



Loxley Public Company Limited

LOXLEY

Annual Report | 2019

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Vision

“INSPIRED CHOICE FOR CUSTOMERS,
BUSINESS PARTNERS AND INVESTORS”



Mission

1. Present goods and services to meet customer's requirements in an equitable and fair manner.
2. Apply new technology to reduce costs, work process and generate increased profitability on a continuous and sustainable basis.
3. Reinforce company financial solidity and development of human resources.
4. Conduct business in all fairness to trading partners, shareholders, personnel and relevant parties.
5. Operate with the Social Responsibility and Environment in mind.

Corporate Goals and Strategy

The Company has, since 2018, been adjusting its business strategies as operator of diverse lines of business under a multitude of forms in response to the requirements of its allies, trading partners and customers in order to top-up its revenue base and makes further reinforcement with focus on the 5 core business segments in which it excels. The Company is confident that, with the direction set out clearly for the conduct of business hand-in-hand with effective allocation of its resources, the core strategies to which it has adhered continually under the mandate for operations in 2019 will lead to its sustainable growth reflective of all of such endeavors.

And, to achieve clear and objective results in the face of challenges of 2019's business environment and rapid transformation, the Company took action to re-structure its organization at every level, from the Board and senior executives to those in the operating areas as well as re-organizing HR structure, improving non-profitable work units and merging those with duplicating works to maximize efficiency and enhance profitability so as to stand ready to step forward in all confidence and stability.

For 2020, focus will be made to transform and modify work procedures with particular relevance to strategic planning and objective formulation of operating plans centered on profitability and business risk curtailment through management mechanism with the Project Investment & Evaluation Committee set up to enhance credibility in the eyes of all stakeholders under 3 Corporate Strategies, i.e. : 1) Strong Financial Strategy, 2) Core Business Leadership and 3) Strong Teams with the capabilities and collaborative work consistency in full recognition of the environment and social responsibility.

To achieve the above targets, 4 operating lines had been set as follows:

1

Profitable growth to achieve solid financial targets with focus on operations in markets with good potential and management of its business portfolio for sustainable profitability.

2

Creating business models for growth enhancement and building up good long-term relationships with customers and trading partners.

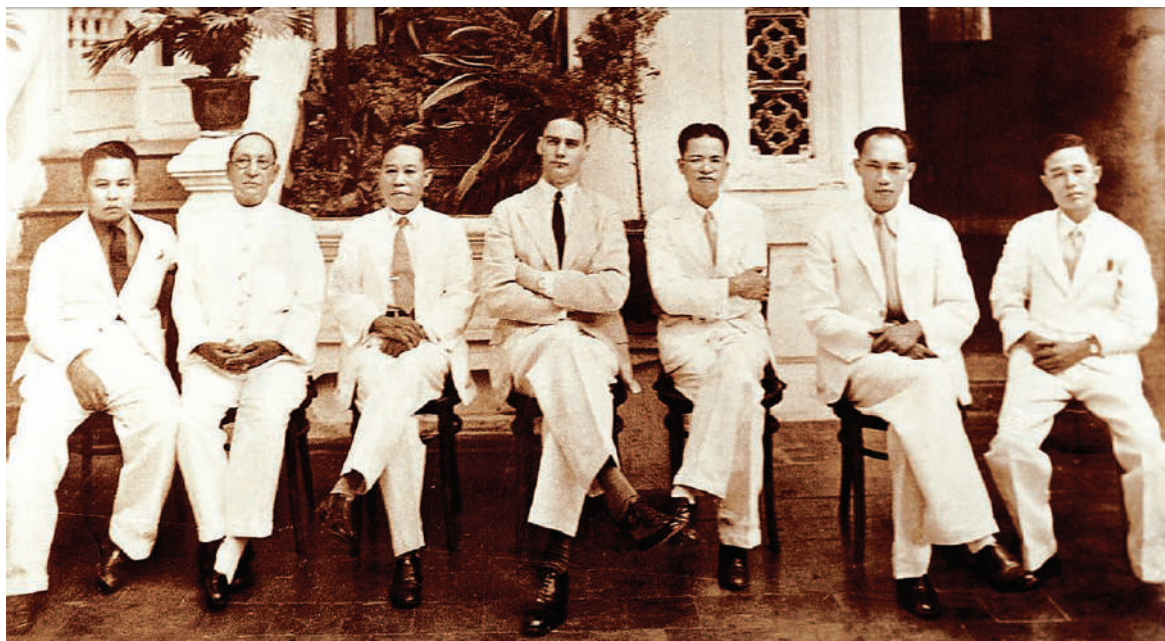
3

Teamwork development and retention of quality personnel.

4

Systems and mechanisms set up for work enhancement and reinforcement of financial disciplines for control and risks management.

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.

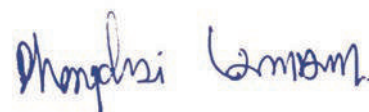
Message from Chairman of the Board of Directors

2019 was yet another year in which a tremendous lot of business operators had to face challenges in a number of areas. The Company was no exception. It ran into variously different obstacles, both external and internal, under the overall economic conditions with business competition hiking over pricing and qualities of goods/services. The impact which had arisen could not, indeed, have been avoided albeit the Company was steadfastly determined to find ways and means to appropriately and most expediently mitigate the various impact that had occurred.

Since 2018, the Company has throughout been adjusting its business strategies to ensure that its operations are reflective and responsive to today's competition which had changed from that of the past by giving importance to the category of business as well as that of management such that in 2019, it went through the process of re-organizing its business structure and management framework which is considered to be one of its major transformation. Business direction and impetus were set with focus on the Company's five core business lines with corporate structure duly re-organized in every work unit and at every level not only to turn around non-profitable work units, cut down or merge those with duplicating works but also to introduce a number of measures to effectively impose a more stringent control over operating costs to ensure maximum efficiency and profitability in the future.

I believe that 2020 is still another year when the Company will, indeed, have to exert an extremely vigilant care to perform under the seriously regressing economy which has already begun early this year, not to mention the impact from the Covid-19 pandemic which has cropped up throughout the world. However, the Company still has a good number of various projects in hand and its business strategies have appropriately been adjusted so that we now stand ready to face today's competition in the market. Other than engaging in business segments, the Company also gives great importance to its social responsibility by extending continuous support to activities of benefit to the society and nation which had, indeed, turned out results to be rejoiced in from achievements of our sponsored para athletes who have proven their prowess at international levels.

Finally, in the name of the Board, may I take this opportunity to thank our shareholders, customers, trading partners and business allies right through to every employee and executive for your good support and trust in the Company. I am confident that with the steadfastness and determination of all our concerted efforts, the Company will always be propelled forward towards a solid and sustainable future.



(Mr. Dhongchai Lamsam)
Chairman of the Board

2019 Activities



1. Loxley Public Company Limited welcomed Mr. Edward Yau (6th left), Secretary for Commerce and Economic Development of Hong Kong, together with his delegation of investors and business representatives during their visit for a briefing on various operations conducted by the Loxley Group.



4. Loxley Public Company Limited donated funds from the “Step Ahead Together” Project to the Dean of the Faculty of Medicine Siriraj Hospital, Mahidol University, to contribute towards construction of the Navamindrapobitr 84th Anniversary Building at the Siriraj Hospital.



2. Loxley Evolution Technology Company Limited or LET made its debut as a leading service provider in the field of comprehensive Security and Smart Platform under the “Beyond Security” concept.



5. Loxley Public Company Limited welcomed the Director of Joint Intelligence, Royal Thai Armed Forces Headquarters and his delegation during their visit to its CCTV Control and Operations Centre to listen to talks on relevant technology solutions pertaining to overall support from Loxley Evolution Technology Company Ltd. for the Armed Forces’ activities.



3. Loxley Simulation Technology Company Limited and Nakhon Pathom Rajabhat University signed the Memorandum of Agreement for Academic Cooperation in the Logistics and Supply Chain Management Project to enhance driving skills for graduates through use of car simulators.



6. Loxley Public Company Limited, in conjunction with Hindalco, India, aiming to become the Solution Provider to support their partners in the field of distribution and development of leading chemical products, arranged an exhibition of chemical products covering every industrial segment at the 2019 ASEAN Ceramics Expo.



7. Loxley Public Company Limited joined in to congratulate the LOXLEY-ASM Sport Hero Project's BOCCIA athletes under the support of Loxley Pcl and ASM Security Management Co., Ltd. on winning the BISFed 2019 Tournament.



10. Loxley Public Company Limited together with Hyundai Elevator Co., Ltd. arranged an introduction to new generation of elevators and Green Technology products distributed by LOXLEY for real estate clientele.



8. ASM Security Management Co., Ltd. received the 2019 Suvarnabhumi Service Excellence (SSE) Award in honour of operators and work units with outstanding services.



11. Loxley Public Company Limited, in the name of the "Consortium", signed the Agreement to contract for the purchase/hire of engineering systems including construction of two biomass electricity generating facilities from rubber wood chips with the Pracharat Biomass Bannang Sata Co., Ltd, and Pracharat Biomass Mae Lan Co., Ltd.



9. Loxley Public Company Limited, Office of the Permanent Secretary for Ministry of Agriculture and Cooperatives, Department of Agriculture, Rice Department, Land Development Department and Department of Agricultural Extension signed an MOU with the private sector under the lead of Loxley Pcl in the collaboration to develop and build pilot plots to teach on cultivation processes through adaptation of the Smart Agricultural Technology.

Financial Summary

Loxley Public Company Limited and Its Subsidiaries

Item	Unit : Million Baht		
	2019	2018	2017
Total Revenues	14,124.72	13,582.77	15,928.91
Net Profit (loss)	(755.81)	92.06	50.49
Earnings (loss) per share (Baht)	(0.33)	0.04	0.02
Total Assets	16,196.77	15,097.11	16,209.64
Total Liabilities	11,181.34	9,096.87	9,915.59
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	5,015.43	6,000.24	6,294.05
Dividend per share (Baht)	NA	0.00	0.07
Dividend to Net income Ratio (%)	NA	0%	314%

Summary of 2019 operating results of Loxley Public Company Limited (“the Company”) and its subsidiaries:

Assets	Total assets of the Company and its subsidiaries as at 31 December 2019 amounted to Baht 16,196.77 million increased from 2018 of Baht 1,099.66 million or 7.28%.
Shareholders' Equity	Shareholders' equity of the Company and its subsidiaries as at 31 December 2019 amounted to Baht 5,015.43 million decreased from 2018 of Baht 984.81 million or 16.41%.
Revenues	In 2019, total revenues of the Company and its subsidiaries increased of Baht 541.95 million or 3.99% from Baht 13,582.77 million in 2018 to Baht 14,124.72 million.
Net Profit	In 2019, the Company and its subsidiaries had net loss of Baht 755.81 million decreased of Baht 847.87 million or a decreased more than 100% compared to that in 2018 which had net profit of Baht 92.06 million.

Financial Ratio

Financial ratio	2019	2018	2017
Net profit (loss) to total revenue	(5.35)%	0.68%	0.32%
Return on average equity *	(13.96)%	1.52%	0.81%
Return on average total assets	(4.83)%	0.59%	0.32%
Earnings (loss) per share (Baht)	(0.33)	0.04	0.02
Net book value per share (Baht) *	2.18	2.60	2.74

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

Revenue Structure

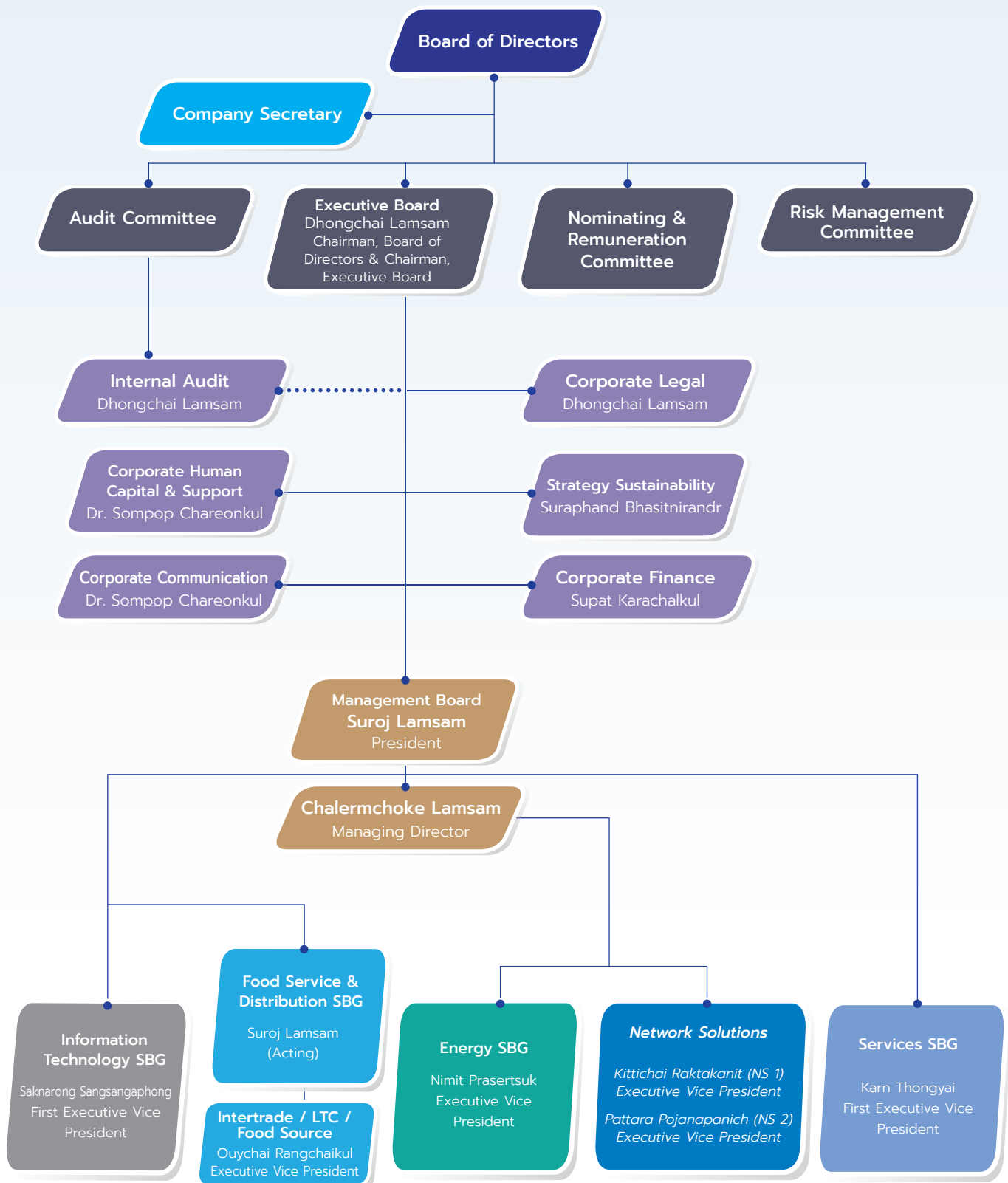
COMPANY REVENUE STRUCTURE PRESENTED BY BUSINESS SEGMENT COMPARED INFORMATION FOR THE SAME PERIOD ENDED 2019 2018 AND 2017

