ownership interests in subsidiaries and joint venture	-	-	-	-	-	-	-	-	-	-	-	-	-		
Increase in non-controlling interests without a change in control	-	-	-	-	-	-	-	-	(4,967,656)	(4,967,656)	(4,967,656)	12,140,480	7,172,824		
Increase in non-controlling interests with a change in control	-	-	-	-	-	-	-	-	-	-	-	1,382,893	1,382,893		
Decrease in non-controlling interests with a change in control	-	-	-	-	-	-	-	-	-	-	-	(2,250,000)	(2,250,000)		
Total changes in ownership interests in subsidiaries and joint venture	-	-	-	-	-	-	-	-	(4,967,656)	(4,967,656)	(4,967,656)	11,273,373	6,305,717		
total transactions with owners, recorded directly in equity	-	-	-	(158,546,844)	-	-	-	-	(4,967,656)	(4,967,656)	(163,514,500)	25,376,373	(138,138,127)		
comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-		
Profit or loss	-	-	-	92,065,401	-	-	-	-	-	-	92,065,401	-18,402,712	73,662,689		
Other comprehensive income	-	-	-	(19,919,631)	(1,188,696)	(208,365,172)	-	-	-	(209,553,868)	(229,473,499)	146,031	-229,327,468		
total comprehensive income for the year	-	-	-	72,145,770	(1,188,696)	(208,365,172)	-	-	-	(209,553,868)	(137,408,098)	-18,256,681	-155,664,779		
transfer to legal reserve	-	-	6,604,000	(6,604,000)	-	-	-	-	-	-	-	-	-		
at 31 December 2018	2,264,954,920	503,250,900	141,746,500	1,104,313,196	(7,882,107)	99,352,301	355,215,296	137,830,880	1,298,370,607	1,882,886,977	5,897,152,493	103,090,933	6,000,243,426		

25

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	Change in Fair value of available-for-sale investments, net	Revaluation surplus on assets, net	Total other components of equity	
<b>Year ended 31 December 2017</b>								
<b>Balance at 1 January 2017</b>	<b>2,264,954,770</b>	<b>503,250,000</b>	<b>118,971,500</b>	<b>1,157,686,987</b>	<b>321,723,582</b>	<b>355,215,296</b>	<b>676,938,878</b>	<b>4,721,802,135</b>
<b>Transactions with owners, recorded directly in equity</b>								
<i>Contributions by and distributions to owners</i>								
Shares options exercised	150	900	-	-	-	-	-	1,050
Dividends to owners of the Company	-	-	-	(158,546,834)	-	-	-	(158,546,834)
<b>Total contributions by and distributions to owners</b>	<b>150</b>	<b>900</b>	<b>-</b>	<b>(158,546,834)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(158,546,834)</b>
<b>Comprehensive income for the year</b>								
Profit or loss	-	-	-	323,411,723	-	-	-	323,411,723
Other comprehensive income	-	-	-	-	(14,006,569)	-	(14,006,569)	(14,006,569)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>323,411,723</b>	<b>(14,006,569)</b>	<b>-</b>	<b>(14,006,569)</b>	<b>309,405,154</b>
Transfer to legal reserve	-	-	16,171,000	(16,171,000)	-	-	-	-
<b>Balance at 31 December 2017</b>	<b>2,264,954,920</b>	<b>503,250,900</b>	<b>135,142,500</b>	<b>1,306,380,876</b>	<b>307,717,013</b>	<b>355,215,296</b>	<b>662,932,309</b>	<b>4,872,661,505</b>

(in Baht)

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	Change in Fair value of available-for-sale investments, net (in Baht)	Revaluation surplus on assets, net	Total other components of equity	
<b>Year ended 31 December 2018</b>								
<b>Balance at 1 January 2018</b>	2,264,954,920	503,250,900	135,142,500	1,306,380,876	307,717,013	355,215,296	662,932,309	4,872,661,505
<b>Transactions with owners, recorded directly in equity</b>								
<i>Contributions by and distributions to owners</i>								
Dividends to owners of the Company	-	-	-	(158,546,844)	-	-	-	(158,546,844)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(158,546,844)</b>	-	-	-	<b>(158,546,844)</b>
<b>Comprehensive income for the year</b>								
Profit or loss	-	-	-	132,067,715	-	-	-	132,067,715
Other comprehensive income	-	-	-	(19,074,218)	(208,475,458)	-	(208,475,458)	(227,549,676)
<b>Total comprehensive income for the year</b>	-	-	-	<b>112,993,497</b>	<b>(208,475,458)</b>	-	<b>(208,475,458)</b>	<b>(95,481,961)</b>
Transfer to legal reserve	-	-	6,604,000	(6,604,000)	-	-	-	-
<b>Balance at 31 December 2018</b>	<b>2,264,954,920</b>	<b>503,250,900</b>	<b>141,746,500</b>	<b>1,254,223,529</b>	<b>99,241,555</b>	<b>355,215,296</b>	<b>454,456,851</b>	<b>4,618,632,700</b>

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

# Statements of cash flows

## 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		
	Note	2018	2017	2018	2017
			<i>(in Baht)</i>		
<b><i>Cash flows from operating activities</i></b>					
Profit (loss) for the year		73,662,689	(1,374,291)	132,067,715	323,411,723
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>					
Depreciation and amortisation		171,953,556	200,624,701	40,890,678	45,428,384
Interest income		(90,592,649)	(35,193,853)	(44,002,847)	(36,804,962)
Finance costs		185,437,838	187,818,304	78,154,442	74,543,063
Unrealised loss (gain) on exchange		5,261,450	(1,717,772)	2,242,491	450,506
Dividend income		(19,995,919)	(28,878,659)	(626,483,119)	(739,272,788)
Written off withholding tax deducted at source		922,760	699,464	-	4,680
Written off other long-term investments		-	13,997	-	13,997
Inventories donation		5,983,396	-	-	-
Set up provision for:					
- Doubtful accounts for trade and other accounts receivable		153,740,727	87,049,290	29,888,500	73,707,907
- Doubtful accounts for short-term loans to related parties		35,971,738	10,200,000	15,971,738	10,200,000
- Decline in value of inventories		8,485,342	23,418,069	2,295,047	7,357,548
- Decline in value of investment in subsidiaries		-	-	8,000,000	254,670,000
- Decline in value of investment in associates		11,849,814	-	123,557,400	-
- Decline in value of other long-term investments		16,500,000	-	14,500,000	-
Loss on debt restructuring	10	-	337,266,222	-	-
Gain on sales of investments in subsidiaries	4	-	(96,882,048)	-	(200,097,465)
Unrealised gain on revaluation of investment property, net	16	(113,603,533)	-	(37,300,000)	-
(Gain) Loss on disposals of/written-off property, plant and equipment and intangible assets		(2,228,572)	23,946,988	537,479	393,150
Share of profit from investments in associates and joint ventures, net	12	(355,362,554)	(482,688,124)	-	-
Gain on bargain purchase		(409,360)	-	-	-
Exchange differences on translating foreign operations		(1,188,696)	(4,107,054)	-	-
Income tax expense		82,522,536	56,573,352	7,460,000	-
		<b>168,910,563</b>	<b>276,768,586</b>	<b>(252,220,476)</b>	<b>(185,994,257)</b>
<b><i>Changes in operating assets and liabilities</i></b>					
Trade accounts receivable		(412,817,682)	(159,920,211)	177,318,354	17,561,228
Other receivables		(115,406,432)	(113,525,204)	53,553,642	(65,816,769)
Unbilled trade accounts receivable		1,062,206,504	(1,023,033,296)	1,298,198,172	(1,035,110,609)

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



# Statements of cash flows

## 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		
	Note	2018	2017	2018	2017
			<i>(in Baht)</i>		
Retentions receivable		(10,374,330)	(12,261,212)	(8,981,974)	(12,010,712)
Receivable under debt restructuring agreement		98,253,542	-	-	-
Inventories		293,664,495	(402,587,700)	86,676,791	(53,434,043)
Advances paid to suppliers		(314,257,036)	77,924,154	(290,065,514)	67,432,521
Other current assets		5,905,929	(379,432)	225,230	836,783
Trade accounts payable		(1,095,553,061)	655,477,331	(630,614,264)	591,871,312
Other payables		(228,790,425)	12,311,403	(103,434,833)	6,884,545
Advances received from customers		519,295,651	(373,563,044)	270,040,536	(133,224,309)
Provisions for employee benefits		8,031,231	28,587,502	(16,458,135)	(8,899,638)
Withholding tax deducted at source refunded		79,675,911	155,844,907	-	56,687,754
Income tax and withholding tax deducted at source paid		(196,561,463)	(176,515,121)	(66,184,761)	(53,729,943)
<b>Net cash from (used in) operating activities</b>		<b>(137,816,603)</b>	<b>(1,054,871,337)</b>	<b>518,052,768</b>	<b>(806,946,137)</b>
<b>Cash flows from investing activities</b>					
Interest received		62,194,232	12,428,938	15,249,185	8,907,214
Dividends received		519,127,902	644,326,282	759,483,119	506,272,788
Proceed from disposal of subsidiaries, net of cash disposed of subsidiaries	4	(2,457,158)	164,095,126	-	174,742,850
Acquisition of subsidiaries, net of cash acquired	4	(37,311,718)	-	-	-
Increase in investments in subsidiaries		-	-	(47,000,000)	(63,478,849)
Cash dividends of subsidiaries paid to non-controlling interests		(1,487,000)	(8,002,500)	-	-
Proceed from paid-up share capital of non-controlling interests		15,590,000	7,999,800	-	-
Increase in investments in associates and joint ventures		(4,050,000)	(93,629,150)	(117,050,000)	(18,130,500)
Decrease (increase) in current investments		224,932,304	407,694,811	(279,204,985)	124,918,957
Increase in other long-term investments		(4,787,500)	(19,974,000)	(2,287,500)	(750,000)
Proceed from sales of other long-term investments		-	10,000,000	-	10,000,000
(Increase) decrease in short-term loans to related parties		(65,971,738)	(12,200,000)	6,958,170	(125,380,000)
Decrease in short-term loans to other parties		3,251,460	7,667,181	-	-
Increase in property, plant and equipment		(81,294,320)	(126,603,793)	(36,940,131)	(33,178,251)
Increase in intangible assets		(23,944,051)	(23,238,185)	(7,154,049)	(10,661,605)
Proceed from sales of property, plant and equipment and intangible assets		15,419,751	15,780,676	2,232,368	4,578,459
<b>Net cash from investing activities</b>		<b>619,212,164</b>	<b>986,345,186</b>	<b>294,286,177</b>	<b>577,841,063</b>

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		For the year ended	
		31 December		31 December	
		2018	2017	2018	2017
		<i>(in Baht)</i>			
<b>Cash flows from financing activities</b>					
Payment of change in ownership interest in subsidiaries without a change in control	4	-	(25,000,000)	-	(32,400,000)
Proceeds from exercise of share options		-	1,050	-	1,050
Finance costs paid		(160,616,983)	(171,025,743)	(78,172,352)	(75,093,171)
Dividends paid to owners of the Company		(158,546,844)	(158,546,834)	(158,546,844)	(158,546,834)
(Decrease) increase in bank overdrafts and short-term loans from financial institutions		(15,516,643)	847,891,406	(430,483,255)	389,686,084
Increase (decrease) in short-term loans from related parties		1,000,000	(22,000,000)	(206,000,000)	106,000,000
Increase (decrease) in short-term loans from other parties		39,713,300	(13,733,994)	-	-
Repayment of long-term liabilities		(169,649,511)	(120,260,626)	(430,899)	-
<b>Net cash from (used in) financing activities</b>		<b>(463,616,681)</b>	<b>337,325,259</b>	<b>(873,633,350)</b>	<b>229,647,129</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>17,778,880</b>	<b>268,799,108</b>	<b>(61,294,405)</b>	<b>542,055</b>
Cash and cash equivalents at 1 January		1,099,928,820	833,668,403	224,660,367	226,652,535
Effect of exchange rate changes on balances held in foreign currencies		(24,216)	(2,538,691)	(26,673)	(2,534,223)
<b>Cash and cash equivalents at 31 December</b>	6	<b>1,117,683,484</b>	<b>1,099,928,820</b>	<b>163,339,289</b>	<b>224,660,367</b>

### Non-cash transaction

During 2018, the Group acquired property, plant and equipment totaling Baht 84 million (2017: Baht 128 million) which included equipment of finance lease totaling Baht 3 million (2017: Baht 1 million) and cash payments of Baht 81 million (2017: Baht 127 million).

During 2018, the Company had dividend received amounting to Baht 626 million (2017: Baht 739 million). The Company received dividend in cash of Baht 759 million (included dividend receivables at beginning of period of Baht 233 million) (2017: Baht 506 million).

The Company had dividend receivables amounting to Baht 100 million (2017: Baht 233 million).

During 2018, the Group received payment under debt restructuring agreement amounting to Baht 105 million. The Group received Baht 98 million of cash (including cash received from sales of returned textbooks) and Baht 1 million of installment receivables, and donated textbooks amounting to Baht 6 million.