Loxley Public Company Limited and Subsidiaries

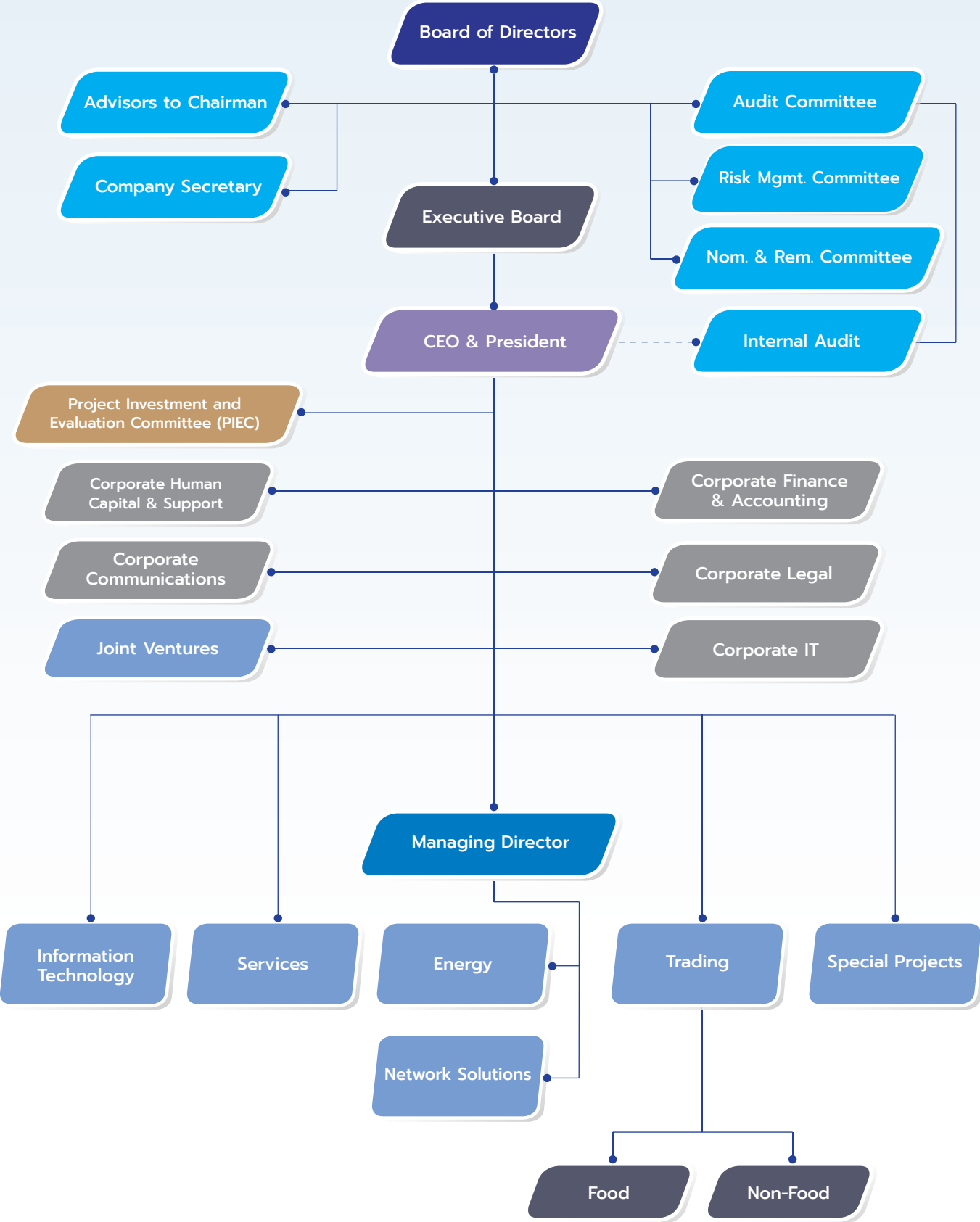
Unit : million Baht

REVENUE STRUCTURE	2019		2018		2017	
	TOTAL REVENUE	%	TOTAL REVENUE	%	TOTAL REVENUE	%
1 INFORMATION TECHNOLOGY BUSINESS GROUP	3,555	25.17%	3,637	26.78%	3,359	21.09%
2 FOOD SERVICES & DISTRIBUTION BUSINESS GROUP	3,227	22.84%	3,312	24.38%	3,675	23.07%
3 ENERGY BUSINESS GROUP	1,963	13.90%	1,532	11.28%	1,792	11.25%
4 NETWORK SOLUTION BUSINESS GROUP	2,698	19.10%	2,240	16.49%	4,195	26.34%
5 SERVICES BUSINESS GROUP	2,395	16.96%	2,600	19.14%	2,005	12.59%
6 SPECIAL AND OTHER BUSINESSES	637	4.51%	882	6.49%	1,357	8.52%
TOTAL REVENUE	14,475	102.48%	14,203	104.56%	16,383	102.85%
<u>LESS</u> RELATED TRANSACTION	(645)	(4.57)%	(655)	(4.82)%	(598)	(3.75)%
<u>ADD</u> UNALLOCATED OTHER REVENUE	295	2.09%	35	0.26%	144	0.90%
GRAND TOTAL REVENUE	14,125	100.00%	13,583	100.00%	15,929	100.00%

Organization Structure (as of 31 December 2019)



New Organization Structure (effective 1 January 2020)



Board of Directors



➤ **Mr. Dhongchai Lamsam**
Chairman



➤ **Mr. Suebtrakul Soonthornthum**
Vice Chairman



➤ **Dr. Harit Sutabutr**
Independent Director



➤ **Dr. Supavud Saicheua**
Independent Director



➤ **Mr. Charoon Chinalai**^{*1}
Independent Director



➤ **Mr. Joti Bhokavanij**^{*1}
Independent Director



➤ **General Vichit Yathip**^{*2}
Independent Director



➤ **Professor Rawat Chamchalerm**
Independent Director



➤ **Dr. Nattaporn Phan-Udom**^{*3}
Independent Director

Remarks:

*1 He has resigned from his position, with effect from 31 December 2019.

*2 He has resigned from his position, with effect from 7 May 2019.

*3 She was appointed to be in the position, with effect from 14 August 2019.

*4 He was appointed to be in the position, with effect from 1 January 2020.



> **Dr. Jingjai Hanchanlash^{*1}**
Director



> **Mr. Poomchai Lamsam^{*1}**
Director



> **Mr. Vasant Chatikavanij**
Director



> **Mr. Suraphand Bhasitnirandr^{*1}**
Director



> **Dr. Sompop Chareonkul^{*1}**
Director



> **Mr. Petch Wanglee**
Director



> **Mr. Krisada Lamsam**
Director



> **Mr. Suroj Lamsam^{*4}**
Chief Executive Officer
and President



> **Mr. Chalermchoke Lamsam**
Managing Director

Remarks:

*1 He has resigned from his position, with effect from 31 December 2019.

*2 He has resigned from his position, with effect from 7 May 2019.

*3 She was appointed to be in the position, with effect from 14 August 2019.

*4 He was appointed to be in the position, with effect from 1 January 2020.

Executive Board (as of 31 December 2019)



➤ **Mr. Dhongchai Lamsam**
Chairman of
the Executive Board



➤ **Mr. Suebtrakul Soonthornthum**
Vice Chairman of
the Executive Board



➤ **Dr. Jingjai Hanchanlash**
Vice Chairman of
the Executive Board



➤ **Mr. Vasant Chatikavanij**
Vice Chairman of
the Executive Board



➤ **Mr. Suraphand Bhasitnirandr**
Vice Chairman of
the Executive Board



➤ **Dr. Sompop Chareonkul**
Vice Chairman of
the Executive Board



➤ **Mr. Suroj Lamsam**
President



➤ **Mr. Chalermchoke Lamsam**
Managing Director



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



➤ **Mr. Saknarong Saengsangapong**
First Executive Vice President



➤ **Mr. Karn Thongyai**
First Executive Vice President

Management Board (as of 31 December 2019)



➤ **Mr. Suroj Lamsam**
President



➤ **Mr. Chalermchoke Lamsam**
Managing Director



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



➤ **Mr. Saknarong Saengsangapong**
First Executive Vice President



➤ **Mr. Karn Thongyai**
First Executive Vice President



➤ **Mr. Pattara Pojanapanich**
Executive Vice President



➤ **Mr. Nimit Prasertsuk**
Executive Vice President



➤ **Mr. Kittichai Raktakanit**
Executive Vice President



➤ **Mr. Nattapon Dejvitak**
Executive Vice President



➤ **Dr. Dawarit Tansuphasiri**
Executive Vice President



➤ **Mr. Ouychai Rangchaikul**
Executive Vice President

Remarks: Pursuant to the resolutions made at the Board of Directors Meeting No.7/2562 held on 19 December 2019, the Board approved the adjustment of the internal management structure by merging of the Executive Board and the Management Board into one executive board, effective from 1 January 2020 onwards.

Executive Board (effective from 1 January 2020)



➤ **Mr. Suroj Lamsam**
Chief Executive Officer and
President



➤ **Mr. Chalermchoke Lamsam**
Managing Director



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



➤ **Mr. Saknarong Saengsangapong**
First Executive Vice President



➤ **Mr. Karn Thongyai**
First Executive Vice President



➤ **Mr. Nimit Prasertsuk**
First Executive Vice President

List of Department Management (Year 2019)

SENIOR VICE PRESIDENT

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. ARTHASITH KATANYUTANON	DEFENSE TECHNOLOGY DEPARTMENT
MR. BOONSIRI WATTANAROJJANANIKORN	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
MR. SANIT RATANAVADI	CUSTOMER RELATIONS DEPARTMENT
MR. WERASAK PATTARAPAKORN	ENGINEERING DEPARTMENT

VICE PRESIDENT

MR. WIROTE LIMPANAWATTANAKUL	CUSTOMER RELATIONS DEPARTMENT
MR. SUTON RAKPRATHED	IMPLEMENTATION DEPARTMENT
MR. ANUCHA DUNGSIRISANGTHONG	MARKETING SERVICES & LOGISTIC
MRS. WANIDA SANGKAEW	OFFICE OF THE PRESIDENT
MRS. PREEYANUCH PAIBOONSITHIWONG	INTERNAL AUDIT
MISS MALINEE SAHAVONGJAROEN	ACCOUNTING MANAGEMENT
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
MISS JINDA VANICHVATANYOU	SALES & MARKETING CHEMICAL
MISS PORNTHIP PIYARAT	HUMAN RESOURCES
MR. TINAKORN PANYATHANAKORN	PROJECT MANAGEMENT DEPARTMENT
MR. CHARASPONG LAMSAM	FOOD SERVICE
MISS PATTEERA LAPASSETHSIRI	SERVICE SBG'S ADMIN
MR. PICHIEAN TRANGPANICH	SALES & MARKETING CHEMICAL
MISS NAPAPORN METTAGITTO	INTER TRADE
MR. VEERA AMORNMANAS	ICT BUSINESS GROUP'S ADMIN

ASSISTANT VICE PRESIDENT

MRS. CHUTINTORN THANGSUPANICH	DEFENSE TECHNOLOGY DEPARTMENT
MISS SUTEERA CHAMLONGSUPALAK	COMMUNITY & EMPLOYEE ENGAGEMENT DEPARTMENT
MISS WANNEE BOONTAGANON	CORPORATE FINANCE & CONSOLIDATED ACCOUNT
MR. PONGSAK BUREETAN	ACCOUNTING MANAGEMENT
MISS RANGSINEE THUMMASAWATDI	CUSTOMER RELATIONS DEPARTMENT
LT. JG. THANAKORN YODCHAN	PRINTING & ADVANCED TECHNOLOGY
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. AMMARIN DARANPOB (PH.D)	OFFICE OF THE PRESIDENT
MISS SUPAPORN KUSOLSAT	CORPORATE FINANCE & CONSOLIDATED ACCOUNT
MR. BONGKARN JIRABOONSRI	OFFICE OF THE MANAGING DIRECTOR
MISS CHARATSANG WONWIEN	CORPORATE COMMUNICATION ADMINISTRATION
MR. PAITON ASAWATEERANUNT	PROJECT MANAGEMENT DEPARTMENT
MISS PANNAPA KANNAPAN	SALES & MARKETING CHEMICAL
MISS SALISA CHAREONSUK	EDUCATIONAL TECHNOLOGY BUSINESS
MR. TEERA LAONIPON	PROJECT MANAGEMENT DEPARTMENT
MRS. CHANYAPORN KHAOROPHAM	OFFICE OF THE PRESIDENT
MISS RATANA VAJRASTHIRA	HUMAN RESOURCES
MISS SUTKET SUKSART	CORPORATE FINANCE & CONSOLIDATED ACCOUNT
MR. SAP CHIMPALEE	INFORMATION SYSTEMS
MR. TAWATCHAI SONGSAMPHANT	COMMUNITY & EMPLOYEE ENGAGEMENT DEPARTMENT
MRS. MANISARA JANEWITHAYAPUN	OFFICE OF THE PRESIDENT
MRS. SUPAWADEE PASOKPUCKDEE	HUMAN RESOURCE DEPARTMENT
MRS. SAOWANEE BAMRUNGPAN	FINANCE & CREDIT DEPARTMENT
MISS MATINEE POKARATTANANUN	ACCOUNTING MANAGEMENT DEPARTMENT
MR. WUDTIPONG SUBANPRASERT	CONSTRUCTION MATERIALS DEPARTMENT
MISS NOPPARAT SUPADULCHAI	OFFICE OF CHIEF FINANCIAL OFFICER DEPARTMENT
MR. ATHIKHUN SUWACHIRALAPHAKUL	HUMAN RESOURCE DEPARTMENT

Directors in the Subsidiaries Directly Owned by Loxley as of 31 December 2019

LOXBIT PLC



1. MR. SUROJ LAMSAM
2. MR. CHALERMCHOKE LAMSAM
3. MR. SUPAT KARACHALKUL
4. MR. TIM TAK TIMOTHY WONG
5. MR. SAKNARONG SAENGANGAPONG (MD)
6. MR. ALI BIN HUSSAN ALJUNIED
7. MRS. VONGTHIP CHUMPANI
8. MRS. VANIDA VIRIYATHARANGKUNR
9. MR. EK-KHUN BOONPITI

LOXLEY WIRELESS PLC



1. MR. THONGYAI CHANTHANAWAN (MD)
2. MR. TIM TAK TIMOTHY WONG
3. MR. WERACHAI KITSIRISIN
4. MR. ALI BIN HUSSAN ALJUNIED
5. MR. BONGKARN JIRABOONSRI

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

LOXLEY PROPERTY DEVELOPMENT CO., LTD.



1. MR. DHONGCHAI LAMSAM
2. MR. SUEBTRAKUL SOONTHORNTHUM
3. MR. SURAPHAND BHASITNIRANDR
4. MR. SUROJ LAMSAM (MD)
5. MR. CHALERMCHOKE LAMSAM
6. MR. VICHAYA CHATIKAVANIJ
7. MR. SUPAT KARACHALKUL
8. MR. KITTICHAJ RAKTAKANIT
9. MR. KARN THONGYAI

LOXLEY TRADING CO., LTD.



1. MR. DHONGCHAI LAMSAM
2. MR. SUEBTRAKUL SOONTHORNTHUM
3. DR. SOMPOP CHAREONKUL
4. MR. SURAPHAND BHASITNIRANDR
5. MR. PHEAT WANGLEE
6. MR. ADUL PREMPRASERT
7. MRS. KOSOOM SINPHURMSUKSKUL
8. MR. SUROJ LAMSAM
9. MR. SUPAT KARACHALKUL
10. MR. OUYCHAI RANGCHAIKUL (CEO)

L FOOD SOLUTIONS CO., LTD.



1. MR. SURAPHAND BHASITNIRANDR
2. MR. SUROJ LAMSAM (MD)
3. MR. CHALERMCHOKE LAMSAM
4. MRS. KOSOOM SINPHURMSUKSKUL
5. DR. DAWARIT TANSUPHASIRI
6. MR. CHARASPONG LAMSAM
7. MR. CHALERMCHAI PIYAVEE

THE FOODSOURCE CO., LTD.



1. MR. SUROJ LAMSAM
2. MR. SUPAT KARACHALKUL
3. MR. CHARASPONG LAMSAM
4. MR. OUYCHAI RANGCHAIKUL (CEO)
5. MR. CHATRI SABADO SRIVICHIT

LOXLEY BUSSINESS INNOVATION CO., LTD. (Formerly L GREEN SOLUTIONS 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

LOXLEY INTERTRADE (GUANGZHOU) CO., LTD.



1. MR. CHALERMCHOKE LAMSAM
2. MR. NATTAPON DEJVITAK
3. MR. OUYCHAI RANGCHAIKUL
4. MR. SUROJ LAMSAM
5. MR. SUPAT KARACHALKUL
6. MRS. SUGANYA UNGPAKORN
7. MR. TIM TAK TIMOTHY WONG (MD)

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

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 SIRISAOWALAK

L-ELEVATOR AND ENGINEERING CO., LTD.



1. MR. CHALERMCHOKE LAMSAM
2. MR. KITTICHAJ RAKTAKANIT (MD)
3. MR. BOONLERT JAIMUN
4. MR. ATHIKHUN SUWACHIRALAPHAJUL

LOXLEY ENGINEERING CO., LTD.



1. MR. SITH CHOKPIPATPAIBOON (MD)
2. MR. BOONSIRI WATTANARAJANANIKORN
3. MR. YUTHAPORN CHITAKASEM
4. MR. KITTICHAJ RAKTAKANIT

LOXLEY POWER SYSTEM CO., LTD.



1. MR. CHALERMCHOKE LAMSAM
2. MR. NIMIT PRASERTSUK (MD)
3. MR. BOONLERT JAIMUN
4. MRS. HATHAIRAT SOMSIRIPAT

LEGO 99 CO., LTD.

(Formerly L SOLAR 2 CO., LTD.)



1. GEN. NIPON SIRIPORN
2. MR. CHALERMCHOKE LAMSAM
3. MR. PIBOON PIBOONTUM (MD)
4. MR. SUNTAD YINGYONG
5. MR. UDOMSAK KAEWSIRI

L SOLAR 3 CO., LTD.



1. GEN. NIPON SIRIPORN
2. MR. CHALERMCHOKE LAMSAM
3. MR. PIBOON PIBOONTUM (MD)
4. MISS TEERAYA KRITSADAPONG

LB EV CO., LTD.



1. MR. CHALERMCHOKE LAMSAM
2. MR. SUROJ LAMSAM (MD)
3. MR. BOONLERT JAIMUN
4. MR. LIU XUE LIANG
5. MR. KI YUBIN

LOXLEY ORBIT PLC



1. MR. VASANT CHATIKAVANJ
2. MRS. SIRINAN LAMSAM (MD)
3. DR. DAWARIT TANSUPHASIRI
4. MISS DUANGMANEE BOONPONG
5. MR. ALI BIN HUSSAN ALJUNIED

LOXLEY SYSTEM INTEGRATOR CO., LTD.



1. MR. CHALERMCHOKE LAMSAM
2. MR. KITTICHAJ RAKTAKANIT
3. MR. BOONSIRI WATTANARAJANANIKORN (MD)
4. MR. TIM TAK TIMOTHY WONG
5. MR. BONGKARN JIRABOONSRI
6. MR. NIMIT PRASERTSUK
7. MRS. KRUMAS PUWATTANAVANICH

L AUTOMOTIVE CO., LTD.

(Formerly LOXLEY AUTOMOTIVE CO., LTD.)

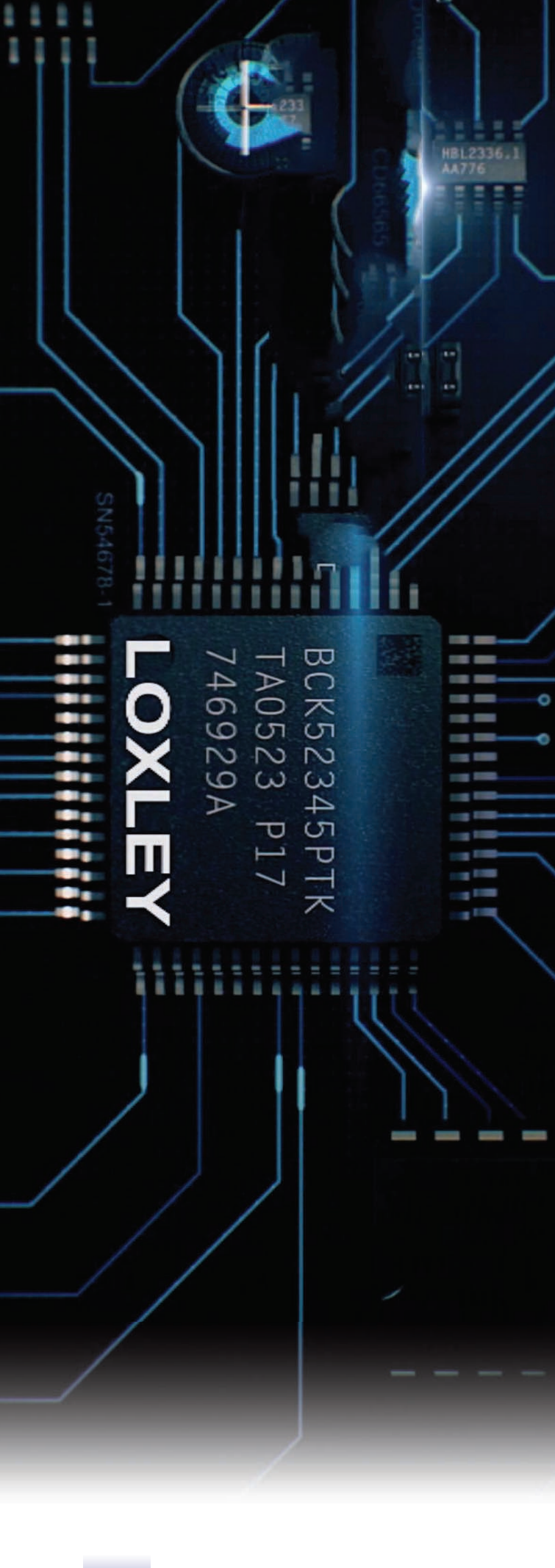


1. MR. SUROJ LAMSAM (MD)
2. MR. CHALERMCHOKE LAMSAM
3. MR. SUKRASIT HARITAWORN
4. MR. BOONLERT JAIMUN

LOXLEY EVOLUTION TECHNOLOGY CO., LTD.



1. DR. SOMPOP CHAREONKUL
2. MR. CHALERMCHOKE LAMSAM
3. MR. KARN THONGYAI
4. MR. KITTICHAJ RAKTAKANIT
5. MR. YUTHAPORN CHITAKASEM (MD)
6. MR. VALENTORN SINGKARLVANICH
7. MRS. SAMITTA TINNAM
8. MR. ATHIKHUN SUWACHIRALAPHAJUL
9. MISS NISHAPA RUEANGRAT



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 3in1 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.

Professional Computer Company Limited

> 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.

> 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:

- ISO9001:2015 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 and 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, new digital platform such as Block chain, AI, Cloud, along with capable resource allocation. The Company's distributed products are selected from industry-leading manufacturers such as IBM, HP, Oracle, 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, and so forth.

As for future projects, the Company anticipates to be continually awarded mega projects from both the public and private sectors. Several projects are currently in the pipeline for bids to be submitted in tenders such as the Comptroller General's Department's project to improve the State's purchasing/hiring systems, the Comptroller General's Department's project to improve the efficiency of digital calculations for government's median construction prices, the Revenue Department's project to develop/improve VAT work systems to supplant the existing one and the Excise Department's Phase II Project to procure the Disaster Recovery Site, etc.

NetONE Network Solution Co., Ltd

› Scope of Products or 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, Fortinet, Infoblox, Radware, VMWare, 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.

› Ongoing Projects and Future

The Company aims to expand its business to emerging market with Next Generation Technology e.g. Cyber Security, Cloud Security, DLP (Data Loss Prevention) MSSP (Manage Security Services Provider) SDN, NFV, Wifi6 and Virtualization, IOT Solution, Data Storage 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 consists of the Sales and Marketing Department, Business Support including Distribution and Services Center Department, and Green Natural Products Co., Ltd. which is a manufacturer of essential mainly from kaffir lime and turmeric, etc.

> Scope of Products or Services

The group is an official distributor and consultant of chemical supplies (Solution Provider) for 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 manufacturer and business partnership in different industries, Focus on Food, Personal Care, Ceramic, Paint, Rubber, Plastic and agriculture. Almost distribution channel sell directly to factories and some via traders.

> Marketing and Competition

Relevant factors directly impacting to the group include overall economy situation, foreign exchange rates, pricing and fluctuating world market prices (CIF) that affect cost and thus competitive pricing. As a result, the group has put an emphasis specifically on risk management of foreign exchange rate and logistics.

Another key strategy is making a good long relationship with suppliers and customers by product development together in marketing and product quality.

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



› Future Plans

The group intend 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 potential business in the Thai market and ASEAN Economic Community (AEC) including focus on innovation product or latest technology to develop market especially in Food Industry, Personal Care.

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.

› 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 Cambodia and Myanmar. The products being exported to those markets are divided into 3 categories; Consumer Products, Castrol Lubricant, and others.

Loxley Trading Company Limited

› Scope 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 engages in Japanese restaurant business under its developed brands including WaQ, Dohtonbori, and Tetsumen.



WaQ Yakiniku



WaQ Yakiniku&Shabu



Dohtonburi



Tetsumen

Each brand mentioned above is positioned for different segment, for example, Yakiniku, Shabu Shabu, Teppanyaki steak, Okonomiyaki, and ramen. The variety of products and servings helps the Company to widen its targets including families, employees, and teenagers. The prime locations are also the key, for example, Siam Paragon continuously having growing customer base and other branches' sales are also expanding.

> Marketing and Competition

In 2019, Thailand has the total number of 3,637 Japanese restaurants all over the country, 21% increased from 2018, representing its opportunity and growth potential in this market. There were many new entrants stepping in not only from large local operators, but also the brand owners from Japan coming in through joint venture structure with Thai partners. As Thailand is the ideal location to expand business to surrounding countries in the region and to suburban areas supporting by the infrastructure and economic expansion.

Japanese tourist is a famous group among in-bound foreigners to visit Thailand. In 2019, there were 1.76 million Japanese in-bound tourists visiting Thailand. Hence, Thai food is also an interesting trend which is popular for Japanese. The famous menus are green curry, stir-fried with basil, spring rolls, Pad-Thai, chicken rice, and glass noodle salad.

The Company therefore sees the opportunity to develop new business channels. To further expand the banquet department, which has been welcoming VIPs and internal customers for many years. There are many famous menus and flavors are acceptable such as Stir Fried Spicy Thai Catfish, Shrimp – Rolled, Fired Prawns with Pepper and Fresh Garlic etc.

> Future Plans

The Company focuses on strengthen its WaQ brand for Yakiniku and Shabu Shabu. In the past year, WaQ Yakiniku was a popular choice for consumers and considered one among top of mind Yakiniku brands considering from mentions and reviews on social medias. Nevertheless, the Company aims to continue developing new menus and expand 2 more branches to capture unmet consumers' needs and expand customer base in 2020.

The Foodsource Company Limited

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.

> Marketing and Competition

The Foodservice industry business is continually growing. In 2017, the market size for Foodservice 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 Plans

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

Ongoing projects to be delivered to clients are as follows:

For the Provincial Electricity Authority:

- 1) Installation of Automatic Voltage Regulator Project
- 2) Improvement of the substation control system
- 3) Improvement of a 115 kV substation

For the Metropolitan Electricity Authority:

- 1) 3 contracts of the substation projects



> 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 2019, 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 Automatic Voltage Regulator
- 2) Improvement of one substation control system
- 3) Improvement of a 115 kV substation

For the Metropolitan Electricity Authority:

- 1) 3 contracts of the substation projects

For the Electricity Generating Authority of Thailand:

- 1) Construction of two 115kV aboveground transmission lines
- 2) Construction of one 500kV aboveground transmission lines
- 3) Improvement of one Overhead Ground Wire with Optic Fiber (OPGW)

For the Airport Authority of Thailand:

- 1) Installation of one conveying belt system.

The Company is getting itself geared up in 2020 to accept works to install high-voltage electricity system under relevant public sector's Master Plans such as the latest Plan for Development of Thailand's Power Generation Capacity (PDP), Special Economic Zone Development Plan, Alternative Energy Development Plan (AEDP) as well as works on the Smart Grid system. Its teams will be ready to set out to undertake work in all areas such as marketing, procurement/ supplies and project management. The Company is confident that, with its existing strong points, it will be able to adjust itself ready to carry on such policies, not only to create sales turnovers for the Company but also to reinforce its construction works at the same time thereby enhancing its well-accepted reputation in the nearest future.

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

The Department has projects to be delivered to the Electricity Generating Authority of Thailand as follows:

- Construction of two 115kV aboveground transmission lines
- Construction of one 500kV aboveground transmission lines
- Improvement of one Overhead Ground Wire with Optic Fiber (OPGW)

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 8 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. The plan increase renewable power generation up to 30% of the total capacity of electricity within the year 2037. 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

Network Solutions SBG is divided into 2 groups - Network Solutions 1 and Network Solutions 2.