During 2017, the Company disposed entire investment in Q Solar 1 Co., Ltd. (formerly "L Solar 1 Co., Ltd."), a subsidiary of the Company, to a non-related party and received Baht 175 million of cash and Baht 218 million of newly issued ordinary share of QTC Energy Public Company Limited.

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 2018

<b>Note</b>	<b>Contents</b>
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Acquisitions and disposals of subsidiaries and non-controlling interests
5	Related parties
6	Cash and cash equivalents
7	Deposits pledged as collateral
8	Trade accounts receivable
9	Other receivables
10	Receivable under debt restructuring agreement
11	Inventories
12	Investments in associates and joint ventures
13	Investments in subsidiaries
14	Non-controlling interests
15	Other investments
16	Investment properties
17	Property, plant and equipment
18	Intangible assets
19	Interest-bearing liabilities
20	Trade accounts payable
21	Other payables
22	Deferred tax
23	Provisions for employee benefits
24	Share capital
25	Reserves
26	Segment information
27	Fees and other income
28	Distribution costs
29	Administrative expenses
30	Employee benefit expenses
31	Expenses by nature
32	Income tax expense
33	Earnings per share
34	Dividends
35	Financial instruments
36	Commitments with non-related parties
37	Events after the reporting period
38	Thai Financial Reporting Standards (TFRS) not yet adopted
39	Reclassification of accounts

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 27 February 2019.

## 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 2018 and 2017 were as follows:

Name of the entity	Type of Business	Ownership interest (%)	
		2018	2017
<i>Direct subsidiaries</i>			
Loxbit Public Company Limited	Trading of telecommunication equipment, computers and computer programs	99	99
Loxley Orbit Public Company Limited	Telecommunication and computerised database service	99	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
Loxley Business Innovation Company Limited	Sale, service, and installation of automatic telephone switching systems	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 all kinds of related materials and tools	99	99
Loxley System Integrator Company Limited	Engineering services in telecommunication network systems	99	99
ASM Security Management Co., Ltd.	Provide security service at Suvarnabhumi Airport and others	99	99

Name of the entity	Type of Business	Ownership interest (%)	
		2018	2017
<b><i>Direct subsidiaries</i></b>			
Loxley Automotive Co., Ltd.	Manufacture, assembly, trading, rent, lease, import, export and after sale service of all kinds of vehicles and their spare parts	99	99
Loxley Environmental Dynamics Co., Ltd.	Provide advice and guidance on the management of garbage, waste and the establishment of a waste disposal plant for electricity generation	94	94
Loxley Property Development Co., Ltd.	Renting of building, advertising board and providing services	90	90
The Foodsource Co., Ltd.	Import, wholesale, and distribution of food ingredients and food products	90	-
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	74
Loxley Global Co., Ltd.	Holding company	51	51
LB EV Co., Ltd.	Manufacturing, assembly, trading electricity automotive including related equipment	51	51
Lego 99 Co., Ltd.	Solar power plant business	50	50
Loxley Trading Company Limited	Sale of consumer products	50	50
Societe Commercial Lao	Trading in Lao People's Democratic Republic	50	50
<b><i>Indirect subsidiaries</i></b>			
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
Loxley Simulation Technology Co., Ltd.	Import, export and distribution virtual learning services and system development.	99	99
ASM Professional Manpower Co., Ltd.	Recruitment and other related services	99	-
ASM Training Co., Ltd.	Personnel development, Training, and other related services	99	-
LWSN Company Limited	Service of telecommunication, information technology systems and submarine cable network	85	85
Siamsamut Warin Co., Ltd.	Import, wholesale, and distribution of food ingredients and food products	54	-

Name of the entity	Type of Business	Ownership interest (%)	
		2018	2017
<i>Indirect subsidiaries</i>			
Phetkasem Green Holding Co., Ltd.	Manufacturing, assembling and distributing steam generator, pressure tank, filter, and conveyor belt	50	50
LWTN Company Limited (See note 13)	Service of telecommunication, information technology systems and fiber optics	-	85

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 2018. 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.

In addition to the above new and revised TFRS, the FAP has issued a number of new and revised TFRS which are not yet effective for current periods. The Group/Company has not early adopted these standards in preparing these financial statements. Those new and revised TFRS that are relevant to the Group's/Company's operations are disclosed in note 38.

### (b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items,

<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	Revaluation to 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 prepared and 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 within the next fiscal year is included in the following notes:

Note 3(s) and 22	Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used
Note 3(p)	Revenue recognition from service contract
Note 3(e), 8, 9, and 10	Measurement of expected receivable
Note 3(g), 3(k), 12, 13, and 15	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 23	Measurement of defined benefit obligations: key actuarial assumptions

*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 these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the 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 observable market 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 4 - Acquisition of subsidiaries
- Note 16 - Investment properties
- Note 17 - Lands
- Note 35 - 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, as describe in subsidiaries section, other than those with entities under common control.

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. Any gain on bargain purchase is recognised in profit or loss immediately.



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 initially recognised 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) Derivatives**

Derivatives are used to manage exposure to foreign exchange, interest rate arising from operational, financing and investment activities. Derivatives 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 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.

Group's/Company's 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 measured 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.

Any 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 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 recognised 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 recognised 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 recognises 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. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. 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. Basic 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****2018**

In January 2018, the Company incorporated a new subsidiary, The Foodsource Co., Ltd., with a registered and paid-up share capital of Baht 3 million. This subsidiary engages in import, wholesale, distribution of food ingredients and food products. The Company held 90% of shares and voting right in the subsidiary. In May 2018, the subsidiary increased its registered share capital from Baht 3 million to Baht 30 million which were fully paid up. The Company paid up the increase in share capital according to percentage of shareholding of 90%, amounting to Baht 24.3 million.

In April 2018, a subsidiary spun off its division to establish ASM Professional Manpower Co., Ltd., with an authorised and fully paid up share capital amounting to Baht 4 million. The company engages in recruitment and other related services. The subsidiary held 99% of shares (the Group indirectly held 99%), amounting to Baht 4 million.

In April 2018, a subsidiary spun off its division to establish ASM Training Co., Ltd., with an authorised and fully paid up share capital amounting to Baht 4 million. The company engages in personnel development, training, and other related services. The subsidiary held 99% of shares (the Group indirectly held 99%), amounting to Baht 4 million.

In May 2018, a subsidiary invested in Siamsamut Warin Co., Ltd. The said company engages in import, wholesale, and distribution of food ingredients and food products, with a registered share capital of Baht 50 million and 30% paid-up share capital. A subsidiary held 60% of shares and voting right in the said indirect subsidiary (the Group indirectly held 54%). The Group included the indirect subsidiary's financial statements in the consolidated financial statements for the year ended 31 December 2018.

During the period from acquisition date to 31 December 2018, Siamsamut Warin Co., Ltd. contributed revenue of Baht 123.7 million and loss of Baht 0.3 million the Group's results. If the acquisition had occurred on 1 January 2018, management estimates that consolidated revenue would have increased by Baht 72.2 million and consolidated profit for the year would have increased by Baht 5.4 million.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

*Consideration transferred*

	<b>Fair value</b> <i>(in million Baht)</i>
Cash	41

*Identifiable assets acquired and liabilities assumed*

	<b>Fair value</b> <i>(in million Baht)</i>
Cash and cash equivalents	3
Trade accounts receivable	28
Other receivables	2
Inventories, net	30
Property, plant and equipment	7
Bank overdrafts and short-term loans from financial institution	(23)
Trade accounts payable	(38)
Other payables	(1)
Advances received from customers	(1)
Long-term liabilities	(4)
<b>Total identifiable net assets</b>	<b>3</b>
Non-controlling interests	(1)
Goodwill arising from the acquisition	39
<b>Purchase consideration transferred</b>	<b>41</b>
Net cash acquired with the subsidiary	3
Cash paid	(41)
<b>Net cash outflows</b>	<b>(38)</b>

The Group is continuing its review of these matters during the measurement period. If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date identifies adjustments to the above provisional fair values, or any additional assets or liabilities that existed at the acquisition date, then the acquisition accounting will be revised.

*Goodwill*

The goodwill is attributable mainly to the skills and technical talent of Siamsamut Warin Co., Ltd.'s work force, and the synergies expected to be achieved from integrating the company into the Group. None of the goodwill recognised is expected to be deductible for income tax purposes.

*Acquisition-related costs*

The Group incurred acquisition-related costs of Baht 0.5 million related to due diligence costs. The costs has been included in administrative expenses in the Group's consolidated statement of comprehensive income.

In May 2018, Loxley Power Systems Co., Ltd., a subsidiary of the Company, increased its registered share capital from Baht 20 million to Baht 30 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 10 million.

In September 2018, L Food Solutions Company Limited, a subsidiary of the Company, increased its registered share capital from Baht 40 million to Baht 50 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 10 million.

### 2017

In January 2017, the Company entirely purchased shares of Loxley 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 July 2017, the said subsidiary increased its registered share capital from Baht 10 million to Baht 20 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 January 2017, Loxley Engineering Co., Ltd., a subsidiary of the Company, called for an 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 April 2017, the Company incorporated a new subsidiary, Loxley Automotive Co., Ltd., with a registered share capital of Baht 1 million and 25% paid-up share capital, amounting to Baht 0.3 million. The said company engages in manufacturing, assembling, trading, renting, leasing, importing and exporting, as well as providing after-sales service of all kinds of vehicles and their spare parts. The Company held 99% of shares and voting right in the subsidiary.

In July 2017, Loxley Intertrade (Guangzhou) Co., Ltd., a subsidiary of the Company, increased its registered share capital from USD 0.48 million to USD 1.05 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 19.43 million.

In November 2017, the Company incorporated a new subsidiary, Loxley Environmental Dynamics Co., Ltd., an authorised and fully paid up share capital amounting to Baht 8.5 million, amounting to Baht 8 million. The said company engages in providing advice and guidance on the management of garbage, waste and the establishment of a waste disposal plant for electricity generation. The Company held 94% of shares and voting right in the subsidiary.

### **(b) *Acquisition of interests in subsidiary without a change of control***

#### 2017

In June 2017, the Company purchased 305,000 shares of ASM Security Management Co., Ltd., a subsidiary of the Company, from the subsidiary's shareholder totaling Baht 25 million, bringing the change in percentage of holding from 69% to 99%. The Group recognised a decrease in non-controlling interests of Baht 54 million and gain from change in percentage of holding amounting to Baht 29 million which was recorded under "change in percentage of holding in subsidiaries and associates" in other components of equity.

In October 2017, Lego 99 Co., Ltd., a subsidiary of the Company, increased its registered share capital from Baht 0.1 million to Baht 15 million, which were fully called up. The Company partially acquired 74,000 shares of the increased share capital, totaling Baht 7.4 million, resulting in the decrease in percentage of holding from 99% to 50%. Then the said subsidiary invested in Phetkasem Green Holding Co., Ltd., with an authorised share capital amounting to Baht 60 million and 25% paid-up. This company engages in manufacturing, assembling, and trading steam generator, pressure tank, filter and conveyor belt. The subsidiary held 99% of shares (the Group indirectly held 50%). The Group classified this investment as an indirect subsidiary.

(c) *Disposal of interest in subsidiary with a change of control*

**2018**

In August 2018, LWTN Co., Ltd., an indirect subsidiary of the Group, increased its registered share capital from Baht 1 million to Baht 10 million and called for an additional paid-up of 25%. A subsidiary did not pay for that call. Therefore, the percentage of shareholding in this indirect subsidiary was reduced from 99% (the Group indirectly held 85%) to 10% (the Group indirectly held 9%), resulting in a loss of control in the said indirect subsidiary. The Group recognised a decrease in non-controlling interest of Baht 2 million. The deconsolidation of such entity does not have any material impact on the consolidated financial statements.

**2017**

In September 2017, the Company disposed its entire investment in Q Solar 1 Co., Ltd. (Formerly “L Solar 1 Co., Ltd.”), a subsidiary of the Company, to a non-related party. The Company received Baht 9 million of cash (net of transaction cost of Baht 1.50 million), Baht 166 million of short-term promissory notes (received in full amount in December 2017) and Baht 218 million of newly issued ordinary shares of QTC Energy Public Company Limited (17 million shares of newly issued ordinary shares with Baht 12.83 per share (fair value appraised by independent appraiser)) totaling Baht 393 million, resulting in a loss of control in the said subsidiary. The Group recognised a decrease in non-controlling interest of Baht 127 million and has gain from disposal of investment in consolidated and separate financial statements amounting to Baht 97 million and Baht 200 million, respectively, which was recorded in the statement of income for the year ended 31 December 2017. The deconsolidation of such entity does not have any material impact on the consolidated financial statements.

In October 2017, the Company disposed its entire investment in L Force 1 Co., Ltd., a subsidiary of the Company, to a non-related party amounting to Baht 0.5 million, resulting in a loss of control in the said subsidiary. The Group has loss from disposal of investment in consolidated financial statements amounting to Baht 0.5 million and gain from disposal of investment in separate financial statements amounting to Baht 0.5 million which was recorded in the consolidated and separate statements of income for the year ended 31 December 2017. The deconsolidation of such entity does not have any material impact on the consolidated financial statements.