Network Solutions 1 comprises of:

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 4 groups;

- 1) Building Envelope product including;
 - NS Bluescope Lysaght metal sheet roofing
 - Aluminium Composite Panel under brand Architecks 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) 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, Gulf Sriracha power plant, Substation Phuket, MRTA Gold line, MRTA Pink, MRTA Yellow line 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.

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.

Network Solutions 2 comprises of:

Broadcast Division

› Scope of Products or Services

The Division operates as distributor of Television and Radio transmitters and transmission equipment as well as production equipment for TV and Radio programs by designing, laying and installing systems and providing services to build TV and Radio Stations for government authorities, state enterprises and the private sector. The Division also participates in transmitting and disseminating various technologies and in testing and conducting trial runs for digital TV and Radio broadcasts.

› Marketing and Competition

With the Analog Era transforming into the Digital Era today, the Division finds it necessary to keep a close watch on this area of Technology to enhance its capabilities so as to hold the position of Market Leader in this segment of business.

› Ongoing Projects and Future Plans

Project to Change Frequencies and Equipment for Digital TV Station Systems. Project to improve the efficiency of digital system of AM transmitters for the Public Relations Department.

In addition, the Division is in the process of following up work in projects to improve the efficiency of transmitters in several government work units and still has the opportunity to continually generate increased revenue from its after-sale services as well as sale of spare parts to TV and Radio Stations.

Rail Engineering Division

› Scope of Products or Services

The Rail Engineering Division provides a turnkey service to the customers as System Integrator and System Provider for Railway Projects (Signalling, Communications, Security, Power Supply, 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 Division is also a Rolling Stock dealer. Therefore, the Division'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 Division with good business opportunities. The Division 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 Division has partnered with the well-known international corporations which offer high quality technologies at reasonable prices. Since the Division's products offering require specialized skills and expertise, competition in this market has not been intense.

› Ongoing Projects and Future Plans

The Division has large projects in progress to be completed and handover to the clients in the year 2020-2021 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 Division 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 Division

› Scope of Products or Services

The Transportation Systems Division 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 Systems. 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 Division 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 Division 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 Division 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 Division has projects in progress such as the project for the Expressway Authority of Thailand to improve and modify the existing toll collection system of Kanchanaphisek Expressway to support revenue sharing with the Department of Highways, and also the project to implement Intelligent Transport System Center phase 4. 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 Division 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 Division

> Scope of Products or Services

The Division 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 Division has a business alliance which owns wide range of advance control technology products. So the Division is able to procure products or services that meet the needs of our customers. The Division is committed to environmental and social responsibility. Especially as a provider, the Division 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 Division 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 Division has the high potential for competition.

> Future Plan

The Division 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). Excitation and Governor Systems For Chaopraya 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.



Services

SBG

ASM Security Management Company Limited

> Scope of Products or Services

The Company provides security services for various airports, aircrafts, depots, office buildings and hotels with expansion of clientele base leading to rapid and continuous growth particularly in 2019 when its airport security operations' growth rate rose as the result of expansion of regional airports in U-Tapao, Udon Thani, Ubon Ratchathani, and Narathiwat.

Ground security services and security for depots continued to grow with expanded transportation operations and increased traffic of low-cost flights in regional airports, while general security services were extended to cover PTT oil depots in the Central Region and country-wide.

The Company began to expand its operations to provide Integrated Facility Management services starting with provision of cleaning services which is a branch of work anticipated to have good growth potential.

› Marketing and Competition

In 2019, the Company joined in to make an investment with Airports of Thailand Public Company Limited or AOT to set up AOT Aviation Security Company Limited aimed at providing security services for the 6 airports under AOT's jurisdiction, i.e, Suvarnabhumi Airport, Phuket Airport, Don Muang Airport, Chiang Mai Airport, Chiang Rai Airport, and Hat Yai Airport. AOT holds 49% and ASM 41.18% equity in this new company with other investors.

There is 5% growth rate for this sector of Integrated Facility Management such that competition is centered on the quality of services, technology and innovations to help enhance efficacy hand-in-hand with competitive pricing. Moreover, there is a high demand in the market for "On-line Housekeeping" services which can be extended to cover other areas of house-care services as well.

› Future Plans

Thailand is stepping into the era of an Aging Society. Another area of business in which the Company is interested in, therefore, is one concerning care of the elderly population. The Company has joined in the investment to set up Bangkok Health Care Management Company Limited with plans to provide day-care services for the elderlies as well as arranging activities suitably geared for their age. There is a growth rate of 15% per annum today in this sector of business.

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.

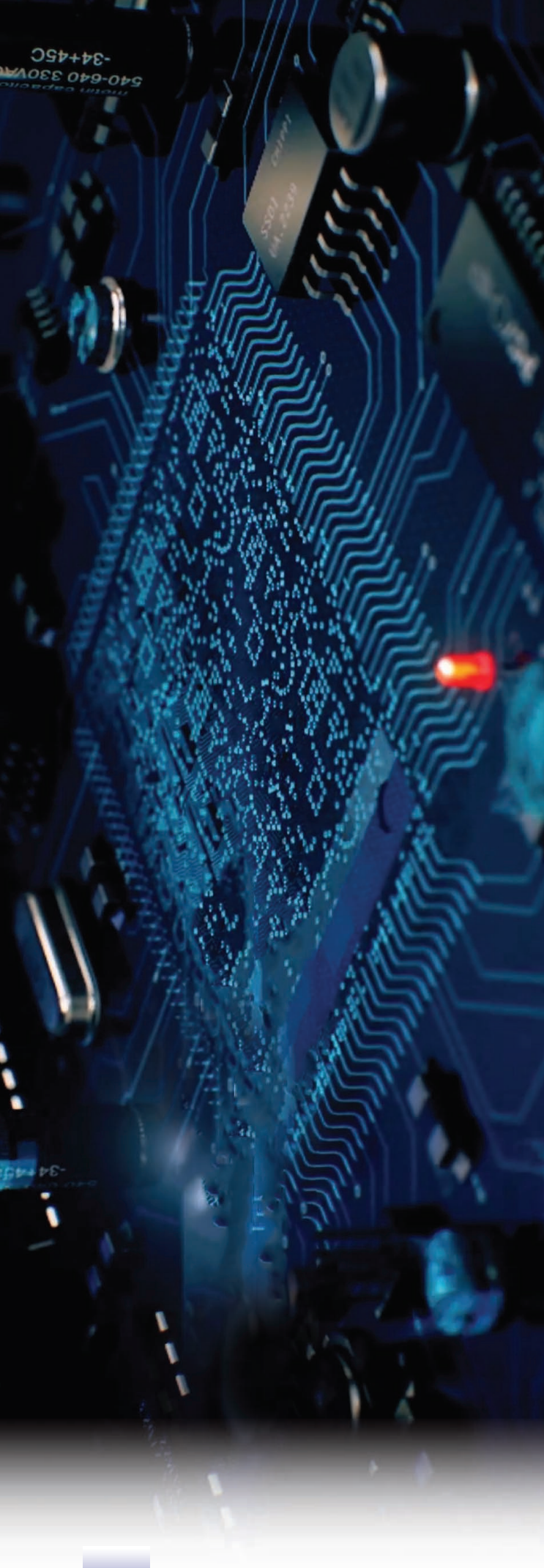
› Marketing and Competition

With an increased number of operators vying in this field of tender bids for public works which has raised the competitive edge, there is this issue of adjustments, business-wise, by various banks/financial institutions which now turn to provide greater promotion and support to those interested to embark in this segment of business which have, as a result, turned out new rivals with increasing competitive potential.

› Operations in Preceding Year and Future Plans

The Company is in the process of carrying out works for the National Housing Projects, three of which will be delivered in 2020 and one in 2021.

The Company plans to reinforce the capabilities and skills of its manpower to boost their expertise in construction businesses and to set up and upgrade the base of cooperation with its allies/miscellaneous contractors with skills in various areas to support works for the sake of greater speed and successful performance.



Special Project

Business

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, Kuga and nHance Technology, 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.

› 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 such as from USA, Netherlands, Poland, India, etc. 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 seems higher since there are more products which are similarly quality but lower price. However, the Department still stand up for the products and service are within highly specialized fields and also base on technological expertise, continue readiness of information, customer care and 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.

› Ongoing Projects and Future Plans

The Department's already delivered all products and services to the customers as a plan of year 2019. The Department also has continuously the spare part projects in every year. In 2020, the Department will provide the Equipment for Air Defense system to the Royal Thai Army with delivery expected in quarter 2 and 3.

Printing and Advanced Technology Department

› Scope of Products and Services

The Printing and Advanced Technology Department handles operations relating to printing technology and innovations involved with modern printing technology through its supplies of a variety of printer Hardware and Software. It also handles program-designing and gives advice on various printing systems, system-updating as well as providing maintenance services for various printers and printing management programs.

Currently, the Department is the distributor of high-speed variable printers in both ink-jet and toner forms and also serves as Printing System Integrator to provide services for the design, selection and presentation of machineries under a variety of printing systems.

› Past Performance

In 2019, the Department installed revenue stamps' printing machines for the Card Factory, Department of Excise, Ministry of Finance at the Bank of Thailand and provided services to modify/upgrade printing equipment for the Thai Police Bureau's Printing House to expedite its production process.

› Future Plans

The Department is keeping steadfastly on its track to introduce its printing systems to various work units both in the public and private sectors and will continue to monitor and keep a close watch on today's modern printing technology in order to keep its clients fully updated on the latest trends and developments in this area.

Consumer Electronics Department – Mobile Services (MVNO)

› Scope of Products or Services

The Company has been operating the MVNO business since 2009 under the regulation of the National Broadcasting and Telecommunications Commission (NBTC). Loxley PLC was granted the Type I Telecommunications Service and currently operates mobile services under the MOU with TOT Public Company Limited as its reseller or Mobile Virtual Network Operator (MVNO) on the 2100MHz frequency. Loxley PLC is focused on delivering mobile prepaid services including voice and non-voice services under the brand “i-Kool”.

› Marketing and Competition

Overall, the mobile service industry is still expanding, with rapidly growing usage of data and internet connections. However, revenue in the mobile service industry showed a declining growth rate from the previous year with a fairly saturated market in terms of number of users. These factors have resulted in more intense competition between service providers to retain existing customers and to increase market share. The service providers compete by bringing out the attractive promotions such as unlimited data usage which results in the decline of revenue growth in mobile industry. This has directly impacted the MVNO business.

In the near future, the company will redefine its business strategy to be in line with the TOT's partner strategy plan in order to expand capabilities and efficiency of network and enrich the service capabilities.

› Risk factors

Loxley PLC operates under the supervision of NBTC and partnership with TOT. The rules, regulations and orders issued in the future, as well as the changes in business policy have the potential to affect the operations, ability to generate profit and/or increase the cost of services. However, the company has a dedicated team which is regularly monitoring the issuance and is coordinating with TOT to report on such changes to the management and ensure promptly responses.

› Social Responsibilities

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

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

Data Mining Company Limited

› Scope of Products and Services

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, workflow application and system integration from core systems to complicated process design solutions to meet customer needs.

› Marketing and Competition

The government budget allocation as according to government policy Thailand 4.0 that support data analytic and Big Data. 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 data analytic

and business intelligence more than 10 years to achieve the large-scale projects and also the good relationship with the existing customers and partners. Its major customers are law enforcement entities, anticorruption agencies in both government and private sectors where vital financial information is required for investigation to prevent money laundering and abusive terrorist activities.

› Future Plans and Projects

The Company has the quality products and service to complicated process design solutions to meet existing and new customer needs.

Loxley Wireless Public Company Limited

› Scope of Products or Services

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 three 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, maintenance services for MITEL private automatic branch exchanges on an annual or per use basis depending on the size of each corporate customer, and maintenance services of PABX network system.

These three 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.

› Marketing and Competition

Even though Internet transactions today have led to a growing demand for high-speed data transmission services, the PABX, however, continues to run side-by-side with businesses and organizations which require data security and their own communications networks. Services provided for these 3 categories, therefore, continue to be in demand hand-in-hand with today's growing businesses.

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.


› Ongoing Projects and Future Plans

The Company is in the process of working on the Metropolitan Electricity Board's maintenance of its DWDM communication system scheduled for completion in the third quarter of 2020.

Electric Vehicles Business

Currently, there are two companies in our Group dealing in this line of business, i.e. LB EV Co., Ltd., with the Company holding 51%, BYD Japan Co., Ltd., 49% and L Automotive Co., Ltd. 99% of their respective equities. Plans and operations in this EV business line may be summarized as follows:

- BYD's Electric Vehicle Spare Parts Centre operations: More than 100 BYD electric vehicles are in use in the country today with trends to expand further. To manage their spare parts, therefore, becomes another line of business which must grow hand-in-hand with the increased number of these vehicles on the road. The Company is now in the process of formulating plans with BYD to expand the Spare Parts Centre operations by having LB EV Co., Ltd., a joint partner, handling action in this respect.
- VIP Taxi business: L Automotive Co., Ltd. provides a fleet of 20 BYD E-6 electric vehicles to serve customers at the Suvarnabhumi Airport with EV Society Co., Ltd. cooperating over handling/administration. With positive signs of increasing market demands and for EV prices to drop, this factor will, indeed, help top-up this business line in the future.
- Electric Tricycle Business: The Company is the distributor of electric tricycles to the Cooperatives of Nakorn Chiang Mai Motorized Tricycles which has been authorized to increase their fleet of electric tricycles by another 250 within the precincts of Chiang Mai. This will, indeed, be a good opportunity for the business to expand to customer clusters such as hotels, hospitals, restaurants, resorts and educational institutions interested in this group of product. The Company and its trading partners are formulating plans to lower the price of these electric tricycles while retaining their safety features to increase their competitive potential in the future.
- Electric Vehicles distribution: with substantial drops in the price of lithium batteries used in Electric Vehicles thereby lowering the price of EVs, usage of EV's vis-à-vis general vehicles will become much more cost-effective. Small sized vans which are suitable for transportation of parcels and goods are being introduced by BYD for logistic operations with current projects ongoing for the Company to cooperate with several customers to have EV's used in their operations.



LONG-TERM PARTNERSHIP

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; Furukawa founded more than 130 years. Furukawa drawing on more than a century of expertise in the development and fabrication of advanced materials in Japan. Furukawa transfer fiber optic cable design and manufacturing technology include fiber to home follow International Telecommunication Union (ITU). TFOC is the first Thailand optical fiber cable manufacturer who supplies optical fiber cable for telecom and internet networks. TFOC is the leader copper telephone cable and pipe include complete optical solution.

TFOC has awared 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 flame retardant follow IEC 60332. TFOC also revise management system

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

> Marketing and Competition

Thai government policy to improvement the Landscape is led by Metropolitan Electricity Authority (MEA) and the Provincial Electricity Authority (PEA) move cable to underground as A to D project and “Pracharat Internet” project by the Ministry of Digital Economy and Society by The Office of the National Broadcasting and Telecommunications Commission (NBTC). The optical fiber cable shall be local manufacturer with TIS certification only.

TFOC has succeeded in innovation product of optical fiber cable aerial self-support flame retardant FRSS to solve flame problem. We have registered in Thailand Innovation Product List. The government agencies shall purchase FRSS cable from us.

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 Thailand longer term economic outlook, including the construction industry, NS BlueScope (Thailand) strongly believes that its third metallic coating line plant, with an investment value of approximately 4,000 million Baht, will enable the business to continue to serve the growing, premium quality metallic coated steel for small industry and the residential market. Construction is complete and in commercial production.

Support Unit

Finance Group

› Functions and Responsibilities

The Group is responsible for accounting, finance, legal and credit facilities ensuing from sale of products and services as well as project credit facilities to ensure that they are in compliance with policies and operating guidelines governing good corporate governance and sustainability. 4 separate departments, namely Office of Chief Financial Officer Department, Finance Business Partners, Financial and Statutory Reporting, and Financial Operations are in charge of such activities.

› Preceding Year Performance and 2020 Plan

In 2019, beside focusing on the issue of managing and maintaining financial liquidity on a continuing basis, both for project credit line and working capital in general to ensure effective cost management through appropriate financing sources which would enable it to remain competitive in the market, the Group also exerted care on every type of expenditure with emphasis on monitoring/following-up on scheduled debt repayments to forestall loss which would effectively enhance its management and sustenance of financial liquidity. Moreover, appropriate and accepted financial tools from financial institutions were used by the Group which not only helped shorten processes and reduced operating costs but also enhanced accuracy, speed and efficiency of their performance. Focus was also made to adjust its work system to keep it in line with accounting systems which must be continually responsive to the complexities and changes in accounting standards and the law or related regulations and to develop its human resources in order to meet the challenges of new transactions in this era of digital economy



Investor Relations (IR) has importance 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 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 2020, 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; overlap 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 continues to be fully aware of the importance of data/information and reports to be used by the Management as tools for its analyses, decision-making and management which must be correct, prompt and timely under today's economic conditions full of severe competition in the market and rapid changes of Technology with this need for effective cost-management and expansion of financing resources to support the growth of its operations 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 confidence and 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 Future 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 2019 Plan

In 2019, 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 IT Business, Power Systems Business, Food Business, Service Business, 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 and organized social activities.

In 2020, the Department will continue to support and provide services to all business segments in the Company and its subsidiaries. It will focus on creating a good image of Loxley, marketing activities, internal communication, mass media connections, and media design and production.



Activities

in Areas of Corporate Social Responsibility

The Community & Employee Engagement Department (CEE) was set up by the Company primarily 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 2019, the CEE continued to focus on creating the Shared Value by deploying corporate resources and expertise in response to issues pertaining to solutions of social problems, reinforcement of the potential for under-privileged communities and promotion of participation from network organizations in its neighborhood 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 leading to development not only of themselves, but also of the surrounding communities and to create new networks in their concerted efforts to work together for the good of Society.

Project and Corporate Social Responsibility (CSR) Activities

1. Projects in areas of Voluntary Minds within the organization

Human resources are, indeed, extremely valuable assets. An organization cannot grow and prosper if it suffers a loss of human assets with a good conscience, lucid understanding and compassion ready to be of help to one another. Fully aware of its role in this context, the Corporate Social Responsibility Department puts its mind into designing activities to create positive energy and pass on the value of friendship, happiness and pride in order to expand its search and development of the potential for voluntary mind employees within its organization. This year, the following activities have been designed by the Department to further develop the voluntary mind among employees:

1.1 Shared-with-Friends Fashion activity

Action took place in a “sharing” manner with employees bringing various items, be they clothing, toys, shoes and things useable which are in good conditions, clean and ready to be used, to be presented as gifts among colleagues under the concept of friends-to-friends sharing. This activity will create the “Friendship of Giving” within the organization leading to a chain of smiles and happiness handed down from one employee to another.



Shared-with-Friends Fashion activity

1.2 Thank You Day activity

This activity is designed to have employees unconditionally acknowledge the goodness of their colleagues and communicated through a form of symbolic gesture. Amicable expression of thanks were written down by employees in their “Thank You Cards”, either bought or designed themselves and then given to those to whom they would like to express their appreciation. Participatory attitude and atmosphere of warmth ensued as the result which will help drive the company onwards in this “Vehicle of Bliss”.



Thank You Day activity

1.3 Cooking for Happiness activity

Realizing the importance of personnel engaged in security, cleaning, gardening, maintenance and office services who have steadily shown their willingness to provide supporting services and facilitate company employees, more than 40 Voluntary Mind employees in the organization - deeply touched by such dedication, joined hands together to raise funds and prepared food to throw them a party and concert for entertainment as a show of their appreciation in an event which also served as the starting point for good things to be done as an inspiration to one another.



Cooking for Happiness activity

2. Projects to Support the Disabled

LOXLEY – ASM Sport Hero Project is a project in which support has been given continuously for 9 years to the handicapped sporting circles by Loxley Public Company Limited and its subsidiary, ASM Security Management Co., Ltd. (ASM) through the Sport Association for the Disabled of Thailand (under Royal Patronage). In 2019, more than 70 handicapped athletes were enrolled as employees in Loxley Group affiliates with support given, in conjunction with other network allies, to local handicapped games with subsidies for some of the athletes’ travel expenses to participate in international games. Help was also extended by the Company to disseminate news and organize PR activities for the para sports circles in newspapers, on TV and the Internet.



LOXLEY - ASM SPORT HERO PROJECT

3. Projects on development of the Penang Market Community

Since 2010, the CEE, in conjunction with the Penang Market Community Committee, Voluntary Mind Special Task Force and BY Penang Youth Group had been paving the direction for its coordinated efforts to formulate plans, define roles and duties, make a summary of activities as well as transcribing lessons learnt through communal work under the concept of “Work hand-in-hand with Development”. In 2019, they together set up the “2019 Strong Communities Project” by targeting works to be handled by communities’ Committees and Children and Youth Committees to encourage participation from everyone right from the stage of conceptualization and design to sharing of duties/roles. Everything came out of their brainstorming sessions which led to a common agreement in which every member of the teams not only developed their own potential but also learned how to work together and build good relationships in the communities through a number of activities below:

3.1 Creative Activities to Welcome in the New Term at School

This is a 6-months consecutive activity program which gave a total of 14 youth from the Chua Plerng Community and those under the care of the Sikkha Asia Foundation interested in the career of make-up artists and photography, the opportunity to be trained and develop occupational skills during the school term and weekends. Besides giving them a feel for their potential work in the future and an opportunity to generate supplementary income, it also helped stimulate participants to spend their free time wisely to their best interests.



Creative Activities to Welcome in the New Term at School

3.2 Activities to promote Community Relationships

Activities were held throughout the year on special occasions in keeping with the context of communities’ traditions and lifestyles such as those held on the National Children’s Day, the Elderlies Day, Mother’s Day, activities to clean up and paint the communities’ walls/fences, and the Year-end/New Year celebrations. These were aimed at promoting good relationships within the communities, building up happiness and fun as well as enhancing collaboration of work by the various committees in the communities with the BY Penang Youth Group and the Loxley CEE Team.



Activities to promote Community Relationships

3.3 “2019 PSD Games”

The PSD Games were held as the result of collaboration and interaction between 3 youth groups, i.e. Penang Market Community, Sikkha Asia Foundation and Duang Prateep Foundation. The Chumchonmoobanpattana School’s grounds were used for the purpose with plans initiated and targets set to maximize the use of free time, reinforce the sense of united community and introduction to new friends. The PSD Games helped promote participation among members of the Klong Toey communities and reinforced development of core youth leaders, good relationships among communities and the experiences of collaborative work to be learnt and put to use in other future activities.



“2019 PSD Games”

3.4 Dialogue in the Dark

Field trips were arranged to the National Science Museum at Chamchuri Square for a target group of 21 children and youth from the Penang Market community, those under the Sikkha Asia Foundation's care and Loxley employee's family members with the aim of widening their horizons so that they could see and understand the life of the visually-handicapped under a different light. To be thus educated in a room covered in total darkness, indeed, stimulated participants to reach out towards learning through physical sensories when activities were designed to stretch their imagination, endlessly, into that of the visually-handicapped's world under this new and extraordinary experience like taking meals with their eyes totally covered-up, for example.



Dialogue in the Dark

4. Social Development Projects

4.1 Occupation Open House Project

The Company, by its CEE, sets targets to support education for children and youth living in the Klongtoey area with this idea of holding an "Occupation Open House Fair" in order to give them the opportunity to meet and speak with people from over 40 lines of work who are well-versed with appropriate skills in their relevant occupations. Talks about their work and experiences were shared out with more than 400 neighborhood youth on the grounds of the Chumchonmoobanpattana School with booths set up by Voluntary Mind workers from over 60 organizations in order to stimulate those children and youth to find out what they wanted in life so as to have clearer targets for their future endeavours. To create this understanding for their future careers not only served as the point of ignition for children and youth to start looking inside themselves for their inherent values but also stimulated them to become alerted to the importance of Education in relation to the choices for their future occupation.



Occupation Open House Project



Occupation Open House Project

4.2 Buddy Pony Tales activity

This activity was arranged at the Thai Polo and Equestrian Club in Cholburi on the 80th Anniversary of Loxley Public Company Limited's celebrations aimed at creating an exchange of learning experiences through equestrian activities and to develop communication skills between Voluntary Mind employees and the visually-handicapped students from the Foundation for the Blind in Thailand under the Royal Patronage. More than 200 participants joined the activity to bathe and brushed horses' hair as well as in horse-riding, etc.



Buddy Pony Tales activity



Buddy Pony Tales activity

4.3 Happy Talks with Thun

This activity was held for the second year in the form of talks to create inspiration with undergraduates from two universities, i.e. Chulalongkorn University and Srinakharinwirot University aimed at sharing life experiences and good trends of thoughts that can be adapted for use in real life through the life experiences of Nong Thun or Miss Nitcharee Peneakchanasak, the positive-thinking employee in the Loxley-ASM Sports Hero Project. Other than giving Ms.Thun a chance to participate in the designing and planning of activity together with the CEE, it also gave her a platform to develop her capabilities at the same time.



Happy Talks with Thun

4.4 Rally to Step Forward Together for 80,000 kilometers

This activity was arranged on the Company's 80th Anniversary in the form of accumulative mileage Charity Run of 80,000 kms to be aggregated by employees in the entire organization on the condition that an aggregated mileage as set by the Company has been reached through their accumulative efforts when a donation of Baht 300,000 would be made by the Company towards the Faculty of Medicine Siriraj Hospital, Mahidol University's construction of the Navamindrapobit 84th Anniversary Building at the Siriraj Hospital. Other than giving employees an opportunity to participate in the run to help build a hospital, the rally also stimulated them to realize the importance of exercises for better physical health, creating good relationships among employees from differing clusters and a drive forward towards greater unity in the organization.



Rally to Step Forward Together for 80,000 kilometers



Rally to Step Forward Together for 80,000 kilometers

5. Projects to provide supporting budgets to work units, the public and private sectors and various institutions

In 2019, the following budgetary support had been extended by the Company:

EDUCATIONAL INSTITUTIONS

- **Petchaburi Rajabhat University** for their Royal Trophy Charity Golf Tournament to raise funds for low socio-economic students.
- **The Willpower Group, Ramkhamhaeng University** for their Filled and Warmed (Im-Ob-Oon) Project to procure consumer products and educational supplies and equipment for underprivileged schools.
- **The Veterinary Student Club, Chulalongkorn University** for arrangements on their Camping Project to Open up Veterinary Horizons on Zoos, Wildlife and Overseas Animals.
- **King Mongkut's Institute of Technology Ladkrabang** for HYPER CUTE 28 Computer work structures to reinforce basic computer knowledge for upper secondary school students.
- **Srinakharinwirot University** to make arrangements for projects designed to cultivate a sense of awareness for Thai Cultures and Literary Works among the Society.
- **Chumchonmoobanpattana School** to improve on the school's premises/structures.

FOUNDATIONS

- **Duangprateep Foundation** for activities in relation to the Songkran Day to upkeep the traditional water-pouring ceremony for the elderly and visits and presentation of gifts to the aged and bed-ridden patients to boost up their spirits and willpower.
- **Sikkha Asia Foundation** for creative story-telling activities and in furtherance of the Thai Cultural Heritage in order to encourage children and youth to group themselves up to make use of their free time wisely with a sense of responsibility towards themselves and the others.
- **Thai with Disability Foundation** for the Wheelchair Project for the Disabled to procure wheelchairs and manually-operated tricycles for the underprivileged handicapped children.
- **Foundation for the Blind in Thailand** for the Tod Pa Pha Maha Kusol merit-making campaign to help the blind throughout the land to have book legibility access and access to works which would improve their quality of life through opportunities opened up for Education and book legibility.
- **Lighting for Life Foundation** to provide help for orphans, poverty-stricken children and various hill tribes children with the opportunity to learn and improve their quality of life.

ASSOCIATIONS

- **Graduate Studies of Mahidol University Alumni** to give educational subsidies to low socio-economic students with good academic records.

NETWORK of NEW GENERATION LEADERS

- **Group of 70 Rai Youth Volunteers** for purchase of sports equipment.
- **Group of Musician and Artist Volunteers** for educational grants to underprivileged youth at the Rong Moo Community.
- **Youth Network for Capabilities Development** for arrangements towards the XIII Youth Camp for Voluntary Youth for Rural Development Transformation.
- **TEDXKLONGTOEI Teams** for their arrangements for the TEDXKLONGTOEI 2019 Project to disseminate knowledge, experiences and trends of thoughts to the general public.

SUMMARY of achievements from the Community & Employee Engagement Department's activities in 2019

On personnel areas

The Company encouraged its employees to constantly go out and work for the benefits of the Society and had, as a result, turned out a workforce more attuned to softer approaches in their undertakings who learned more about the value of sharing and trained to achieve the same common targets. More importantly, they have been able to transcend their own limitations for the benefits of the others.

In Para Sports areas

The Company has been continually helping the handicapped to embark on their career as para athletes under the Loxley – ASM Sports Hero Project.

On communities in the Company's neighborhood

The Company has constantly been looking after communities in its neighborhood such that marked improvements are seen today among children and youth in the Penang Market's area, the Duangprateep Foundation and the Sikkha Asia Foundation as they are now ready to initiate activities to do good deeds for their own communities as well as to go out and act as Voluntary Mind workers for children and youth in other areas.

Other areas

The Company pursued social activities it has previously initiated with greater vigor in conjunction with other companies which had produced more works for social benefits, both quantitatively and qualitatively, and turned out an expanded network of friends among Voluntary Mind workers from each participating company.