## 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.

Relationships with subsidiaries, associates and joint ventures are described in notes 12 and 13. Relationships with key management and other related parties were as follows:

<b>Name of entities</b>	<b>Nature of relationships</b>
<b>Major shareholder</b>	
Ekpavee Company Limited	A major shareholder, 26% shareholding of the Company, common director
<b>Key management personnel</b>	
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.
<b>Other related parties</b>	
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
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
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.	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.	A related party, shareholding by the major shareholder, common director
Spie Oil & Gas Services (Thailand) Ltd.	A related party, common director
Phatra Leasing Public Company Limited	A related party, common director



Name of entities	Nature of relationships
<b>Other related parties</b>	
Phuket Smart Bus Co., Ltd.	A related party, shareholding by Company, common director
Q Solar 1 Co., Ltd. (Formerly “L Solar 1 Co., Ltd.”)	A related party, common director
Lox Service Co., Ltd.	A related party, shareholding by the major shareholder
NP Point Asia Co., Ltd.	A related party, shareholding by subsidiary company
LN Siam Co., Ltd.	A related party, shareholding by the major shareholder

The above related parties were incorporated in Thailand except 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
Distribution costs	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 investment	Fair value or contractually agreed prices

Significant transactions for the years ended 31 December 2018 and 2017 with related parties were as follows:

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b>Subsidiaries</b>				
Sale of goods and rendering of services	-	-	206	169
Fees and other income	-	-	73	60
Dividend income	-	-	529	533
Purchases of goods and rendering of services	-	-	147	174
Distribution costs	-	-	3	2
Administrative expenses	-	-	112	106
Finance costs	-	-	1	2
Purchase of investment	-	-	113	18
<b>Associates and joint ventures</b>				
Sale of goods and rendering of services	81	106	39	27
Fees and other income	30	24	24	20
Dividend income	-	-	83	191
Purchases of goods and rendering of services	347 <sup>1</sup>	288 <sup>1</sup>	347 <sup>1</sup>	282 <sup>1</sup>
Distribution costs	-	3	-	2
Administrative expenses	-	2	-	1

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b>Other related parties</b>				
Sale of goods and rendering of services	73	64	43	41
Fees and other income	13	11	11	11
Dividend income	19	28	14	14
Purchases of goods and rendering of services	1,264 <sup>2</sup>	1,572 <sup>2</sup>	20	45
Distribution costs	1	9	-	7
Administrative expenses	37	55	29	43
Finance costs	4	4	-	-
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term management benefits	169	168	84	78
Long-term management benefits	7	7	3	3

<sup>1</sup> The amount mainly comprises purchase and installation of project equipment from an associate, totaling Baht 214 million and Baht 127 million, for the years then ended 31 December 2018 and 2017, respectively in the consolidated and separate financial statements. The pricing policy is based on contractually agreed prices.

<sup>2</sup> The amount mainly comprises a subsidiary's purchase of vegetable oil from a related party totaling Baht 1,237 million and Baht 1,518 million for the years then ended 31 December 2018 and 2017 in the consolidated financial statements, respectively. The pricing policy is based on prices agreed by distributors who absorb distribution costs.

Balances as at 31 December 2018 and 2017 with related parties were as follows:

***Trade accounts receivable - related parties***

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Subsidiaries	-	-	180	156
Associates and joint ventures	244	232	114	141
Other related parties	10	22	3	13
<b>Total</b>	<b>254</b>	<b>254</b>	<b>297</b>	<b>310</b>
<i>Less allowance for doubtful accounts</i>	<i>(246)</i>	<i>(128)</i>	<i>(119)</i>	<i>(119)</i>
<b>Net</b>	<b>8</b>	<b>126</b>	<b>178</b>	<b>191</b>
Bad debts and doubtful debts expense for the year	118	11	-	-

*Other receivables - related parties**Receivables - other income*

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Subsidiaries	-	-	34	9
Associates and joint ventures	245	217	245	216
Other related parties	5	2	5	2
<b>Total</b>	<b>250</b>	<b>219</b>	<b>284</b>	<b>227</b>
Less allowance for doubtful accounts	(242)	(214)	(245)	(216)
<b>Net</b>	<b>8</b>	<b>5</b>	<b>39</b>	<b>11</b>
Bad debts and doubtful debts expense for the year	29	28	29	28

*Deposit*

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Subsidiaries	-	-	18	18

*Accrued income*

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Subsidiaries	-	-	-	12
Associates and joint ventures	3	-	3	-
<b>Total</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>12</b>

*Dividend receivables - related parties*

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Subsidiaries	-	-	100	233

*Loans to related parties*

<i>Year ended 31 December</i>	<b>Interest rate</b>		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017	2018	2017
	<i>(% per annum)</i>		<i>(in million Baht)</i>			
<i>Short-term loans</i>						
Subsidiaries	3-5	4-5	-	-	45	135
Associates and joint ventures	3-7.5	3-7.5	539	473	517	471
<b>Total</b>			<b>539</b>	<b>473</b>	<b>562</b>	<b>606</b>
Less allowance for doubtful accounts			(507)	(471)	(507)	(491)
<b>Net</b>			<b>32</b>	<b>2</b>	<b>55</b>	<b>115</b>

*Loans to related parties*

<i>Year ended 31 December</i>	<b>Interest rate</b>		<b>Consolidated</b>		<b>Separate</b>	
	2018	2017	<b>financial statements</b>		<b>financial statements</b>	
	<i>(% per annum)</i>		2018	2017	2018	2017
Bad debts and doubtful debts expense for the year			36	10	16	10
<i>Long-term loans</i>						
Subsidiaries	3.5-5	-	-	-	37	-

Movements during the years ended 31 December 2018 and 2017 of loans to related parties were as follows:

*Loans to related parties*

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<i>Short-term loans</i>				
<b>Subsidiaries</b>				
At 1 January	-	-	115	-
Increase	-	-	31	220
Decrease	-	-	(121)	(105)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>25</b>	<b>115</b>
<b>Associates and joint ventures</b>				
At 1 January	2	-	-	-
Increase	74	43	46	10
Decrease	(8)	(31)	-	-
Decrease from set up allowance for doubtful accounts	(36)	(10)	(16)	(10)
<b>At 31 December</b>	<b>32</b>	<b>2</b>	<b>30</b>	<b>-</b>
<b>Total Short-term loans to related parties</b>				
At 1 January	2	-	115	-
Increase	74	43	77	230
Decrease	(8)	(31)	(121)	(105)
Decrease from set up allowance for doubtful accounts	(36)	(10)	(16)	(10)
<b>At 31 December</b>	<b>32</b>	<b>2</b>	<b>55</b>	<b>115</b>
<i>Long-term loans</i>				
<b>Subsidiaries</b>				
At 1 January	-	-	-	-
Increase	-	-	37	-
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>37</b>	<b>-</b>

*Trade accounts payable - related parties*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
<i>Year ended 31 December</i>	<i>(in million Baht)</i>			
Subsidiaries	-	-	15	30
Associates and joint ventures	50	21	50	21
Other related parties	150	189	1	2
<b>Total</b>	<b>200</b>	<b>210</b>	<b>66</b>	<b>53</b>

*Other payables - related parties**Payables - other expenses*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
<i>Year ended 31 December</i>	<i>(in million Baht)</i>			
Subsidiaries	-	-	15	3
Other related parties	7	5	1	5
<b>Total</b>	<b>7</b>	<b>5</b>	<b>16</b>	<b>8</b>

*Loans from related parties*

	<b>Interest rate</b>		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017	2018	2017
<i>Year ended 31 December</i>	<i>(% per annum)</i>		<i>(in million Baht)</i>			
<i>Short-term loans</i>						
Major shareholder	5	5	80	80	-	-
Subsidiaries	1	1	-	-	-	206
Other related parties	3	-	1	-	-	-
<b>Total</b>			<b>81</b>	<b>80</b>	<b>-</b>	<b>206</b>

Movements during the years ended 31 December 2018 and 2017 of loans from related parties were as follows:

*Loans from related parties*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
<i>(in million Baht)</i>				
<i>Short-term loans</i>				
<b>Major shareholder</b>				
At 1 January	80	102	-	-
Decrease	-	(22)	-	-
<b>At 31 December</b>	<b>80</b>	<b>80</b>	<b>-</b>	<b>-</b>
<b>Subsidiaries</b>				
At 1 January	-	-	206	100
Increase	-	-	150	306
Decrease	-	-	(356)	(200)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>206</b>

*Loans from related parties*

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b>Other related parties</b>				
At 1 January	-	-	-	-
Increase	1	-	-	-
<b>At 31 December</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total short-term loans from related parties</b>				
At 1 January	80	102	206	100
Increase	1	-	150	306
Decrease	-	(22)	(356)	(200)
<b>At 31 December</b>	<b>81</b>	<b>80</b>	<b>-</b>	<b>206</b>

*Future minimum lease payments under non-cancellable operating leases - related parties*

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Within one year	24	25	23	27
After one year but within five years	27	31	20	31
<b>Total</b>	<b>51</b>	<b>56</b>	<b>43</b>	<b>58</b>

**6 Cash and cash equivalents**

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<i>Year ended 31 December</i>				
Cash on hand and cash at banks - current accounts	60	274	9	8
Cash at banks - savings accounts	978	742	147	202
Highly liquid short - term investments	55	50	-	-
Cheque on hand	25	34	7	15
<b>Total</b>	<b>1,118</b>	<b>1,100</b>	<b>163</b>	<b>225</b>

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.

**7 Deposits pledged as collateral**

As at 31 December 2018, fixed deposits and promissory notes at financial institutions which were presented in other non-current assets in consolidated financial statement amounting to Baht 24 million (2017: Baht 26 million) have been pledged as collateral for the Group's projects performance.

## 8 Trade accounts receivable

<i>Year ended 31 December</i>	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2018	2017	2018	2017
		<i>(in million Baht)</i>			
Related parties	5	254	254	297	310
Other parties		3,197	2,784	903	1,124
<b>Total</b>		<b>3,451</b>	<b>3,038</b>	<b>1,200</b>	<b>1,434</b>
<i>Less</i> allowance for doubtful accounts		(444)	(373)	(218)	(270)
<b>Net</b>		<b>3,007</b>	<b>2,665</b>	<b>982</b>	<b>1,164</b>
Bad debts and doubtful debts expenses for the year		125	59	1	46

Aging analyses for trade accounts receivable were as follow:

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b>Related parties</b>				
Within credit terms	2	4	108	130
Overdue:				
Less than 3 months	3	31	21	19
3-6 months	17	49	17	30
6-12 months	24	39	32	11
Over 12 months	208	131	119	120
	<b>254</b>	<b>254</b>	<b>297</b>	<b>310</b>
<i>Less</i> allowance for doubtful accounts	(246)	(128)	(119)	(119)
	<b>8</b>	<b>126</b>	<b>178</b>	<b>191</b>
<b>Other parties</b>				
Within credit terms	1,468	1,092	274	403
Overdue:				
Less than 3 months	829	1,035	349	397
3-6 months	222	198	55	60
6-12 months	248	138	87	58
Over 12 months	430	321	138	206
	<b>3,197</b>	<b>2,784</b>	<b>903</b>	<b>1,124</b>
<i>Less</i> allowance for doubtful accounts	(198)	(245)	(99)	(151)
	<b>2,999</b>	<b>2,539</b>	<b>804</b>	<b>973</b>
<b>Net</b>	<b>3,007</b>	<b>2,665</b>	<b>982</b>	<b>1,164</b>

Included in trade accounts receivable - other parties over the age thresholds of 6 months as at 31 December 2018 and 2017 are amounts receivable from government agencies and state enterprises as follows:

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
6-12 months	232	83	78	22
Over 12 months	206	25	14	9
<b>Total</b>	<b>438</b>	<b>108</b>	<b>92</b>	<b>31</b>

The Group/Company determines allowance for doubtful account to reflect the expected recoverable amount of trade accounts receivable. The Group/Company's management uses their judgement to set the allowance by considering from each of debtors according to the age profile of the receivables as well as analysing payment histories and expectation of future payment from debtors.

## 9 Other receivables

<i>Year ended 31 December</i>	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2018	2017	2018	2017
		<i>(in million Baht)</i>			
Receivables - other income	5	271	258	293	264
Prepaid withholding tax		247	183	120	54
Account receivable finance lease		118	12	7	2
Other receivables		56	-	-	-
Advance to employees		50	47	7	17
Prepaid expenses		43	46	14	16
Value added tax		34	91	-	42
Deposit	5	25	23	19	20
Promotion receivables		20	32	-	-
Refundable retentions		19	20	-	-
Accrued income	5	14	8	10	16
Others		19	16	1	-
<b>Total</b>		<b>916</b>	<b>736</b>	<b>471</b>	<b>431</b>
<i>Less</i> allowance for doubtful accounts		(249)	(220)	(251)	(223)
<b>Net</b>		<b>667</b>	<b>516</b>	<b>220</b>	<b>208</b>
Current		295	291	76	133
Non-current		372	225	144	75
<b>Total</b>		<b>667</b>	<b>516</b>	<b>220</b>	<b>208</b>
Bad debts and doubtful debts expenses for the year	5	29	28	29	28

The Group/Company determines allowance for doubtful account to reflect the expected recoverable amount of other receivables. The Group/Company's management uses their judgement to set the allowance by considering payment historical data and expectation of future payment from debtors.