Risk Factors

Risk Factors from Business

1. Management and Risks from Project Delays

The projects usually have specified timeline guarantying that the projects will be completed according to the signed contracts. 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 projects come mostly from government and state enterprises. Therefore, the main income of these projects 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 projects 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 the case that Thai Baht has any change against the foreign currencies, there will be an impact on the cost of the products. In order to prevent such a risk 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 2019, 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 2019, 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"> Offering 65 million shares to existing shareholders Reservation of 85 million shares for the exercise of conversion rights on debentures Offering 10 million shares to Company directors and staffs 	65,000,000 shares, at Baht 10.00 per share 85,000,000 shares, at Baht 10.00 per share 10,000,000 shares, at Baht 10.00 per share
25 December 2003	-	-	Reduction of par value from Baht 10.00 to Baht 1.00	2,000,000,000 shares, at Baht 1.00 per share
3 May 2007	(1.92)	1,998.07	Cancellation of non-issued ordinary shares	1,998,078,970 shares, at Baht 1.00 per share
11 May 2007	1.92	2,000.00	Offering shares to Ekpavee Company Limited	2,000,000,000 shares, at Baht 1.00 per share
	650.00	2,650.00	Reservation for the exercise of conversion right on debentures	2,650,000,000 shares, at Baht 1.00 per share
8 May 2008	(650.00)	2,000.00	Reduction of reserve shares for the exercise of conversion right on debentures	2,000,000,000 shares, at Baht 1.00 per share
20 May 2013	331.25	2,331.25	<ul style="list-style-type: none"> Supporting the stock dividend Offering shares to general investors Reservation for the exercise of LOXLEY-W to existing shareholders Reservation for the exercise of LOXLEY-W to general investors who subscribe for newly issued shares 	100,000,000 shares, at Baht 1.00 per share 165,000,000 shares, at Baht 1.00 per share 25,000,000 shares, at Baht 1.00 per share 41,250,000 shares, at Baht 1.00 per share

Capital structure

1. Securities

1.1 Ordinary shares

As of 31 December 2019, 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 April 29, 2015, the Company's 2015 Ordinary General Meeting of Shareholders adopted the resolutions to approve that the Company issue and make a sale offer of bonds within a line not exceeding Baht 1,000 million to be used in its operations and business expansion as well as for refinancing. To-date, the Company has already issued and offered the following bonds for sale:

- (1) A part of secured bonds No. 1/2558, Set 1, of 300,000 units with the par value of Baht 1,000 each for an aggregate total of Baht 300,000,000 at the fixed rate of interest of 3.36% per annum and date of redemption set on 18 December 2020.
- (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 2022.

Both sets of bonds are of the name-bearing type, unsubordinated and secured with nominees allowed. Credit-rating given by TRIS Rating Co., Ltd. on 12 September 2019 for these bonds are at the level of A- with fixed credit trends. All bonds were offered for sale to institutional investors and major investors.

2. Shareholder

List of 10 major shareholders of the Company, as of 30 December 2019 (date of closing shareholder's register) :

No	Name	No. of shares	Percentage share
1	The Lamsam Group consisting of	691,073,138	30.51
	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	12,737,812	0.56
	1.6 Mr. Chalermchoke Lamsam	9,876,688	0.44
2	Mr. Kiatchai Limpichotpong	123,949,855	5.47
3	Thai NDVR Co., Ltd. *	107,993,648	4.77
4	Mr. Pravit Chantraprapawat	39,702,800	1.75
5	Mr. Nuttapol Jurangkool	28,109,400	1.24
6	ML Prasopchai Kasemsant	21,420,000	0.95
7	Mrs. Benjawan Kumpanartsanyalorn	15,178,020	0.67
8	EAST FOURTEEN LIMITED-DFA EMERG MARKET CORE EQ PORT	14,431,135	0.64

No	Name	No. of shares	Percentage share
9	Mr. Nopporn Bamrungwej	13,439,700	0.59
10	Mr. Chaiporn Achakul	13,400,000	0.59

* 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 2019

As of 30 April 2019, 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 Mokkaves	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
Total		6,350,000	100.00

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

Dividend Payment Policy

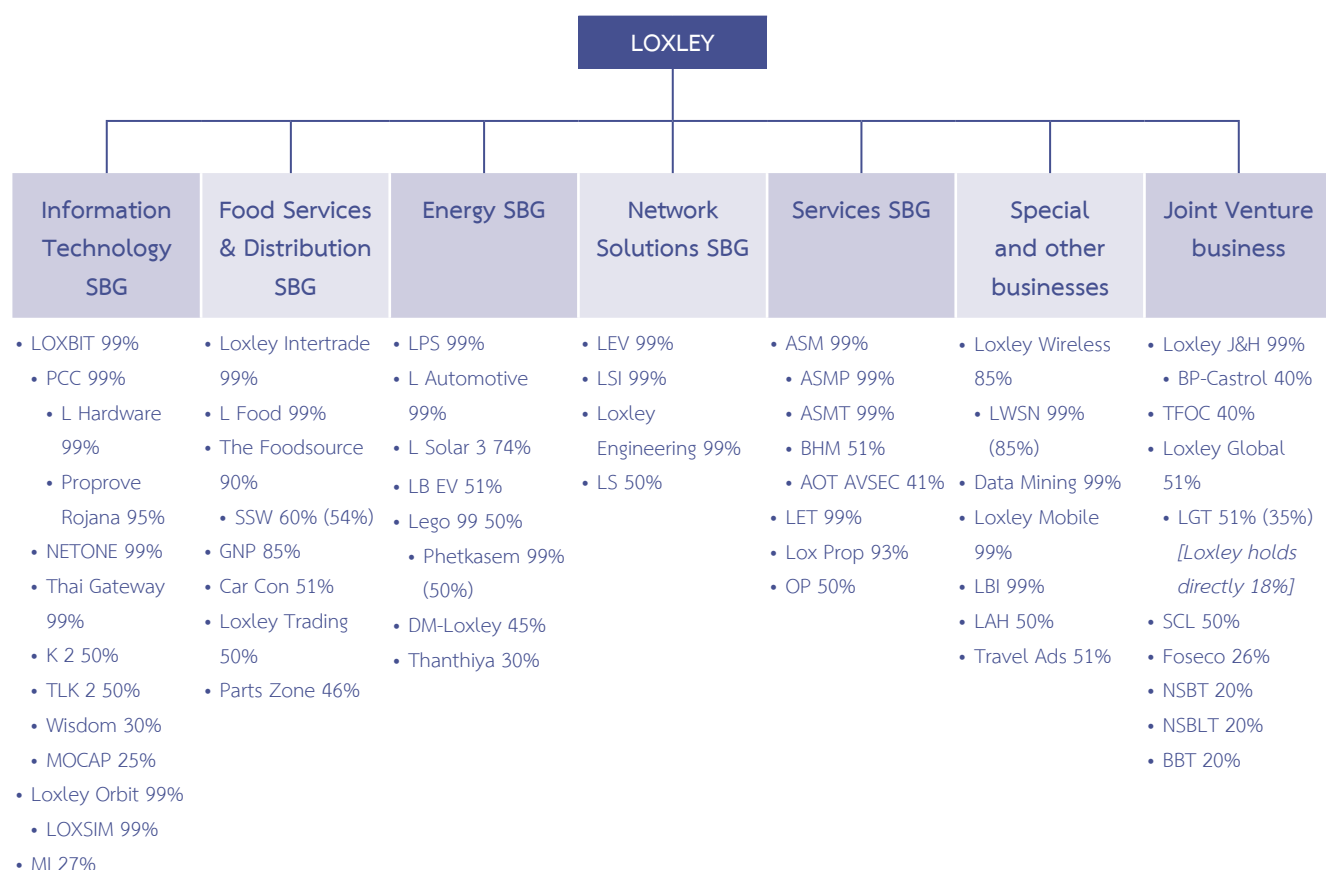
It is the Company's policy to make dividend payments of at least 40% of its net profits after corporate tax of individual financial statement and all reserves as stated in the Company's regulations and related laws. The Company considers financial status, cash flow, investment plans, business plan and 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 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. In 2017, the Company paid dividend at Baht 0.07 per share, totaling Baht 159 million. And in 2018, the Company did not pay dividend.

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

As of 31 December 2019, the Company holds shares, directly and indirectly, in 37 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
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

No	Name of companies	Address	Type of business	Registered Capital (Million Baht)	(%) of share holding
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., Yuexiu, 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	50	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 Subdistrict, Chatuchak District, Bangkok	Engineering services in the telecommunication network systems	40	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	L Automotive Co., Ltd. (L Automotive) (Formerly Loxley Automotive Co., Ltd.)	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	10	99

No	Name of companies	Address	Type of business	Registered Capital (Million Baht)	(%) of share holding
15	Loxley Evolution Technology Co., Ltd. (LET) (Formerly Law Enforcement Technology Solution Co., Ltd.)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	The distributor and provider of advance security equipment and solution	40	99
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	350	93
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. (GNP)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Manufacture and distribute citrus essential oil	4	85
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. (Loxley 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 (Loxley 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 Disttrict, Viuetiane, 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, 19th Floor, Phaholyothin Place Building, Phaholyothin Road, Samsean 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	Proprove Rojana Joint Venture Company Limited (Proprove Rojana)	No. 102/99 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	IT infrastructure improvement project	1	95
34	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
35	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
36	Bangkok Healthcare Management Co., Ltd. (BHM)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	To provide personal healthcare service for senior and disable people, day care assisted-living	10	51

No	Name of companies	Address	Type of business	Registered Capital (Million Baht)	(%) of share holding
37	Phetkasem Green Holding Co., Ltd. (Phetkasem)	No. 39/48 Soi Thawiwatthana 9 Thawiwatthana Subdistrict, 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

No	Name of companies	Address	Type of business	Registered Capital (Million Baht)	(%) of share holding
9	NS BlueScope (Thailand) Limited (NSBT)	No. 2 Soi G9, Pakornsongkrohroad 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)	1 No. 2 Soi G9, Pakornsongkrohroad 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	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
13	TLK 2 Management Co., Ltd. (TLK 2)	No. 349 SJ Infinite One Business Complex, Room No. 1902, 19th Floor, Vibhavadi-Rangsit Road, Chompol, Chatuchak, Bangkok	Investment by shareholding in the company which operation in Technology business	1	50
14	AOT Aviation Security Company Limited (AOT AVSEC)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	To provide security services	350	41
15	BP-Castrol (Thailand) Limited (BP-Castrol)	No.3, 23rd 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, Rajthevee 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	Travel Ads Network (Thailand) Co., Ltd. (Travel Ads)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	To provide digital platform services for tourism and hospitality sectors in Thailand and the region	28	51
3	LS Technology Solutions Company Limited (LS)	No. 102 Na Ranong Road, Klongtoey Subdistrict, Klongtoey District, Bangkok	Operate the security technology solutions	10	50
4	Loxley & AIT Holding Co., Ltd. (LAH)	No. 2 Soi Phaholyothin 19, Phaholyothin Road, Chatuchak Subdistrict, Chatuchak District, Bangkok	Provide installation service of power plant telecommunication	200	50

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 ^{*1}	Board Chairman and Member of the Nominating & Remuneration Committee
2	Mr. Sueptrakul	Soonthornthum ^{*2}	Vice Chairman of the Board and Member of the Nominating & Remuneration Committee
3	Dr. Harit	Sutabutr	Independent Director and Chairman of the Audit Committee
4	Dr. Supavud	Saicheua	Independent Director and Member of the Audit Committee
5	Mr. Charoon	Chinalai ^{*3}	Independent Director, Member of the Audit Committee, and Chairman of the Nominating & Remuneration Committee
6	Mr. Joti	Bhokavanij ^{*4}	Independent Director
7	General Vichit	Yathip ^{*5}	Independent Director
8	Professor Rawat	Chamchalerm ^{*6}	Independent Director and Chairman of the Nominating & Remuneration Committee
9	Dr. Nattaporn	Phan-Udom ^{*7}	Independent Director and Member of the Audit Committee
10	Dr. Jingjai	Hanchanlash ^{*8}	Director and Vice Chairman of the Executive Board
11	Mr. Poomchai	Lamsam ^{*9}	Director
12	Mr. Vasant	Chatikavanij ^{*10}	Director
13	Mr. Suraphand	Bhasitnirandr ^{*11}	Director, Vice Chairman of the Executive Board, and Member of the Nominating & Remuneration Committee
14	Dr. Sompop	Chareonkul ^{*12}	Director, Vice Chairman of the Executive Board, and Member of the Nominating & Remuneration Committee
15	Mr. Petch	Wanglee	Director
16	Mr. Krisada	Lamsam	Director
17	Mr. Suroj	Lamsam ^{*13}	Chief Executive Officer & President
18	Mr. Chalermchoke	Lamsam	Managing Director

Remarks:

^{*1} Mr. Dhongchai Lamsam resigned from the position of Chairman of the Executive Board, with effect from 31 December 2019.

^{*2} Mr. Sueptrakul Soonthornthum resigned from the position of Vice Chairman of the Executive Board, with effect from 31 December 2019.

- ^{*3} Mr. Charoon Chinalai resigned from all positions, with effect from 31 December 2019.
- ^{*4} Mr. Joti Bhokavanij resigned from the position of Independent Director, with effect from 31 December 2019.
- ^{*5} General Vichit Yathip resigned from the position of Independent Director, with effect from 7 May 2019.
- ^{*6} Professor Rawat Chamchalerm has been appointed as Chairman of the Nominating & Remuneration Committee, with effect from 1 January 2020.
- ^{*7} Dr. Nattaporn Phan-Udom has been appointed as Independent Director and Member of the Audit Committee, with effect from 14 August 2019.
- ^{*8} Dr. Jingjai Hanchanlash resigned from all positions, with effect from 31 December 2019.
- ^{*9} Mr. Poomchai Lamsam resigned from the position of Director, with effect from 31 December 2019.
- ^{*10} Mr. Vasant Chatikavanij resigned from the position of Vice Chairman of the Executive Board, with effect from 31 December 2019.
- ^{*11} Mr. Suraphand Bhasitnirandir resigned from all positions, with effect from 31 December 2019.
- ^{*12} Dr. Sompop Chareonkul resigned from all positions, with effect from 31 December 2019.
- ^{*13} Mr. Suroj Lamsam has been appointed as Chief Executive Officer & President, with effect from 1 January 2020. Company Secretary is Mr. Pichai Mooputtarak.

Authority of Directors and Restrictions on Authority of Directors

In 2019, number and names of the directors who are authorized to sign on behalf of the Company were 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. Suebtrakul Soonthornthum, or Mr. Suraphand Bhasitnirandir, or Mr. Sompop Chareonkul.

Subsequently, at the Board Meeting No. 7/2562 on 19 December 2019, resolutions were adopted to change the authority of directors to keep in line with transformation of the Board with effect from 1 January 2020 onwards as detailed below.

Two of the following seven persons jointly sign and affix the Company's seal: Mr. Dhongchai Lamsam, Mr. Suebtrakul Soonthornthum, Mr. Vasant Chatikavanij, Mr. Suroj Lamsam, Mr. Chalermchoke Lamsam, Mr. Petch Wanglee, Mr. Krisada Lamsam.

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%¹ 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.

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

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.
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.

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.

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 2019:

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

Remarks:

^{*1} General Vichit Yathip resigned from the position of Independent Director, with effect from 7 May 2019.

^{*2} Dr. Nattaporn Phan-Udom has been appointed as Independent Director and Member of the Audit Committee, with effect from 14 August 2019.

The Executive Board

Members of the Executive Board are:

No	Name	Position
1	Mr. Dhongchai Lamsam ^{*1}	Chairman of the Executive Board
2	Mr. Suebtrakul Soonthornthum ^{*2}	Vice Chairman of the Executive Board
3	Dr. Jingjai Hanchanlash ^{*2}	Vice Chairman of the Executive Board
4	Mr. Vasant Chatikavanij ^{*2}	Vice Chairman of the Executive Board
5	Mr. Suraphand Bhasitnirandr ^{*2}	Vice Chairman of the Executive Board
6	Dr. Sompop Chareonkul ^{*2}	Vice Chairman of the Executive Board
7	Mr. Suroj Lamsam ^{*3}	Chief Executive Officer & President
8	Mr. Chalermchoke Lamsam	Managing Director
9	Mr. Supat Karachalkul	First Executive Vice President, Chief Financial Officer
10	Mr. Saknarong Saengsangapong	First Executive Vice President
11	Mr. Karn Thongyai	First Executive Vice President
12	Mr. Nimit Prasertsuk ^{*4}	First Executive Vice President

Remarks:

^{*1} Mr. Dhongchai Lamsam resigned from the position of Chairman of the Executive Board, with effect from 31 December 2019.

^{*2} Resigned from the position of Vice Chairman of the Executive Board, with effect from 31 December 2019.

^{*3} Mr. Suroj Lamsam has been appointed as Chief Executive Officer & President, with effect from 1 January 2020.

^{*4} Mr. Nimit Prasertsuk has been appointed as First Executive Vice President, with effect from 1 January 2020.

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

In 2019, members of the Management Board were:

No	Name	Position
1	Mr. Suroj Lamsam	President and Chairman of the Management Board
2	Mr. Chalermchoke Lamsam	Managing Director
3	Mr. Supat Karachakul	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

Secretary to the Management Board was Mr. Bongkarn Jiraboonsri.

Remarks: Resolutions were adopted by the Board Meeting No. 7/2562 on 19 December 2019 to approve the restructure of Internal Management by re-organizing the former two Executive Boards, i.e. Executive Board and Management Board into one single Executive Board only effective from 1 January 2020 onwards.

Scope of Authority and Responsibilities of the Management Board

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

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

Management Authorization to the President

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

1. Monitoring the performance of work units under the Management Board's jurisdiction to ensure their implementation pursuant to the requirements set by the Company's Board of Directors.
2. Conduct the operations and approve a variety of issues in the normal course of the Company's businesses to ensure uninterrupted continuity.
3. Duly authorized to look after, manage, undertake and carry out regular work in the normal course of business in the Company's interest and to ensure that they are in compliance with Company's Objectives and Charter as well as rules, resolutions, policies, plans and budgets that have been duly authorized or approved by the Company's Executive Board or Board of Directors or which have been assigned by either of them to be performed under the framework of the relevant laws.
4. With the power to approve procurement, participation in tenders, purchase of goods, execution of contracts or any juristic acts as well as undertaking the Company's various operations which are normal conduct of businesses or in relation to its normal course of operations pursuant to the Company's objectives, as follows:
 - 4.1 Participate in a tender for a project, execute any contract or juristic act in connection with the Company's businesses or in relation to the Company's normal course of business within a line not exceeding Baht 300 million for each project or each tender.
 - 4.2 In case that specific project details are clearly stated in business plan or budget already approved by the Board of Directors, the President can take action as allowed by the Board of Directors' resolution.

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

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

The Audit Committee

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

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

1. Holds not more than 0.5% of the common shares from the Company, its parent company, subsidiaries, joint-ventures, juristic persons with possible conflicts of interests including his/her relatives' shareholding activities.
2. Does not or has not been a committee related to operation management, staff member, employee, permanent consultant, or administrative person of the Company, its parent company, subsidiaries, joint-ventures, partners, or juristic person with conflicts of interest for the past 2 years on the date of appointment.

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

The Audit Committee of Loxley Public Company Limited consists of:

No	Name	Position
1	Dr. Harit Sutabutr	Chairman of the Audit Committee
2	Mr. Charoon Chinalai ^{*1}	Audit Committee Member
3	Dr. Supavud Saicheua	Audit Committee Member
4	Dr. Nattaporn Phan-Udom ^{*2}	Audit Committee Member

Remarks:

^{*1} Mr. Charoon Chinalai resigned from the position of Audit Committee member, with effect from 31 December 2019.

^{*2} Dr. Nattaporn Phan-Udom has been appointed as Audit Committee member, with effect from 14 August 2019.

Dr. Supavud Saicheua and Dr. Nattaporn Phan-Udom possess 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	Prof. Rawat Chamchalerm ^{*1}	Chairman of the Nominating & Remuneration Committee
2	Mr. Dhongchai Lamsam	Member
3	Mr. Suebtrakul Soonthornthum	Member
4	Mr. Suraphand Bhasitnirandr ^{*2}	Member
5	Dr. Sompop Chareonkul ^{*2}	Member

Remarks:

^{*1} Prof. Rawat Chamchalerm has been appointed as Chairman of the Nominating & Remuneration Committee, with effect from 1 January 2020, to replace Mr. Charoon Chinalai who resigned from the position of Chairman of the Nominating & Remuneration Committee, with effect from 31 December 2019.

^{*2} Resigned from the position of the Nominating & Remuneration Committee member, with effect from 31 December 2019. 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.

Remuneration of Directors and Executives

1. Cash remuneration (1 January – 31 December 2019)

- 1.1 Total remuneration for 17 members of the Company's Board of Directors was Baht 10,638,333 (constituting meeting allowances and remuneration*).
- 1.2 Total remuneration for the Audit Committee and Nominating & Remuneration Committee members was Baht 2,251,333 (constituting meeting allowances).
- 1.3 Total remuneration for 11 Executive Board members was Baht 57,576,000 (constituting salaries, performance pay, and other benefits).

Remarks* The 2019 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 10.63 million (May'19 – Apr'20). Such remuneration, however, does not include payment of compensation and welfare paid to directors as employees or members of sub-committees in the Company's various working groups.

Details were as follows:

Unit:Baht

Name	Company's Directors	Remuneration	Audit Committee Members	Nominating & Remuneration Committee Members
1. Mr. Dhongchai Lamsam	1,200,000	-	-	240,000
2. Mr. Suebtrakul Soonthornthum	600,000	-	-	240,000
3. Dr. Harit Sutabutr	600,000	-	360,000	-
4. Dr. Supavud Saicheua	600,000	-	240,000	-
5. Mr. Charoon Chinalai	600,000	-	240,000	360,000
6. Mr. Joti Bhokavanij	600,000	-	-	-
7. General Vichit Yathip ^{*1}	210,000	-	-	-
8. Professor Rawat Chamchalerm	600,000	-	-	-
9. Dr. Nattaporn Phan-Udom ^{*2}	228,333	-	91,333	-
10. Dr. Jingjai Hanchanlash	600,000	-	-	-
11. Mr. Poomchai Lamsam	600,000	-	-	-
12. Mr. Vasant Chatikavanij	600,000	-	-	-
13. Mr. Suraphand Bhasitnirandr	600,000	-	-	240,000
14. Dr. Sompop Chareonkul	600,000	-	-	240,000
15. Mr. Petch Wanglee	600,000	-	-	-
16. Mr. Krisada Lamsam	600,000	-	-	-
17. Mr. Suroj Lamsam	600,000	-	-	-
18. Mr. Chalermchoke Lamsam	600,000	-	-	-
Total	10,638,333	-	931,333	1,320,000

Remarks:

*1 General Vichit Yathip resigned from the position of Independent Director, with effect from 7 May 2019.

*2 Dr. Nattaporn Phan-Udom has been appointed as Independent Director and Member of the Audit Committee, with effect from 14 August 2019.

1.4 2019 Remuneration of directors and executives of subsidiaries

In 2019, there were 7 executive directors or executives of the Company who received payment of compensation from 4 subsidiaries for an aggregate total of Baht 1,720,000 (as payment of compensation in the form of meeting allowances and bonus) without there being any outstanding payment for such compensation.

2. Other remuneration

None

3. Policy and Method concerning determination of compensation payment and Remunerative Structure for directors

Remuneration	Year 2019
<u>The Remuneration of the Board of Directors</u>	
1. Meeting Allowance	
- Chairman	100,000 Baht/Person/Month
- Director	50,000 Baht/Person/Month
2. Remuneration	
- Chairman	-
- Director	-
<u>The Sub-Committees include</u> <u>the Audit Committee and the Nominating and Remuneration Committee</u>	
1. Meeting Allowance	
- Chairman	30,000 Baht/Person/Month
- Director	20,000 Baht/Person/Month

4. 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 the Company 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 2019, constant attention was given by the Company to its CG Code to modify it for use in the context of business operations with the following major achievements in Business and Social Values areas:

- Evaluation scores at VERY GOOD level for its Corporate Governance in 2019.
- Evaluation scores of 98% for its arrangements for the 2019 Annual Ordinary General Meeting.
- It was awarded the 2019 Trophy of Honor for Outstanding Corporate Support for the Handicapped from the Ministry of Social Development and Human Security.
- Mr. Dhongchai Lamsam, Chairman of the Board received the Trophy of Honor for the 2019 Outstanding Man of Science from Chulalongkorn University's Faculty of Science and Professor Dr. Thaep Nilanithi Foundation for his support in contributing towards educational subsidies and the Foundation's scientific research.

The Company has performed in line with CG Code, 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 2019, 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 2019:

1. Right of Shareholders

The Company resolved to call an Annual General Meeting of Shareholders for the Year 2019 on 26 April 2019 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 2019 Annual Report is available for them in QR Code 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.

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.
 - 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.
 - 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.
- Extension of knowledge and encouragement for its executives and employees to efficiently and cost-effectively utilize the Company's properties as well as natural resources to help reduce global warming effects and preserve the Environment through video productions on how to use water and electricity cost-effectively which were posted in passenger lifts inside the company. Information on how to save consumption of various resources were also posted on PR Boards with lights turned off in some parts of the office during lunch hours and the number of lifts monitored to provide appropriate services in line with their usage during different hours of the day. Booths in Loxley Food Court, too, were required to use environmentally-friendly packaging in lieu of foam and plastic, 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) 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 2019.
5. The Company shall disclose the Directors and Management's Remunerations of 2019 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.

In 2019, 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 2019 included

- Opportunity Day by SET on 6 March 2019: To disclose the operating performance of 2018 and 2018's operating plan as well as the direction of 2019
- The 2019 Annual General Meeting of Shareholders on 26 April 2019: To prepare presentation and give information to shareholders who contact IR directly
- 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 2020, 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 0-2348-8628 or e-mail address: samittati@loxley.co.th. The Company discloses the contact information on the website as well.

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 2561	31 Dec 2562		
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	-	-	-	-
6	Mr. Joti Bhokavanij	-	-	-	-
	Spouse and underage children	-	-	-	-
7	Gen. Vichit Yathip ^{*1}	-	-	-	-
	Spouse and underage children	-	-	-	-
8	Professor Rawat Chamchalerm	-	-	-	-
	Spouse and underage children	-	-	-	-
9	Dr. Nattaporn Phan-Udom ^{*2}	-	-	-	-
	Spouse and underage children	-	-	-	-
10	Dr. Jingjai Hanchanlash	630,000	630,000	-	0.03
	Spouse and underage children	2,621,850	2,621,850	-	0.12

No	Name	Number of Shares		Number of Shares Increased (Decreased)	Percentage of Shareholding (%)
		31 Dec 2561	31 Dec 2562		
11	Mr. Poomchai Lamsam	1,050,000	1,050,000	-	0.05
	Spouse and underage children	58,012	60,112	2,100	0.002
12	Mr. Vasant Chatikavanij	2,242,478	2,242,478	-	0.10
	Spouse and underage children	-	-	-	-
13	Mr. Suraphand Bhasitnirandr	-	-	-	-
	Spouse and underage children	-	-	-	-
14	Dr. Sompop Chareonkul	720,000	720,000	-	0.03
	Spouse and underage children	-	-	-	-
15	Mr. Petch Wanglee	-	-	-	-
	Spouse and underage children	-	-	-	-
16	Mr. Krisada Lamsam	-	-	-	-
	Spouse and underage children	-	-	-	-
17	Mr. Suroj Lamsam	1,699,795	1,699,795	-	0.07
	Spouse and underage children	-	-	-	-
18	Mr. Chalermchoke Lamsam	9,876,688	9,876,688	-	0.44
	Spouse and underage children	3,920,437	3,920,437	-	0.17
19	Mr. Supat Karachalkul	-	-	-	-
	Spouse and underage children	-	-	-	-
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	21,000	21,000	-	0.001
	Spouse and underage children	25,200	25,200	-	0.001

Remarks:

*1 Gen. Vichit Yathip resigned from his post as an Independent Director effective from 7 May 2019 onwards. The number of shares disclosed to be held by Gen. Vichit, his spouse and underage children, therefore, is that which existed only during his tenure as the director.

*2 Dr. Nattaporn Phan-Udom stepped in as an Independent Director effective from 14 August 2019 onwards. The number of shares disclosed to be held by Dr. Nattaporn Phan-Udom, her spouse and underage children, therefore, is that existing during the period after she came into office only.

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 of various qualifications such as age, gender, education background, work experience; 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 (5 directors), economics/management (5 directors) and administration/laws (3 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's vision, mission, goals and strategy were reviewed and approved in the Board of Directors Meeting No.1/2563 on 26 February 2020. 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 89.4%.

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 88.9%. 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 determines 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 2019, members of the executive board attended the development and training courses as follows:

Name	Course
Mr. Suroj Lamsam	The National Defence Course Class 2018, National Defence College
Mr. Supat Karachalkul	<ul style="list-style-type: none">• Overall of Thai Standards on Auditing Class 2/2019, Federation of Accounting Professions• Getting ready with accounting matters on lease agreements and the reading and writing of Auditor's Report to give an understanding, Department of Business Development (DBD), Ministry of Commerce• Refreshment Traditional Costing Class 2/2019, Federation of Accounting Professions
Mr. Karn Thongyai	Good Medical Practice for Medical Practitioner Executives, King Prajadhipok's Institute

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, Khlong Toey, Khlong Toey,
Bangkok 10110
Or email: ac@loxley.co.th

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

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. With clear separate roles and responsibilities, the Sub Committee includes the Executive Board, Management Board (Resolutions were adopted by the Board Meeting No. 7/2562 on 19 December 2019 to approve the restructure of Internal Management by re-organizing the former two Executive Boards, i.e. Executive Board and Management Board into one single Executive Board only effective from 1 January 2020 onwards.), 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 outlines 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. Furthermore, directors and executives are required to report to the Company, through Board's meetings, on their holding of the Company's securities as at the end of the preceding year. 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 10,684,000.