## 10 Receivable under debt restructuring agreement

In December 2017, Loxley Wireless Public Company Limited (“Loxley Wireless”) and Office of the Welfare Promotion Commission for Teachers and Educational Personnel (“OTEP”) entered into a compromise agreement. The said debtor agrees to pay the amount of Baht 1,294 million as follows;

- 1) Repayment as textbooks amount of Baht 165 million, which will be delivered to Loxley Wireless within 60 days from the agreement date.
- 2) The remaining amount of Baht 1,129 million is repayable within 6 years. The first installment is due within 25 January 2018 and the last installment is due within 25 December 2023.
  - 2.1) Monthly payment of not less than Baht 5 million, the first installment within 25 January 2018 and within 25<sup>th</sup> of the following month until the end of the agreement but not later than 25 December 2023.
  - 2.2) Additional payment as follows;
    - Additional payment within May 2019 amounting to not less than Baht 120 million
    - Additional payment within May 2020 amounting to not less than Baht 120 million
    - Additional payment within May 2021 amounting to not less than Baht 120 million
    - Additional payment within May 2022 amounting to not less than Baht 200 million
    - The rest of payment will be made within May 2023

In February 2018, Loxley Wireless requested to extend the period of textbooks delivery from OTEP for another 30 days until 31 March 2018. During the year ended 2018, Loxley Wireless received textbooks from OTEP in amount of Baht 116.2 million, remaining undelivered textbooks of Baht 48.8 million (net book value of Baht 0.8 million).

The effect of debt restructuring as mentioned above, the Group recorded a loss on debt restructuring of Baht 337 million as follows;

<i>Year ended 31 December 2017</i>	<b>Consolidated financial statements (in million Baht)</b>
Valuation of trade account receivable (OTEP) before the debt restructuring	<u><b>1,386.06</b></u>
<i>Less</i> expected return of restructured debt	
- Expected fair value of assets to be transferred	(91.50)
- Present value of expected future cash flow are discounted using 4.775% p.a. (a financial cost rate that Loxley Wireless has to pay to restructure the receivable throughout the life of the agreement)	(957.30)
	<u><b>(1,048.80)</b></u>
<b>Loss from debt restructuring</b>	<u><b>337.26</b></u>

Receivable under restructuring agreement as at 31 December are as follows;

	Within one year		After one year but within five years		After five years		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Receivable under debt restructuring agreement	181	151	889	800	-	269	1,070	1,220
<i>Less</i> unearned interest income	(41)	(45)	(85)	(121)	-	(5)	(126)	(171)
<b>Total receivable under debt restructuring agreement</b>	<u><b>140</b></u>	<u><b>106</b></u>	<u><b>804</b></u>	<u><b>679</b></u>	<u><b>-</b></u>	<u><b>264</b></u>	<u><b>944</b></u>	<u><b>1,049</b></u>

The Group determines allowance for doubtful account to reflect the expected recoverable amount of receivable under debt restructuring agreement. The Group's management uses their judgement to set the allowance by considering payment historical data and expectation of future payment from debtors.

## 11 Inventories

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Raw materials	58	14	-	-
Merchandise inventories	400	354	253	236
Project equipment and project in progress	984	1,360	42	168
Goods in transit	61	62	43	25
<b>Total</b>	<b>1,503</b>	<b>1,790</b>	<b>338</b>	<b>429</b>
<i>Less</i> allowance for decline in value	(73)	(82)	(29)	(31)
<b>Net</b>	<b>1,430</b>	<b>1,708</b>	<b>309</b>	<b>398</b>
Inventories recognised as cost of sale of goods and rendering of services				
- Cost of sale of goods and rendering of services	<b>9,307</b>	<b>11,743</b>	<b>3,439</b>	<b>6,147</b>
Inventories recognised as administrative expenses				
- Provisions for declining in value	8	24	2	8
- Effect of acquisition and disposal of investments in subsidiaries	8	-	-	-
- Reversal of provision for declining in value	(25)	(20)	(4)	(13)
	<b>(9)</b>	<b>4</b>	<b>(2)</b>	<b>(5)</b>

## 12 Investments in associates and joint ventures

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b>Associates</b>				
At 1 January	2,847	2,874	947	928
Increase	4	67	4	19
Transfer from investments in subsidiaries to associates	-	1	-	-
Share of profit of investments, net	383	520	-	-
Dividend income	(499)	(615)	-	-
Allowance for impairment	(11)	-	(99)	-
Return on investment	-	(2)	-	(2)
Reverse allowance of impairment	-	2	-	2
<b>At 31 December</b>	<b>2,724</b>	<b>2,847</b>	<b>852</b>	<b>947</b>

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b>Joint ventures</b>				
At 1 January	47	59	25	25
Increase	-	25	113	-
Share of loss of investments, net	(28)	(37)	-	-
Effect of change in percentage of holding	7	-	-	-
Allowance for impairment	-	-	(25)	-
<b>At 31 December</b>	<b>26</b>	<b>47</b>	<b>113</b>	<b>25</b>
<b>Total</b>				
At 1 January	2,894	2,933	972	953
Increase	4	92	117	19
Transfer from investments in subsidiaries to associates	-	1	-	-
Share of profit of investments, net	355	483	-	-
Dividend income	(499)	(615)	-	-
Effect of change in percentage of holding	7	-	-	-
Allowance for impairment	(11)	-	(124)	-
Return on investment	-	(2)	-	(2)
Reverse allowance of impairment	-	2	-	2
<b>At 31 December</b>	<b>2,750</b>	<b>2,894</b>	<b>965</b>	<b>972</b>

### 2018

In May 2018, DM-Loxley Co., Ltd., an associate of the Company, called for an additional paid up of 20%. The Company fully paid up according to percentage of holding of 45% in the said company amounting to Baht 4.05 million.

In August 2018, the Company entirely purchased shares of Loxley & AIT Holding Co., Ltd., a joint venture of a subsidiary, totaling Baht 113 million. The indirect joint venture thereby became a direct joint venture of the Company. The Group recognised an increase in non-controlling interest of Baht 12 million.

### 2017

In January 2017, K2 Venture Capital Company Limited, an indirect subsidiary of the Company, called for an additional 75% paid-up share capital. The subsidiary fully paid up its holding portion according to the percentage of shareholding of 99% amounting to Baht 3 million. In addition, the said indirect subsidiary increased its registered share capital, with fully called up, from Baht 4 million to Baht 70 million. The subsidiary partially acquired 310,020 shares of the increased share capital, totaling Baht 31 million. Therefore, the percentage of shareholding in this indirect subsidiary has been reduced from 99% to 50% resulting in a losing of control and the reclassification of this indirect subsidiary to associate. In September 2017, the said indirect associate increased its registered share capital, with fully called up, from Baht 70 million to Baht 100 million. The subsidiary paid up the increase in share capital according to percentage of shareholding of 50%, amounting to Baht 15 million.

In January 2017, Loxley & AIT Holding Co., Ltd., an indirect joint venture, called for an additional paid-up of 25%. A subsidiary fully paid up according to percentage of holding of 50% (the Group indirectly held 43%) in the said company amounting to Baht 25 million.

In March and June 2017, the Company invested in DM-Loxley Co., Ltd. amounting to Baht 16.2 million. The company has an authorised share capital amounting to Baht 45 million and 80% paid-up and engages in the business of providing water supply services. The Company held 45% of shares and voting right in the associate.

In September 2017, a subsidiary invested in TLK2 Management Co., Ltd., with an authorised and fully paid up share capital amounting to Baht 1 million. This company engages in venture capital business. The subsidiary held 50% of shares (the Group indirectly held 50%). The Group classified this investment as an indirect associate.

In October 2017, a subsidiary disposed entire investment in Cloud Serve Asia Co., Ltd., an indirect joint venture of the Company, to non-related party. The subsidiary received Baht 0.3 million of Cash, resulting in a loss of control in the said joint venture. The Group has gain from disposal of investment in consolidated financial statements amounting to Baht 0.3 million which was recorded in the consolidated statement of income for the year ended 31 December 2017.

In November 2017, Thanthiya Technology Co., Ltd. an associate reduced its share capital from Baht 100 per share to Baht 10 per share, resulting in change in number of shares from 42,900 shares to 429,000 shares. In addition, the said direct associate increased its registered share capital, with fully called up, from Baht 4.29 million to Baht 10.73 million. The Company paid up the increase in share capital according to percentage of shareholding of 30%, amounting to Baht 1.93 million.

Investments in associates and joint ventures are based on the audited financial statements as at 31 December 2018 and 2017 except:

Investments in three associates, NS BlueScope Lysaght (Thailand) Limited, NS BlueScope (Thailand) Limited and BlueScope Buildings (Thailand) Limited (ceased its operation during 2018), 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 2018 and 2017, 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 2018 and 2017, which had been reviewed, but not audited by auditors. The carrying value of investments in two associates in the consolidated financial statements as at 31 December 2018 was Baht 1,527 million, the share of their net loss for the years ended 31 December 2018 was Baht 2 million, and the dividend income received from them for the years ended 31 December 2018 was Baht 78 million. The carrying value of investments in three associates in the consolidated financial statements as at 31 December 2017 was Baht 1,669 million, the share of their net profit for the years ended 31 December 2017 was Baht 114 million, and the dividend income received from them for the years ended 31 December 2017 was Baht 166 million. However, during 2018, the Company's management received the audited financial statements of the associates for the year ended 30 June 2018. 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 2018.

#### *Impairment testing*

Management of the Group/Company performed an impairment test of carrying amount of investment in associate and joint venture. The recoverable amount was based on its value in use, determined by discounted future cash flows to be generated from the continuing operations of CGU according to the business plan and discount rate which is calculated by weighted average cost of capital. Assumptions were derived from the Group/Company's management judgements, and were based on business plan taking into account past experience as well as the future prediction that is believed to be reasonable in the present situation. Any change or clarification in information arises in the future might create effect to the estimated recoverable amount.



## Consolidated financial statements

	Ownership interest (%)		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		Dividend income	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>Joint ventures</b>														
Car Convinie Co., Ltd.	51	51	50 million Baht	50 million Baht	25	25	-	8	-	-	-	8	-	-
L-S Technology Solutions Co., Ltd.	50	50	10 million Baht	10 million Baht	5	5	-	-	-	-	-	-	-	-
Loxley Numap Infra Plus Joint Venture	-	-	-	-	-	-	1	-	-	-	1	-	-	-
LXFM Joint Venture	-	-	-	-	-	-	3	-	-	-	3	-	-	-
Loxley & AIT Holding Co., Ltd.	50	43	200 million Baht	200 million Baht	113	100	22	37	-	-	22	37	-	-
Loxtrade Specialty Innovation Co., Ltd.	25	25	5 million Baht	5 million Baht	3	3	-	2	-	-	-	2	-	-
LPDPS Joint Venture*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>			<b>146</b>	<b>133</b>	<b>146</b>	<b>133</b>	<b>26</b>	<b>47</b>	<b>(25)</b>	<b>26</b>	<b>26</b>	<b>47</b>	<b>499</b>	<b>615</b>
			<b>1,410</b>	<b>1,393</b>	<b>1,410</b>	<b>1,393</b>	<b>2,775</b>	<b>2,908</b>	<b>(14)</b>	<b>2,750</b>	<b>2,750</b>	<b>2,894</b>	<b>499</b>	<b>615</b>

\* As at 31 December 2018, the Group recorded share of loss from the joint venture by recognising allowance for doubtful accounts for trade accounts receivable and short-term loans to in the consolidated financial statements as the Group has an obligation to pay in accordance with the contract.



### 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 summarised financial information to the carrying amount of the Group's interest in these companies.

	BP-Castrol (Thailand) Limited		NS BlueScope (Thailand) Limited	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Revenue	5,983	5,963	12,092	11,944
Total comprehensive income (100%)	<u>1,064</u>	<u>1,062</u>	<u>4</u>	<u>632</u>
Group's share of total comprehensive income	<u>426</u>	<u>425</u>	<u>-</u>	<u>126</u>
Current assets	2,549	2,303	5,075	4,965
Non-current assets	791	769	7,469	6,601
Current liabilities	(1,004)	(766)	(3,881)	(4,630)
Non-current liabilities	(107)	(101)	(2,102)	(104)
<b>Net assets (100%)</b>	<b><u>2,229</u></b>	<b><u>2,205</u></b>	<b><u>6,561</u></b>	<b><u>6,832</u></b>
Group's share of net assets	<u>892</u>	<u>882</u>	<u>1,307</u>	<u>1,379</u>
Group's interest in net assets of associates at 1 January	882	881	1,379	1,411
Total comprehensive income attributable to the Group	426	425	-	126
Dividends received during the year	<u>(416)</u>	<u>(424)</u>	<u>(72)</u>	<u>(158)</u>
<b>Group's interest in net assets of associates at 31 December</b>	<b><u>892</u></b>	<b><u>882</u></b>	<b><u>1,307</u></b>	<b><u>1,379</u></b>

### Immaterial associates and joint ventures

The following is summarised 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	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Carrying amount of interests in immaterial associates and joint ventures	525	586	26	47
Group's share of total comprehensive income	(43)	(31)	(28)	(37)



### **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 GLO requesting that they honor the agreement, and pay for the damages arising from non-compliance. The associate demanded that GLO urgently comply with the contract, and launch the sales of lotteries. The associate also called for payment for damages incurred due to the operational delay and breach of agreement until GLO honor the agreement. The demanded payment together with interest must be paid to the associate within 30 days after GLO received the letter. The associate would, otherwise, take legal action and other measures deemed necessary to protect and enforce its rights. Consequently, on 9 June 2010, the associate was informed in writing by GLO that GLO, as a government agency operating under GLO Act, B.E. 2517, must strictly abide by the cabinet resolution and the prime minister's direction. GLO is aware of the business consequence that the associate has sustained, and has already furnished all relevant facts to those having authorities under GLO Act for consideration. Once the conclusion is obtained, the associate shall be accordingly informed. GLO strongly hopes that the issue will be resolved in the near future. However, the associate will be able to recover all amounts due under the agreement with GLO as it proposes to take legal action in consultation with its legal advisors to make GLO honor the agreement and to recover all expenses incurred plus related damages due under the terms of the agreement. On 7 April 2011, the associate filed a complaint to the Administrative Court against GLO to order GLO to resolve and proceed with

the matter accordingly. On 22 December 2017, the Administrative Court of First Instance (Central Administrative Court) issued a notice to the associate that 16 January 2018 would be the final day of affirmation. On 19 April 2018, the Administrative Court of First Instance (Central Administrative Court) set its first hearing date on 24 May 2018. On 28 June 2018, the Administrative Court of First Instance (Central Administrative Court) judged GLO to pay a total of Baht 945.6 million plus interest at the rate of 7.5% of such principal amount from the filing date until the payment to the associate. On 25 July 2018, the associate filed an appeal against the judgment of the Administrative Court of First Instance (Central Administrative Court) dated 28 June 2018, requesting the Supreme Administrative Court to consider and adjudicate GLO to comply with the service of contract of the lottery project and compensate for the damages incurred by the delayed of the contract until the date of lawsuit and cost to restart the lottery project (Restart-Up Cost). However, if the service contract for the lottery project has to be cancelled because of the failure to comply with the contract of GLO, the associate asked the Supreme Administrative Court to consider and adjudicate GLO to compensate for the actual damage to the associate. As at 31 December 2018, the litigation proceeding in the Supreme Administrative Court was underway and the outcome was yet to be determined.

Furthermore, loss of the associate's financial positions has been increasing and operating costs have been rising over the initial budgets. The Company cannot reliably estimate the effect and the amount of time required to recover its investment in the associate.

In respect of the above, the Company recorded full impairment loss on all remaining balances in respects of such project in the separate financial statements as at 31 December 2018 and 2017 as required by TAS 36 (revised 2017) "Impairment of Assets." The standard provided that when the recoverable amount of an investment is less than its carrying value, the Company must record impairment loss on such investment directly in the profit or loss by reducing the investment cost to its recoverable amount. The details are as follows:

<b>Separate financial statements</b>	Investment	Trade and other receivables (note 5) (in million Baht)	Short-term loans (note 5)	Total
<b><i>Balance</i></b>				
At 1 January 2017	105	300	461	866
Addition	-	28	10	38
<b>At 31 December 2017</b>	<b>105</b>	<b>328</b>	<b>471</b>	<b>904</b>
Addition	-	29	12	41
<b>At 31 December 2018</b>	<b>105</b>	<b>357</b>	<b>483</b>	<b>945</b>
<b><i>Allowance for doubtful accounts</i></b>				
At 1 January 2017	105	300	461	866
Addition	-	28	10	38
<b>At 31 December 2017</b>	<b>105</b>	<b>328</b>	<b>471</b>	<b>904</b>
Addition	-	29	12	41
<b>At 31 December 2018</b>	<b>105</b>	<b>357</b>	<b>483</b>	<b>945</b>
<b><i>Net book value</i></b>				
<b>At 31 December 2017</b>	-	-	-	-
<b>At 31 December 2018</b>	-	-	-	-

In the consolidated financial statements, the Group complies with TAS 28 (revised 2017) “Investments in Associates and Joint Ventures” which states that the Group normally must record share of loss of an associate equals to its interest in the associate. The interest in an associate is the carrying amount of the investment in the associate under the equity method together with any long-term interests that, in substance, form part of the investor’s net investment in the associate, such as a settlement of loan that is neither planned nor likely to occur in the foreseeable future. The Group’s additional share of loss recognised under the equity method is treated as deductions to the components of the interests in the associate. The Group only recognises additional share of loss as liability only when the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

As at 31 December 2018 and 2017, the Group recorded additional share of loss over its interest in the associate on the consolidated financial statements, representing 35% interest in the associate. Such share of loss over its interest in the associate is presented as deductions to the trade receivable, other receivables and short-term loans to the associate. In addition, the Group recorded additional allowance for short-term loans to the associate in the consolidated financial statements. The details are as follows:

<b>Consolidated financial statements</b>	Investment	Trade and other receivables (note 5) (in million Baht)	Short-term loans (note 5)	Total
<b><i>Balance</i></b>				
At 1 January 2017	105	300	461	866
Addition	-	28	10	38
<b>At 31 December 2017</b>	<b>105</b>	<b>328</b>	<b>471</b>	<b>904</b>
Addition	-	29	12	41
<b>At 31 December 2018</b>	<b>105</b>	<b>357</b>	<b>483</b>	<b>945</b>
<b><i>Equity loss</i></b>				
At 1 January 2017	105	143	57	305
Addition	-	-	-	-
<b>At 31 December 2017</b>	<b>105</b>	<b>143</b>	<b>57</b>	<b>305</b>
Addition	-	-	-	-
<b>At 31 December 2018</b>	<b>105</b>	<b>143</b>	<b>57</b>	<b>305</b>
<b><i>Allowance for doubtful accounts</i></b>				
At 1 January 2017	-	157	404	561
Addition	-	28	10	38
<b>At 31 December 2017</b>	<b>-</b>	<b>185</b>	<b>414</b>	<b>599</b>
Addition	-	29	12	41
<b>At 31 December 2018</b>	<b>-</b>	<b>214</b>	<b>426</b>	<b>640</b>
<b><i>Net book value</i></b>				
<b>At 31 December 2017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 31 December 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 13 Investments in subsidiaries

	Note	Separate financial statements	
		2018	2017
At 1 January		2,134	2,487
Acquisition	4	47	95
Disposals			
Disposal	4	-	(205)
Reversal of loss from impairment		-	12
Allowance for impairment		(8)	(255)
<b>At 31 December</b>		<b><u>2,173</u></b>	<b><u>2,134</u></b>

#### *Impairment testing*

Management of the Company performed an impairment test of carrying amount of investment in subsidiaries. The recoverable amount was based on its value in use, determined by discounted future cash flows to be generated from the continuing operations of CGU according to the business plan and discount rate which is calculated by weighted average cost of capital. Assumptions were derived from the Company's management judgements, and were based on business plan taking into account past experience, as well as the future prediction that is believed to be reasonable in the present situation. Any change or clarification in information arises in the future might create effect to the estimated recoverable amount.



## Separate financial statements

	Ownership interest (%)		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income		
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	
	<i>(in million Baht)</i>												
<b>Subsidiaries</b>													
Loxley Automotive Co., Ltd.	99	99	1 million Baht	1 million Baht	1	1	-	-	1	1	-	-	
Loxley Environmental Dynamics Co., Ltd.	94	94	9 million Baht	9 million Baht	8	8	(8)	-	-	8	-	-	
Loxley Property Development Co., Ltd.	90	90	250 million Baht	250 million Baht	255	255	-	-	255	255	9	-	
The Foodsource Co., Ltd.	90	-	30 million Baht	-	27	-	-	-	27	-	-	-	
Loxley Wireless Public Company Limited	85	85	275 million Baht	275 million Baht	255	255	(255)	(255)	-	-	-	-	
Green Natural Products Co., Ltd.	75	75	4 million Baht	4 million Baht	14	14	-	-	14	14	2	2	
L Solar 3 Co., Ltd.	74	74	10 million Baht	10 million Baht	7	7	-	-	7	7	-	-	
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	-	-	
Lego 99 Co., Ltd.	50	50	15 million Baht	15 million Baht	7	7	-	-	7	7	-	-	
Loxley Trading Company Limited	50	50	50 million Baht	50 million Baht	25	25	-	-	25	25	-	-	
Societe Commercial Lao Q Solar 1 Co., Ltd.	50	50	4,135 million Kip	4,135 million Kip	15	15	(15)	(15)	-	-	-	-	
(Formerly "L Solar 1 Co., Ltd.")	-	-	-	-	-	-	-	-	-	-	-	17	
(disposed during 2017)	-	-	-	-	-	-	(378)	(370)	2,173	2,134	529	533	
					<u>2,551</u>	<u>2,504</u>	<u>(378)</u>	<u>(370)</u>	<u>2,173</u>	<u>2,134</u>	<u>529</u>	<u>533</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 2018				Total
	Loxley Property Development Co., Ltd.	Loxley Trading Company Limited	Siamsamut Warin Co., Ltd.	Other individually immaterial subsidiaries	
Non-controlling interest percentage	9.87	50.00	46.00		
Current assets	397	343	83		
Non-current assets	812	62	9		
Current liabilities	(523)	(356)	(59)		
Non-current liabilities	(172)	(24)	(4)		
<b>Net assets</b>	<b>514</b>	<b>25</b>	<b>29</b>		
Carrying amount of non-controlling interest	51	12	12	28	103
Revenue	808	1,669	124		
Loss	(12)	(30)	-		
Other comprehensive income	(1)	-	-		
<b>Total comprehensive income</b>	<b>(13)</b>	<b>(30)</b>	<b>-</b>		
Loss allocated to non-controlling interest	(1)	(15)	-	(2)	(18)
Other comprehensive income allocated to non-controlling interest	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	(12)	(10)	20		

	31 December 2017				
	Loxley Property Development Co., Ltd.	Loxley Wireless Public Company Limited	Loxley Trading Company Limited	Other individually immaterial subsidiaries	Total
Non-controlling interest percentage	9.87	14.67	50.00		
Current assets	377	186	458		
Non-current assets	739	993	68		
Current liabilities	(369)	(224)	(443)		
Non-current liabilities	(211)	(1,025)	(28)		
<b>Net assets</b>	<b>536</b>	<b>(70)</b>	<b>55</b>		
Carrying amount of non-controlling interest	53	(10)	27	26	96
Revenue	417	135	2,264		
Profit (loss)	22	(451)	(27)		
<b>Total comprehensive income</b>	<b>22</b>	<b>(451)</b>	<b>(27)</b>		
Profit (loss) allocated to non-controlling interest	2	(66)	(13)	25	(52)
Other comprehensive income allocated to non-controlling interest	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	13	(111)	(25)		



## 15 Other investments

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b><i>Current investments</i></b>				
Short-term deposit at financial institution	5	5	-	-
Equity securities held for trading	575	798	503	223
	<b>580</b>	<b>803</b>	<b>503</b>	<b>223</b>
<b><i>Other long-term investments</i></b>				
Equity securities available for sale	409	654	394	639
Other non-marketable equity securities	60	57	18	16
	<b>469</b>	<b>711</b>	<b>412</b>	<b>655</b>
<b>Total</b>	<b>1,049</b>	<b>1,514</b>	<b>915</b>	<b>878</b>

Movements during the years ended 31 December 2018 and 2017 of other investments were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b><i>Current investments</i></b>				
<b>Trading securities</b>				
At 1 January	798	1,207	223	348
Purchases during the year	1,720	3,057	1,197	1,830
Sales during the year	(1,947)	(3,470)	(920)	(1,956)
Valuation adjustment	4	4	3	1
<b>At 31 December</b>	<b>575</b>	<b>798</b>	<b>503</b>	<b>223</b>
<b><i>Other long-term investments</i></b>				
<b>Available-for-sale securities</b>				
At 1 January	654	438	639	438
Purchases during the year	-	233	-	218
Valuation adjustment	(231)	(17)	(231)	(17)
Allowance for impairment	(14)	-	(14)	-
<b>At 31 December</b>	<b>409</b>	<b>654</b>	<b>394</b>	<b>639</b>
<b>General investments</b>				
At 1 January	57	62	16	25
Purchases during the year	5	5	2	1
Sales during the year	-	(10)	-	(10)
Allowance for impairment	(2)	-	-	-
<b>At 31 December</b>	<b>60</b>	<b>57</b>	<b>18</b>	<b>16</b>

*Impairment testing*

Management of the Group/Company performed an impairment test of carrying amount of investment in other long-term investments. The recoverable amount was based on its value in use, determined by discounted future cash flows to be generated from the continuing operations of CGU according to the business plan and discount rate which is calculated by weighted average cost of capital. Assumptions were derived from the Group/Company's management judgements, and were based on business plan taking into account past experience as well as the future prediction that is believed to be reasonable in the present situation. Any change or clarification in information arises in the future might create effect to the estimated recoverable amount.

Key assumptions used in determining the recoverable amount include discount rate, revenue growth rate, and gross profit margin.

Other long-term investments as at 31 December 2018 and 2017, and dividend income for the years ended were as follows:

**Consolidated financial statements**

	Ownership interest		Paid-up capital		Cost method		Impairment		Unrealised gain (loss) from fair value changes		Fair value (Market price of listed securities)/ At cost - net		Dividend income		
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	
	(in million Baht)														
<b>Available-for-sale securities</b>															
- at fair value															
<b>Other related parties</b>															
Muang Thai Insurance Public Company Limited	5	5	590	590	36	36	-	-	274	402	310	438	14	14	
QTC Energy Public Company Limited	5	6	341	291	218	218	(14)	-	(120)	(17)	84	201	-	-	
Other parties			15	15	15	15	-	-	-	-	15	15	-	-	
			<b>269</b>	<b>269</b>	<b>269</b>	<b>269</b>	<b>(14)</b>	<b>-</b>	<b>154</b>	<b>385</b>	<b>409</b>	<b>654</b>	<b>14</b>	<b>14</b>	
<b>General investments - at cost</b>															
<b>Other related parties</b>															
Thanakorn Vegetable Oil Products Co., Ltd.	7	7	300	300	39	39	-	-	-	-	39	39	5	14	
Others			15	13	13	13	(12)	(10)	-	-	3	3	-	-	
Other parties			28	25	25	25	(10)	(10)	-	-	18	15	1	1	
			<b>82</b>	<b>77</b>	<b>77</b>	<b>77</b>	<b>(22)</b>	<b>(20)</b>	<b>-</b>	<b>-</b>	<b>60</b>	<b>57</b>	<b>6</b>	<b>15</b>	
<b>Total</b>			<b>351</b>	<b>346</b>	<b>346</b>	<b>346</b>	<b>(36)</b>	<b>(20)</b>	<b>154</b>	<b>385</b>	<b>469</b>	<b>711</b>	<b>20</b>	<b>29</b>	

**Separate financial statements**

	Ownership interest		Paid-up capital		Cost method		Impairment		Unrealised gain (loss) from fair value changes		Fair value (Market price of listed securities)/ At cost - net		Dividend income		
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	
	(in million Baht)														
<b>Available-for-sale securities - at fair value</b>															
<b>Other related parties</b>															
Muang Thai Insurance Public Company Limited	5	5	590	590	36	36	-	-	274	402	310	438	14	14	
QTC Energy Public Company Limited	5	6	341	291	218	218	(14)	-	(120)	(17)	84	201	-	-	
					<b>254</b>	<b>254</b>	<b>(14)</b>	<b>-</b>	<b>154</b>	<b>385</b>	<b>394</b>	<b>639</b>	<b>14</b>	<b>14</b>	
<b>General investments - at cost</b>															
Other related parties					3	1	-	-	-	-	3	1	-	-	
Other parties					25	25	(10)	(10)	-	-	15	15	1	1	
					<b>28</b>	<b>26</b>	<b>(10)</b>	<b>(10)</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>16</b>	<b>1</b>	<b>1</b>	
<b>Total</b>					<b>282</b>	<b>280</b>	<b>(24)</b>	<b>(10)</b>	<b>154</b>	<b>385</b>	<b>412</b>	<b>655</b>	<b>15</b>	<b>15</b>	

## 16 Investment properties

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
At 1 January	477	477	128	128
Transfers in (out)	7	-	-	-
Fair value adjustments	114	-	37	-
<b>At 31 December</b>	<b>598</b>	<b>477</b>	<b>165</b>	<b>128</b>

Investment properties comprise of land held for a currently undetermined future use and 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 2018,

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 properties, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<p><b>Land held for a currently undetermined future use</b>  <i>Market comparison technique;</i>            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.</p>	<ul style="list-style-type: none"> <li>Land price of neighborhood areas</li> </ul>	<ul style="list-style-type: none"> <li>The estimated fair value increase (decrease) if land price of neighborhood areas were higher (lower)</li> </ul>

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<p><b>Commercial properties</b>  <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.</p>	<ul style="list-style-type: none"> <li>• Expected market rental growth 5% - 10% for 3-year period</li> <li>• Occupancy rate 100%</li> <li>• Discount rates 11%</li> </ul>	<p>The estimated fair value increase (decrease) if:</p> <ul style="list-style-type: none"> <li>• Expected market rental growth were higher (lower);</li> <li>• The occupancy rate were higher (lower); or</li> <li>• The discount rate were lower (higher).</li> </ul>

## 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>(in million Baht)</i>				
<b>Cost / revaluation*</b>								
At 1 January 2017	597	1,227	412	990	167	84	137	3,614
Additions	-	32	42	8	1	9	36	128
Effect from disposal of interest in subsidiaries	(18)	(45)	(6)	(672)	-	-	-	(741)
Disposals/written-off	-	(2)	(17)	(8)	(88)	(14)	(30)	(159)
Transfers in (out)	-	44	(2)	12	1	1	(60)	(4)
<b>At 31 December 2017</b>	<b>579</b>	<b>1,256</b>	<b>429</b>	<b>330</b>	<b>81</b>	<b>80</b>	<b>83</b>	<b>2,838</b>
Additions	-	15	28	12	1	7	21	84
Effect from acquisition of interest in subsidiaries	-	8	1	1	-	6	-	16
Disposals/written-off	-	(3)	(29)	(9)	(11)	(6)	-	(58)
Transfers in (out)	7	(14)	8	53	3	-	(83)	(26)
<b>At 31 December 2018</b>	<b>586</b>	<b>1,262</b>	<b>437</b>	<b>387</b>	<b>74</b>	<b>87</b>	<b>21</b>	<b>2,854</b>

## 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>						
<b>Accumulated depreciation and impairment losses</b>									
At 1 January 2017	-	898	340	372	131	50	-	1,791	
Depreciation charge for the year	-	60	29	63	25	10	-	187	
Effect from disposal of interest in subsidiaries	-	(13)	(4)	(197)	-	-	-	(214)	
Disposals/written-off	-	(2)	(15)	(8)	(91)	(11)	-	(127)	
Transfers in (out)	-	-	(2)	-	(1)	-	-	(3)	
<b>At 31 December 2017 and 1 January 2018</b>	-	<b>943</b>	<b>348</b>	<b>230</b>	<b>64</b>	<b>49</b>	-	<b>1,634</b>	
Depreciation charge for the year	-	55	31	45	15	10	-	156	
Effect from acquisition of interest in subsidiaries	-	3	1	-	-	5	-	9	
Disposals/written-off	-	(3)	(24)	(9)	(10)	(4)	-	(50)	
Transfers in (out)	-	1	-	-	(4)	-	-	(3)	
<b>At 31 December 2018</b>	-	<b>999</b>	<b>356</b>	<b>266</b>	<b>65</b>	<b>60</b>	-	<b>1,746</b>	



## 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>								
<b>Net book value</b>								
<b>At 1 January 2017</b>								
Owned assets	597	329	53	618	-	29	137	1,763
Assets under finance leases	-	-	19	-	36	5	-	60
	<b>597</b>	<b>329</b>	<b>72</b>	<b>618</b>	<b>36</b>	<b>34</b>	<b>137</b>	<b>1,823</b>
<b>At 31 December 2017 and 1 January 2018</b>								
Owned assets	579	313	64	100	6	26	83	1,171
Assets under finance leases	-	-	17	-	11	5	-	33
	<b>579</b>	<b>313</b>	<b>81</b>	<b>100</b>	<b>17</b>	<b>31</b>	<b>83</b>	<b>1,204</b>
<b>At 31 December 2018</b>								
Owned assets	586	263	67	121	3	22	21	1,083
Assets under finance leases	-	-	14	-	6	5	-	25
	<b>586</b>	<b>263</b>	<b>81</b>	<b>121</b>	<b>9</b>	<b>27</b>	<b>21</b>	<b>1,108</b>

\* Appraised land as at 31 December 2016 for the Group amounted to Baht 597 million.

The cost of fully depreciated property, plant and equipment that was still in use as at 31 December 2018 for the Group amounted to Baht 748 million (2017: Baht 740 million).

## Separate financial statements

	Land	Buildings and improvements	Furniture, fixtures and office equipment	Tools and equipment (in million Baht)	Equipment held for lease	Vehicles	Construction in progress	Total
<b>Cost / revaluation *</b>								
At 1 January 2017	398	440	211	92	-	38	2	1,181
Additions	-	12	10	5	-	2	4	33
Disposals/written-off	-	(1)	(5)	(2)	-	(5)	-	(13)
Transfers in (out)	-	2	(2)	1	-	1	(4)	(2)
<b>At 31 December 2017 and 1 January 2018</b>	<b>398</b>	<b>453</b>	<b>214</b>	<b>96</b>	<b>-</b>	<b>36</b>	<b>2</b>	<b>1,199</b>
Additions	-	4	6	8	-	2	18	38
Disposals/written-off	-	-	(17)	(9)	-	(1)	-	(27)
Transfers in (out)	-	1	5	4	-	-	(10)	-
<b>At 31 December 2018</b>	<b>398</b>	<b>458</b>	<b>208</b>	<b>99</b>	<b>-</b>	<b>37</b>	<b>10</b>	<b>1,210</b>
<b>Accumulated depreciation and impairment loss</b>								
At 1 January 2017	-	380	180	78	-	15	-	653
Depreciation charge for the year	-	16	9	9	-	5	-	39
Disposals/written-off	-	(1)	(4)	(3)	-	(2)	-	(10)
Transfers in (out)	-	-	(2)	-	-	-	-	(2)
<b>At 31 December 2017 and 1 January 2018</b>	<b>-</b>	<b>395</b>	<b>183</b>	<b>84</b>	<b>-</b>	<b>18</b>	<b>-</b>	<b>680</b>
Depreciation charge for the year	-	11	9	7	-	6	-	33
Disposals/written-off	-	-	(16)	(8)	-	(1)	-	(25)
<b>At 31 December 2018</b>	<b>-</b>	<b>406</b>	<b>176</b>	<b>83</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>688</b>
<b>Net book value</b>								
At 1 January 2017	398	60	31	14	-	23	2	528
At 31 December 2017 and 1 January 2018	398	58	31	12	-	18	2	519
At 31 December 2018	398	52	32	16	-	14	10	522

\* Appraised land as at 31 December 2016 for the Company amounted to Baht 398 million.

The cost of fully depreciated property, plant and equipment that was still in use as at 31 December 2018 for the Company amounted to Baht 554 million (2017: Baht 545 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 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
<p><i>Current replacement cost;</i> 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.</p>	<ul style="list-style-type: none"> <li>Land price of neighborhood areas</li> </ul>	<ul style="list-style-type: none"> <li>The estimated fair value increase (decrease) if land price of neighborhood areas were higher (lower)</li> </ul>

## 18 Intangible assets

	Consolidated financial statements			Separate financial statements
	Software License and others	Goodwill	Total	Software License and others
	<i>(in million Baht)</i>			
<b>Cost</b>				
At 1 January 2017	193	58	251	102
Additions	23	-	23	11
Disposals/written-off	(3)	-	(3)	(3)
Transfers in (out)	4	-	4	2
Effect from disposal of interest in subsidiaries	(20)	-	(20)	-
<b>At 31 December 2017 and 1 January 2018</b>	<b>197</b>	<b>58</b>	<b>255</b>	<b>112</b>
Additions	23	39	62	7
Disposals/written-off	(12)	-	(12)	(6)
Transfers in (out)	22	-	22	-
<b>At 31 December 2018</b>	<b>230</b>	<b>97</b>	<b>327</b>	<b>113</b>
<b>Accumulated amortisation and impairment losses</b>				
At 1 January 2017	106	58	164	55
Amortisation charge for the year	14	-	14	7
Disposals/written-off	(1)	-	(1)	-
Transfers in (out)	3	-	3	(1)
Effect from disposal of interest in subsidiaries	(15)	-	(15)	2
<b>At 31 December 2017 and 1 January 2018</b>	<b>107</b>	<b>58</b>	<b>165</b>	<b>63</b>
Amortisation charge for the year	16	-	16	8
Disposals/written-off	(8)	-	(8)	(6)
<b>At 31 December 2018</b>	<b>115</b>	<b>58</b>	<b>173</b>	<b>65</b>
<b>Net book value</b>				
At 1 January 2017	87	-	87	47
At 31 December 2017 and 1 January 2018	90	-	90	49
At 31 December 2018	115	39	154	48

## 19 Interest-bearing liabilities

<i>Year ended 31 December</i>	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2018	2017	2018	2017
		<i>(in million Baht)</i>			
<b>Current</b>					
Bank overdrafts					
unsecured		24	19	-	-
Short-term loans from financial institutions					
secured		315	227	-	-
unsecured		1,017	1,141	14	489
Liabilities under trust receipts					
secured		467	428	327	282
<b>Bank overdrafts and short-term loans from financial institutions</b>		<b>1,823</b>	<b>1,815</b>	<b>341</b>	<b>771</b>
Current portion of long-term loans from financial institutions					
secured		53	50	-	-
unsecured		3	3	-	-
Current portion of finance lease liabilities					
secured		9	15	-	-
<b>Current portion of long-term liabilities</b>		<b>65</b>	<b>68</b>	<b>-</b>	<b>-</b>
Short-term loans from related parties					
unsecured	5	81	80	-	206
Short-term loans from other parties					
unsecured		3	2	-	-
		<b>1,972</b>	<b>1,965</b>	<b>341</b>	<b>977</b>
<b>Non-current</b>					
Long-term loans from financial institutions					
secured		60	113	-	-
unsecured		922	1,025	-	-
Long-term debenture		1,000	1,000	1,000	1,000
Finance lease liabilities					
secured		18	23	1	-
		<b>2,000</b>	<b>2,161</b>	<b>1,001</b>	<b>1,000</b>
<b>Non interest-bearing liabilities</b>					
<b>Current</b>					
Short-term loans from other parties					
unsecured		46	7	-	-
<b>Total</b>		<b>4,018</b>	<b>4,133</b>	<b>1,342</b>	<b>1,977</b>

### ***Bank overdrafts and short-term loans from financial institutions and related parties***

As at 31 December 2018, the above outstanding bank overdraft bear interest at the floating rates ranging from 7.12% to 7.42% p.a. (2017: 7.20% to 7.42% p.a.).

As at 31 December 2018, the above loans, except the bank overdraft, bear interest at the floating rates ranging from 2.35% to 5.25% p.a. (2017: 2.40% - 5.75% p.a.).

Under the terms of certain agreements of short-term loans, a subsidiary has transferred the right to a bank for receipt of trade accounts receivable under 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 2018 bear interest at the rates 4.75% to 6.88% p.a. (2017: 4.75% - 5.75% p.a.) and are repayable in installments up to January 2022.
- (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.

In April 2017, a subsidiary of the Company was granted the approval from a financial institution to extend the repayment period of short-term loan amounting to Baht 1,023 million from repayment within April 2017 to April 2020 and in June 2018, the subsidiary was additionally granted the approval to extend the repayment period from repayment within April 2020 to within December 2023, with the conditions that the Company is required to maintain its direct and indirect shareholding in such subsidiary of not less than 85% of the subsidiary's registered and paid up share capital. In addition, the subsidiary is obliged to maintain its registered share capital of not less than Baht 368 million until the loan is fully paid off. Consequently, the loan from financial institution has been classified as long-term loan as at 31 December 2018 and 2017.

### *Long-term debenture*

In December 2015, the Company 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 was divided into two tranches as follows;

- (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 certain financial ratios.

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December 2018 and 2017 were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
		<i>(in million Baht)</i>		
Within one year	1,963	1,950	341	977
After one year but within five years	1,982	2,138	1,000	1,000
<b>Total</b>	<b>3,945</b>	<b>4,088</b>	<b>1,341</b>	<b>1,977</b>

Secured interest-bearing liabilities as at 31 December 2018 and 2017 were secured on the following assets:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Investment property*	343	265	-	-
Trade accounts receivable**	234	174	-	-
Building and improvements***	12	-	-	-
<b>Total</b>	<b>589</b>	<b>439</b>	<b>-</b>	<b>-</b>

\* A subsidiary has pledged on an investment property as a collateral for borrowing long-term loans from financial institutions.

\*\* A subsidiary has transferred the right to banks for receipt of trade accounts receivable under service contracts to a bank.

\*\*\* A subsidiary has pledged on the building and improvements as a collateral for credit facilities from a financial institution.

A subsidiary has 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					
	2018			2017		
	Principal	Interest	Payments	Principal	Interest	Payments
	<i>(in million Baht)</i>					
Within one year	9	1	10	15	2	17
After one year but within five years	16	3	19	16	3	19
After five years	2	-	2	7	-	7
<b>Total</b>	<b>27</b>	<b>4</b>	<b>31</b>	<b>38</b>	<b>5</b>	<b>43</b>

## 20 Trade accounts payable

Year ended 31 December	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		<i>(in million Baht)</i>			
Related parties	5	200	210	66	53
Other parties		1,667	2,713	581	1,226
<b>Total</b>		<b>1,867</b>	<b>2,923</b>	<b>647</b>	<b>1,279</b>

## 21 Other payables

<i>Year ended 31 December</i>	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2018	2017	2018	2017
		<i>(in million Baht)</i>			
Accrued cost and warranty cost		570	785	170	282
Accrued expenses		225	213	19	26
Payables - other expenses	5	66	66	50	43
Revenue Department payable		49	38	22	16
Promotion expense received in advance		15	18	-	-
Deposits		8	21	-	-
Others		59	55	14	13
<b>Total</b>		<b>992</b>	<b>1,196</b>	<b>275</b>	<b>380</b>
Current		984	1,183	275	380
Non-current		8	13	-	-
<b>Total</b>		<b>992</b>	<b>1,196</b>	<b>275</b>	<b>380</b>

## 22 Deferred tax

Details of deferred tax liabilities presented in the statements of financial position as at the years ended 31 December were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<i>Deferred tax liabilities</i>				
(Credit) charge to other comprehensive income				
At 1 January	205	209	167	171
Available-for-sale investments				
Change in fair value	(21)	(4)	(21)	(4)
Investment properties				
Change in fair value	22	-	7	-
<b>At 31 December</b>	<b>206</b>	<b>205</b>	<b>153</b>	<b>167</b>

Details of deferred tax assets occurred from temporary differences which were not recorded in financial statements were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Temporary differences				
- Provisions	623	634	432	418
- Others	1	2	-	-
Loss carrying forward	317	200	194	110
<b>Total</b>	<b>941</b>	<b>836</b>	<b>626</b>	<b>528</b>



The tax losses expire in 2019 - 2023. The deductible temporary differences do not expire under current tax legislation. The Group/Company did not recognise 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.

## 23 Provisions for employee benefits

The Group and the Company operate a defined benefit 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.

Movement in the present value of the defined benefit obligations.

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
At 1 January	605	555	341	328
<b>Include in profit or loss:</b>				
Current service cost	67	61	30	29
Interest on obligation	16	15	10	9
Loss on settlement	4	-	1	-
	<b>87</b>	<b>76</b>	<b>41</b>	<b>38</b>
<b>Included in other comprehensive income</b>				
Actuarial loss	20	-	19	-
	<b>20</b>	<b>-</b>	<b>19</b>	<b>-</b>
<b>Other</b>				
Benefit paid	(75)	(26)	(43)	(25)
Provisions transferred to related parties	(4)	-	(14)	-
	<b>(79)</b>	<b>(26)</b>	<b>(57)</b>	<b>(25)</b>
<b>At 31 December</b>	<b>633</b>	<b>605</b>	<b>344</b>	<b>341</b>
Current	34	65	26	46
Non-current	599	540	318	295
<b>Total</b>	<b>633</b>	<b>605</b>	<b>344</b>	<b>341</b>

Actuarial gains and losses recognised in other comprehensive income arising from:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Demographic assumptions	24	-	10	-
Financial assumptions	23	-	12	-
Experience adjustment	(27)	-	(3)	-
<b>Total</b>	<b>20</b>	<b>-</b>	<b>19</b>	<b>-</b>

### *Actuarial assumptions*

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
Discount rate (%)	2.3 - 3.4	2.5 - 3.8	2.3	2.7
Future salary growth (%)	3 - 5	1 - 5	5	3 - 5
Retirement age (Year)	60	60	60	60
Employee turnover (%)	0 - 49	0 - 52	0 - 20	0 - 27

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2018, the weighted-average duration of the defined benefit obligation for Group was 6-20 years (*2017: 7-17 years*) and for Company was 8 years (*2017: 9 years*).

### *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 shown below.

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	Increased	Decreased	Increased	Decreased
<b>At 31 December 2018</b>	<i>(in million Baht)</i>			
Discount rate (1% movement)	(46)	53	(25)	29
Future salary growth (1% movement)	50	(45)	28	(25)
Life expectancy (1 year movement)	4	(4)	2	(2)
Employee turnover (1% movement)	(49)	11	(27)	6
<b>At 31 December 2017</b>				
Discount rate (1% movement)	(58)	52	(26)	29
Future salary growth (1% movement)	51	(45)	28	(25)
Life expectancy (1 year movement)	5	(5)	3	(2)
Employee turnover (1% movement)	(49)	12	(27)	6

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.

On 13 December 2018, the National Legislative Assembly passed a bill amending the Labor Protection Act to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group/Company will amend its retirement plan in the period in which the amendment will have become law and is announced in the Royal Gazette. As a result of this change, the provision for retirement benefits as at that future period end as well as past service cost recognised during that period in the consolidated and the separate financial statements is estimated to increase by an amount of approximately Baht 96 million and Baht 44 million, respectively (estimated amount until 31 December 2018).

## 24 Share capital

	Par value per share (in Baht)	2018		2017	
		Number	Amount (million shares / million Baht)	Number	Amount
<b>Authorised</b>					
At 1 January					
- ordinary shares	1	<u>2,331.25</u>	<u>2,331.25</u>	<u>2,331.25</u>	<u>2,331.25</u>
<b>At 31 December</b>					
<b>- ordinary shares</b>	<b>1</b>	<b><u>2,331.25</u></b>	<b><u>2,331.25</u></b>	<b><u>2,331.25</u></b>	<b><u>2,331.25</u></b>
<b>Issued and paid up</b>					
At 1 January					
- ordinary shares	1	<u>2,264.95</u>	<u>2,264.95</u>	<u>2,264.95</u>	<u>2,264.95</u>
<b>At 31 December</b>					
<b>- ordinary shares</b>	<b>1</b>	<b><u>2,264.95</u></b>	<b><u>2,264.95</u></b>	<b><u>2,264.95</u></b>	<b><u>2,264.95</u></b>

### *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.

## 25 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.

## **26 Segment information**

The Group has six 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	Information Technology Business Group
Segment 2	Food Services & Distribution Business Group
Segment 3	Energy Business Group
Segment 4	Network Solutions Business Group
Segment 5	Services Business Group
Segment 6	Special and other businesses

None of other segments meets the quantitative thresholds for determining reportable segments in 2018 or 2017.

The Group has presented new reportable segments information of the year 2017, which originally had three segments to be in line with the information about reportable segments of the year 2018.

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*

	Information Technology Business Group		Food Services & Distribution Business Group		Energy Business Group		Network Solutions Business Group		Services Business Group		Special and other businesses		Total reportable segments	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
External revenue	3,596	3,315	3,055	3,488	1,457	1,686	2,207	4,142	2,414	1,849	819	1,305	13,548	15,785
Inter-segment revenue	41	44	257	187	75	106	33	53	186	156	63	52	655	598
<b>Total revenue</b>	<b>3,637</b>	<b>3,359</b>	<b>3,312</b>	<b>3,675</b>	<b>1,532</b>	<b>1,792</b>	<b>2,240</b>	<b>4,195</b>	<b>2,600</b>	<b>2,005</b>	<b>882</b>	<b>1,357</b>	<b>14,203</b>	<b>16,383</b>
Profit (loss) before finance costs and income tax expense	146	87	(53)	(22)	84	130	111	169	69	110	55	(410)	412	64
Segment assets as at 31 December	3,291	3,144	1,539	1,381	1,061	1,013	1,587	2,844	1,846	1,643	1,226	1,523	10,550	11,548

	Information Technology Business Group		Food Services & Distribution Business Group		Energy Business Group		Network Solutions Business Group		Services Business Group		Special and other businesses		Total reportable segments	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>Material items of income and expense</b>														
Cost of sales of goods and rendering of services	2,995	2,797	2,895	3,217	1,271	1,535	1,822	3,684	2,175	1,697	665	1,117	11,823	14,047
Distribution costs and administration expenses	496	475	470	480	177	127	307	342	357	198	161	650	1,968	2,272
Depreciation and amortisation expenses (included in cost of sales of goods and rendering of services, distribution costs, and administrative expenses)	70	68	9	13	13	36	4	3	48	49	5	11	149	180
Provision for doubtful accounts for trade, and other accounts receivable (included in administrative expenses)	-	-	5	3	-	-	1	45	118	11	1	-	125	59
Loss on debt restructuring (included in administrative expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(in million baht)

	2018	2017
	<i>(in million Baht)</i>	
<b>Revenues</b>		
Total revenue from reportable segments	14,203	16,383
Unallocated revenue	35	144
	<u>14,238</u>	<u>16,527</u>
Elimination of inter-segment revenue	(655)	(598)
<b>Consolidated revenue</b>	<u><b>13,583</b></u>	<u><b>15,929</b></u>
<b>Profit or loss</b>		
Total profit for reportable segments before finance costs and income tax expense	412	64
Eliminate of inter-segment profits	(11)	(19)
Unallocated amounts:		
- Revenue	35	144
- Other operating expenses	(449)	(429)
- Share of profit of investments, net	355	483
<b>Consolidated profit before finance costs and income tax expense</b>	<u><b>342</b></u>	<u><b>243</b></u>
<b>Assets</b>		
Total assets for reportable segments	10,550	11,548
Investments in associates and joint ventures	2,750	2,894
Other unallocated amounts	1,797	1,768
<b>Consolidated total assets</b>	<u><b>15,097</b></u>	<u><b>16,210</b></u>
<b>Unallocated total liabilities</b>	<u><b>9,097</b></u>	<u><b>9,916</b></u>

### *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 7,159 million (2017: Baht 8,133 million) of the Group's total revenues.

## 27 Fees and other income

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Unrealised gain on revaluation of investment property, net	114	-	37	-
Interest income	62	7	15	9
Reversal of provision for doubtful accounts	56	12	56	12
Reversal of accrued expenses	28	-	-	-
Rebate income	24	24	1	7
Management fee income	13	34	46	57
Rental income	5	5	17	16
Gain on exchange rate	-	17	-	13
Others, net	72	65	63	54
<b>Total</b>	<u><b>374</b></u>	<u><b>164</b></u>	<u><b>235</b></u>	<u><b>168</b></u>

## 28 Distribution costs

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Employee expenditure	438	465	298	332
Promotion expenses	146	155	46	42
Transportation	52	57	28	27
Travelling expenses	28	31	8	8
Others	98	91	18	28
<b>Total</b>	<b>762</b>	<b>799</b>	<b>398</b>	<b>437</b>

## 29 Administrative expenses

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		<i>(in million Baht)</i>			
Employee expenditure		835	856	345	380
Provisions for doubtful accounts, declining value in inventories and investments; and written off withholding tax deducted at source		198	93	166	318
Depreciation and amortisation expenses		126	120	36	40
Professional and consultant fees		65	75	31	72
Office, equipment and vehicle rental		60	59	81	85
Entertainment		46	59	42	54
Office expenses		42	36	16	19
Utilities		32	36	35	23
Travelling expenses		28	34	20	25
Penalties		10	8	7	7
Loss from debt restructuring	10	-	337	-	-
Others		96	106	55	44
<b>Total</b>		<b>1,538</b>	<b>1,819</b>	<b>834</b>	<b>1,067</b>

## 30 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Salaries, wages, overtimes and bonus	2,520	2,359	511	537
Welfare	122	116	19	22
Employees' long-term benefits	87	76	41	38
Social security	56	52	6	7
Contribution to defined benefit plans	42	44	18	20
Pension and other benefits	35	80	35	66
Others	73	67	9	8
<b>Total</b>	<b>2,935</b>	<b>2,794</b>	<b>639</b>	<b>698</b>



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 5-15% of the members' basic salaries and the Company is required to make monthly contributions to the fund at 5% of the members' basic salaries.

### 31 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Purchase goods, project work, and services	9,020	12,121	3,348	6,187
Employee benefits expense	2,935	2,794	639	698
Changes in inventory	287	(378)	91	(40)
Finances cost	185	188	78	75
Provisions for doubtful accounts, declining value in inventories and investments, and written off withholding tax deducted at source	198	93	166	318
Depreciation and amortisation expenses	172	201	41	45
Promotion expenses	146	155	46	42
Office, equipment and vehicle rental	96	97	81	85
Entertainment	81	89	46	58
Travelling expenses	81	100	28	33
Utilities	72	69	35	23
Office expenses	68	51	16	19
Professional and consultant fee	67	84	31	72
Transportation expense	52	57	28	27
Penalty	13	17	7	7
Loss from debt restructuring	-	337	-	-
Others	309	281	95	96
<b>Total expenses</b>	<b>13,782</b>	<b>16,356</b>	<b>4,776</b>	<b>7,745</b>

### 32 Income tax expense

#### *Income tax recognised in profit and loss*

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Current tax expense	61	57	-	-
Deferred tax expense	22	-	7	-
<b>Total</b>	<b>83</b>	<b>57</b>	<b>7</b>	<b>-</b>

*Income tax recognised in other comprehensive income*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b>Tax (expense) benefit</b>				
Available-for-sale investments	(21)	4	(21)	4
<b>Total</b>	<b>(21)</b>	<b>4</b>	<b>(21)</b>	<b>4</b>

*Reconciliation of effective tax rate*

	<b>Consolidated financial statements</b>			
	2018		2017	
	<i>Rate (%)</i>	<i>(in million Baht)</i>	<i>Rate (%)</i>	<i>(in million Baht)</i>
Profit before income tax expense		156		55
Income tax using the Thai corporation tax rate	20	31	20	11
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit, net and others		52		46
<b>Total</b>	<b>53</b>	<b>83</b>	<b>102</b>	<b>57</b>

	<b>Separate financial statements</b>			
	2018		2017	
	<i>Rate (%)</i>	<i>(in million Baht)</i>	<i>Rate (%)</i>	<i>(in million Baht)</i>
Profit before income tax expense		140		323
Income tax using the Thai corporation tax rate	20	28	20	65
Tax effect of partial income and expenses that are not taxable income or not deductible in determining taxable profit, net		(21)		(65)
<b>Total</b>	<b>5</b>	<b>7</b>	<b>-</b>	<b>-</b>

*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.

### 33 Earnings per share

#### *Basic earnings per share*

The calculations of basic earnings per share for the years ended 31 December 2018 and 2017 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	
	2018	2017	2018	2017
	<i>(in million Baht / million shares)</i>			
<b>Profit for the year attributable to ordinary shareholders of the Company (basic)</b>	<b>92.07</b>	<b>50.49</b>	<b>132.07</b>	<b>323.41</b>
<b>Number of ordinary shares outstanding</b>	<b>2,264.95</b>	<b>2,264.95</b>	<b>2,264.95</b>	<b>2,264.95</b>
<b>Earnings per share (basic) (in Baht)</b>	<b>0.04</b>	<b>0.02</b>	<b>0.06</b>	<b>0.14</b>

### 34 Dividends

At the annual general meeting of shareholders of the Company held on 30 April 2018, the shareholders approved the appropriation of dividends of Baht 0.07 per share, amounting to Baht 158.5 million, from the profit.

At the annual general meeting of shareholders of the Company held on 27 April 2017, the shareholders approved the appropriation of dividends of Baht 0.07 per share, amounting to Baht 158.5 million, from the profit.

### 35 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 derivatives 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 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 utilises 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 2018 and 2017, the Group/Company was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b>United States Dollars (USD)</b>				
Cash and cash equivalents	2	37	2	36
Trade and other accounts receivable	68	45	68	45
Trade and other accounts payable	(104)	(169)	(81)	(129)
<b>Gross statements of financial position exposure</b>	<b>(34)</b>	<b>(87)</b>	<b>(11)</b>	<b>(48)</b>
Currency forwards purchase (sales), net	36	88	36	88
<b>Net assets (liabilities) exposure</b>	<b>2</b>	<b>1</b>	<b>25</b>	<b>40</b>
<b>Euros (EUR)</b>				
Trade and other accounts payable	(3)	(22)	(3)	(22)
<b>Gross statements of financial position exposure</b>	<b>(3)</b>	<b>(22)</b>	<b>(3)</b>	<b>(22)</b>
Currency forwards purchase (sales), net	311	2	311	2
<b>Net assets (liabilities) exposure</b>	<b>308</b>	<b>(20)</b>	<b>308</b>	<b>(20)</b>
<b>Australian Dollars (AUD)</b>				
Trade and other accounts payable	(1)	-	(1)	-
<b>Gross statements of financial position exposure</b>	<b>(1)</b>	<b>-</b>	<b>(1)</b>	<b>-</b>
Currency forwards purchase (sales), net	-	-	-	-
<b>Net assets (liabilities) exposure</b>	<b>(1)</b>	<b>-</b>	<b>(1)</b>	<b>-</b>
<b>Chinese Yuan (RMB)</b>				
Cash and cash equivalent	-	21	-	-
Trade and other accounts receivable	-	108	170	151

### *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>		
<b>31 December 2018</b>					
<b><i>Current</i></b>					
Short-term investment in trading securities	575	-	575	-	575
<b><i>Non-current</i></b>					
Long-term investment in available-for-sale securities	409	409	-	-	409
<b>31 December 2017</b>					
<b><i>Current</i></b>					
Short-term investment in trading securities	798	-	798	-	798
<b><i>Non-current</i></b>					
Long-term investment in available-for-sale securities	654	654	-	-	654

	Carrying amount	Separate financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in million Baht)</i>					
<b>31 December 2018</b>					
<b><i>Current</i></b>					
Short-term investment in trading securities	503	-	503	-	503
<b><i>Non-current</i></b>					
Long-term investment in available-for-sale securities	394	394	-	-	394
<b>31 December 2017</b>					
<b><i>Current</i></b>					
Short-term investment in trading securities	223	-	223	-	223
<b><i>Non-current</i></b>					
Long-term investment in available-for-sale securities	639	639	-	-	639

***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.

- Current 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 and non-current account receivables

The carrying amount approximates fair value because most of these financial instruments bear interest at market rates.

- Investment in common shares

The management believes that 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.

### 36 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b><i>Future minimum lease payments under non-cancellable operating leases</i></b>				
Within one year	53	52	7	8
After one year but within five years	82	75	5	8
After five years	209	227	-	-
<b>Total</b>	<b>344</b>	<b>354</b>	<b>12</b>	<b>16</b>
<b><i>Other commitments</i></b>				
Unnegotiated letters of credits for goods and supplies	95	7	37	7
Purchase orders for goods and services accepted by suppliers	3,923	1,720	3,384	1,023
Purchase forward contracts	369	108	369	108
Selling forward contracts	22	18	22	18
Bank guarantees <i>(for projects performance, customers tender guarantees and debentures)</i>	5,435	5,085	3,145	3,160
<b>Total</b>	<b>9,844</b>	<b>6,938</b>	<b>6,957</b>	<b>4,316</b>

The purchase and sale forward contracts of 2018 will come to maturity within December 2019 (2017: September 2018).

As at 31 December 2018, the Company has commitments from securing the credit facilities of an associate amounting to Baht 375 million (2017: Baht 375 million).

As at 31 December 2018, the Company has commitments from securing the credit facilities of a subsidiary and an indirect subsidiary totaling to Baht 90 million (2017: nil).

#### ***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. However, as at 31 December 2018, the subsidiary has ceased the operation from the said agreement and is under negotiation on the expenses, damages and termination of agreement.

### 37 Events after reporting period

In January 2019, the Company purchased 199,998 shares of Law Enforcement Technology Solutions Co., Ltd., an other related party, from related parties amounting to Baht 11 million, equivalent to 99% shareholding. The said company is engaged in the business of distribution and providing security solutions using equipment and technology. And in February 2019, the company has changed its name to Loxley Evolution Technology Co., Ltd.

In January 2019, the Company disposed entire investment in Thai Smart Card Co., Ltd., and other long-term investment, to a non-related party amounting to Baht 21 million and has gain from disposal of investment amounting to Baht 16 million.

In February 2019, the Company made payment of Baht 14 million to invest in Travel Ads Network (Thailand) Co., Ltd. The said company engages in the business of promoting platform services for tourism in Thailand and the region.

### 38 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS which relevant to the Group's/Company's operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS become effective for annual financial reporting periods beginning on or after 1 January of the following years.

TFRS	Topic	Effective
TFRS 7*	Financial Instruments: Disclosures	2020
TFRS 9*	Financial Instruments	2020
TFRS 15	Revenue from Contracts with Customers	2019
TAS 32*	Financial Instruments: Presentation	2020
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation	2020
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments	2020

\* TFRS - Financial instruments standards

#### (a) *TFRS 15 Revenue from Contracts with Customers*

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled.

The Group/Company has considered the potential impact of adopting and initially applying TFRS 15 on the consolidated and separate financial statements that it will have no material effect on the consolidated and separate financial statements of the first adoption period.

#### (b) *TFRS - Financial instruments standards*

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

The Group/Company has considered the potential impact of adopting and initially applying TFRS - Financial instruments standards on the consolidated and separate financial statements that it will have no material effect on the consolidated and separate financial statements of the first adoption period.



### 39 Reclassification of accounts

Certain accounts in the 2017 financial statements have been reclassified to conform to the presentation in the 2018 financial statements as follows:

	2017			2017		
	Consolidated financial statements		After reclass. <i>(in million Baht)</i>	Separate financial statements		After reclass.
	Before reclass.	Reclass.		Before reclass.	Reclass.	
<b>Statement of financial position</b>						
Other payables - current	1,210	(27)	1,183	407	(27)	380
Current provisions for employee benefits	-	65	65	-	46	46
Non-current provisions for employee benefits	578	(38)	540	314	(19)	295
		-			-	
<b>Statement of income</b>						
Fees and other income	193	(29)	164	907	(739)	168
Dividends received	-	29	29	-	739	739
		-			-	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's/Company's business.

## Other Parties

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### Financial Advisor

-None-

### Legal Advisor

-None-



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