Other Non-audit Fee

- Observation fee in merchandize annihilation: Baht 36,000.00 (Loxley Trading Company Limited)

Modification of the CG Code for use

During 2019, the Company studied and reviewed the application of CG Code on their performance with the following additional modifications to those already in use:

1. Having the person to hold the position of Chairman of the Board (Mr. Dhongchai Lamsam) separated from that of the head of the Management (Mr. Suroj Lamsam).
2. Appointment of a lady, i.e. Dr. Nattaporn Phan-Udom as an Independent Director thereby having a lady sitting on its Board in lieu of its formerly male-only Board.
3. Reducing the number of directors on the Board from 17 to 11 which is an appropriate size under the CG Code.
4. Declarations made to seek cooperation from every executive and employees to refrain from receiving/giving every kind of gifts during the discharge of their duties vis-à-vis customers, trading partners and relevant parties during the New Year or any other occasions to prevent risks from being considered as an act of bribery.

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 2019, it had 627 permanent staff, and 97 contract staff, divided by groups as follows:

Segment	Total (Personnel)
Energy SBG	46
Network Solution SBG	208
Food Services & Distribution SBG	151
Information Technology SBG	0
Services SBG	5
Special Project Businesses	54
Corporation Center	260
Total Employees	724

Total Personnel Remuneration of Company staff from January to December 2019 in form of salaries, wages, and overtime was Baht 499 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 Business Groups (SBG) under the organization 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 digital transformation and disruptive innovation with connectivity to outside factors for its effective 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 department 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 2019 came to 8 hours per person per annum. Major courses of training arranged by the Department for its executives and employees were as follows:

- 3.1 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.
- 3.2 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.
- 3.3 Team Quality Management (TQM): to enhance management skills for middle executives at the levels of managers or equivalents in the areas of management, leadership and creating shared value.
- 3.4 Leadership Development Program: development for managers or equivalents to reinforce their coaching skills for the benefit of their teams in enhancing their skills and performance such as; Coaching & Feedback, Communication, Motivation and Employee Development.
- 3.5 Project Management Program: training at several levels such as fundamental, managerial and executives handled by speakers from PMP Thailand.
- 3.6 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 Business Groups to develop Young Talents and Successors in an objective manner.

In 2020, strategic plans for the Company's 5 business lines will be adjusted with directions set out clearly in pursuance with economic conditions and business competition which would increase their potential and capabilities to ensure achievement of targets. The Department has, therefore, taken on the task of providing assistance in areas of Human Resources planning, development and management particularly with adherence to the Lean Organization HR Management concept by formulating plans for limited HR work force in keeping with the requirements of each business line and to appropriately manage its existing manpower for greater work flexibility and efficiency such as developing teams to meet the challenges of works requiring multi-skills and plans for human resources retention and build-up of qualified personnel as replacements for the current or retiring workforce as well as introducing strategies to reinforce loyalty and participatory minds among employees that would be of benefits to the organization in the long term.

Moreover, plans are focused on pursuing Digital Transformation in its HR management work by developing its HRIS: system. Other than the Coach System which focuses on HR Management, work will also be pursued in areas of Training & Development to provide employees with better accessibility to data on Learning, Training and Self-Development under the self-service Upper Knowledge Platform which will enable them not only to keep track of their own training and preparations of their own self-development programs, but also to share out their experiences and knowledge with others. This system will enable employees and their superiors to systematically formulate plans to develop their subordinates or themselves with ease and speed and provides an answer to Modern Day Management in a digital era under the face of today's rapid 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 2019, we have conducted many activities relevant to safety and occupational health such as

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

During 2019, workplace accident reported to be zero; and there is no absents and illness resulting from work-related incident.



Information of the Company's Directors, Executives, Controlling Person, the person taking the highest responsibility in finance and accounting (CFO), the person supervising accounting (Chief Accountant), and Company Secretary

1	Mr. Dhongchai Lamsam	Age 72, Nationality - Thai
	<ul style="list-style-type: none"> • Board Chairman • Nominating & Remuneration Committee Member 	<ul style="list-style-type: none"> • Since 24 February 2018 • Since 14 November 2003
	Education/Training	<ul style="list-style-type: none"> • Honorary PhD Degree, Business Administration, 2012, Kasem Bundit University • Bachelor of Science (Honors), Chemical Technology, Chulalongkorn University • M.Sc. Industrial Engineering Illinois Institute of Technology, U.S.A. • Advanced Management Program, Harvard Business School, U.S.A. • Director Accreditation Program 12/2004, Thai Institute of Directors Association
	Expertise	Management and Science
	Listed Companies (1)	2018-present • Chairman of the Board, Loxley Plc. / Technology and trading business 2003-present • Nominating & Remuneration Committee, Loxley Plc. / Technology and trading business
	Non-Listed Companies/ Other Business (13)	2010-present • Director, Loxley Joint and Hold Co., Ltd. / Holding Company 2006-present • Chairman, Loxley Global Co., Ltd. / Holding Company 2004-present • Director, Green Natural Product Co., Ltd. / Manufacture and distribute citrus essential oil 2003-present • Director, Loxley GTECH Technology Co., Ltd. / Sale and service of information technology and online lottery sale system 1996-present • Director, Thai Fiber Optics Co., Ltd. / Manufacture of fiber optic 1995-present • Director, NS BlueScope (Thailand) Limited / Manufacture and sale of cold rolled steel 1994-present • Director, BP-Castrol (Thailand) limited / Sale of Castrol and BP lubricant 1990-present • Managing Director, Ekpavee Co., Ltd. / Holding Company 1989-present • Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services 1981-present • President, Loxley International Co., Ltd. / Maintenance services for computer, communication systems and project consultant 1977-present • Director, Loxley Trading Co., Ltd. / Sale of consumer products 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	2017-2019	<ul style="list-style-type: none"> Chairman and Chairman of the Executive Board, Loxley Plc. / Technology and trading business
	2012-2018	<ul style="list-style-type: none"> Chairman, L Food Solutions Co., Ltd. / Food service
	2013-2018	<ul style="list-style-type: none"> Chairman, Loxley Wireless Plc / Sale and service of telecommunication and information technology systems
	2006-2017	<ul style="list-style-type: none"> Chairman, ASM Security Management Co., Ltd. / Security service
	2005-2017	<ul style="list-style-type: none"> Director, L-TAG Technologies Co., Ltd. / Sale of construction materials and installation service of waste water treatment system and other sanitation
	1995-2017	<ul style="list-style-type: none"> Chairman, Data Mining Co., Ltd. / Service of information technology equipment and computer systems service
	2000-2016	<ul style="list-style-type: none"> Director, Law Enforcement Technology Solutions Co., Ltd. / Design and installation services of security systems
	1993-2016	<ul style="list-style-type: none"> President, Loxley Plc. / Technology and trading business

Shareholding in Loxley	<ul style="list-style-type: none"> Own: 26,732,044 shares or 1.18% Spouse or Underage Children: 1,168,513 shares or 0.05%
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Family Relationship among Executives	Brother-in-law of Dr. Jingjai Hanchanlash, Brother of Mr. Poomchai Lamsam, Uncle of Mr. Vasant Chatikavanij, Mr. Krisada Lamsam, and Mr. Suroj Lamsam, Father of Mr. Chalermchoke Lamsam
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2	Mr. Suebtrakul Soonthornthum	Age 77, Nationality - Thai
<ul style="list-style-type: none"> Vice Chairman of the Board Nominating & Remuneration Committee Member 	<ul style="list-style-type: none"> Since 24 February 2018 Since 14 November 2003 	
Education/Training	<ul style="list-style-type: none"> MBIM, Hon.Dlitt : Curtin University, Australia PMD. Havard University, Graduate School of Business Administration - U.S.A. National Defense College - Thailand Director Accreditation Program 17/2004, Thai Institute of Directors Association 	
Expertise	Accounting and Management	
Listed Companies (4)	<ul style="list-style-type: none"> 2018-present 2016-present 2003-present 2000-present 1996-present 	<ul style="list-style-type: none"> Vice Chairman of the Board, Loxley Plc. / Technology and trading business Chairman of the Audit Committee, Phatra Leasing Plc. / Provide professional car leasing management and administration for juristic persons Nominating & Remuneration Committee, Loxley Plc. / Technology and trading business Chairman, Muang Thai Real Estate Plc. / Real estate business Independent Director, Vanachai Group Plc. / Creates quality wood-based panels to substitute natural wood

Non-Listed Companies/ Other Business (13)	2013-present	<ul style="list-style-type: none"> • Director, BlueScope Buildings (Thailand) Limited / Provide pre-engineering building solution
	2012-present	<ul style="list-style-type: none"> • Independent Director, Muang Thai Life Assurance Plc. / Life insurance business
	2010-present	<ul style="list-style-type: none"> • Director, Loxley Joint and Hold Co., Ltd. / Holding company
	2004-present	<ul style="list-style-type: none"> • Director, United Overseas Bank (Thai) Plc / Banking service
	1999-present	<ul style="list-style-type: none"> • Director, BP-Castrol (Thailand) Limited / Sale of Castrol and BP lubricant
	1994-present	<ul style="list-style-type: none"> • Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services
	1992-present	<ul style="list-style-type: none"> • Chairman, Foseco (Thailand) Limited / Manufacture and sale of chemicals for metal casting
	1990-present	<ul style="list-style-type: none"> • Director, Ekpavee Co., Ltd. / Holding company
	1987-present	<ul style="list-style-type: none"> • Director, NS BlueScope (Thailand) Limited / Manufacture and sale of cold rolled steel
	1987-present	<ul style="list-style-type: none"> • Director, NS BlueScope Lysaght (Thailand) Limited / Manufacture and sale of steel roofing
	1987-present	<ul style="list-style-type: none"> • Director, NS BlueScope Services (Thailand) Limited / Manufacture of structural steel and steel roofing sheet
	1977-present	<ul style="list-style-type: none"> • Director, Loxley Trading Co., Ltd. / Sale of consumer products
	1972-present	<ul style="list-style-type: none"> • Director, Zin Suapah Co., Ltd. / Parking Service
Work Experience for the Past 5 years	2017-2019	<ul style="list-style-type: none"> • Vice Chairman of the Executive Board, Loxley Plc. / Technology and trading business
	2006-2017	<ul style="list-style-type: none"> • Director, ASM Security Management Co., Ltd. / Security service
	2004-2017	<ul style="list-style-type: none"> • Director, Data Mining Co., Ltd. / Service of information technology equipment and computer systems
	2006-2016	<ul style="list-style-type: none"> • Director, Loxley Global Co., Ltd. / Holding company
	2003-2016	<ul style="list-style-type: none"> • Director, Loxley GTECH Technology Co., Ltd. / Sale and service of information technology and online lottery sale system
	1993-2016	<ul style="list-style-type: none"> • Senior Executive Vice President, Loxley Plc. / Technology and trading business
Shareholding in Loxley	<ul style="list-style-type: none"> • Own: None • Spouse or Underage Children: None 	
Family Relationship among Executives	None	

3	Dr. Harit Sutabutr	Age 83, Nationality - Thai						
	<ul style="list-style-type: none"> Independent Director Chairman of the Audit Committee 	<ul style="list-style-type: none"> Since 1 April 1993 Since 14 December 2008 						
	Education/Training	<ul style="list-style-type: none"> Ph.D. Mechanical Engineering, University of California, Berkeley Director Accreditation Program 16/2004, Thai Institute of Directors Association 						
	Expertise	Management and Engineering						
	Listed Companies (1)	<table border="0"> <tr> <td>2008-present</td> <td> <ul style="list-style-type: none"> Chairman of the Audit Committee, Loxley Plc. / Technology and trading business </td> </tr> <tr> <td>1993-present</td> <td> <ul style="list-style-type: none"> Independent Director, Loxley Plc. / Technology and trading business </td> </tr> </table>	2008-present	<ul style="list-style-type: none"> Chairman of the Audit Committee, Loxley Plc. / Technology and trading business 	1993-present	<ul style="list-style-type: none"> Independent Director, Loxley Plc. / Technology and trading business 		
2008-present	<ul style="list-style-type: none"> Chairman of the Audit Committee, Loxley Plc. / Technology and trading business 							
1993-present	<ul style="list-style-type: none"> Independent Director, Loxley Plc. / Technology and trading business 							
	Non-Listed Companies/ Other Business (3)	<table border="0"> <tr> <td>2002-present</td> <td> <ul style="list-style-type: none"> Senior Adviser to the President, National Science and Technology Development Agency / Government entity </td> </tr> <tr> <td>1998-present</td> <td> <ul style="list-style-type: none"> Vice Chairman of the University Council King Mongkut's University Technology Thonburi / University Council </td> </tr> <tr> <td>present</td> <td> <ul style="list-style-type: none"> Director, MITR Technical Consultant Co., Ltd. / Engineering services and technical consultant </td> </tr> </table>	2002-present	<ul style="list-style-type: none"> Senior Adviser to the President, National Science and Technology Development Agency / Government entity 	1998-present	<ul style="list-style-type: none"> Vice Chairman of the University Council King Mongkut's University Technology Thonburi / University Council 	present	<ul style="list-style-type: none"> Director, MITR Technical Consultant Co., Ltd. / Engineering services and technical consultant
2002-present	<ul style="list-style-type: none"> Senior Adviser to the President, National Science and Technology Development Agency / Government entity 							
1998-present	<ul style="list-style-type: none"> Vice Chairman of the University Council King Mongkut's University Technology Thonburi / University Council 							
present	<ul style="list-style-type: none"> Director, MITR Technical Consultant Co., Ltd. / Engineering services and technical consultant 							
	Work Experience for the Past 5 years	None						
	Shareholding in Loxley	<ul style="list-style-type: none"> Own: 55,125 shares or 0.002% Spouse or Underage Children: None 						
	Family Relationship among Executives	None						

4	Dr. Supavud Saicheua	Age 62, Nationality - Thai						
	<ul style="list-style-type: none"> Independent Director Audit Committee Member 	<ul style="list-style-type: none"> Since 28 February 2007 Since 11 May 2018 						
	Education/Training	<ul style="list-style-type: none"> Ph.D. in Economics, University of Hawaii at Manoa, U.S.A. M.A. in Economics, University of the Philippines (Diliman), Philippines B.A. in Economics, Victoria University of Wellington, New Zealand Director Accreditation Program 36/2005, Thai Institute of Directors Association 						
	Expertise	Economics						
	Listed Companies (2)	<table border="0"> <tr> <td>2018-present</td> <td> <ul style="list-style-type: none"> Audit Committee Member, Loxley Plc. / Technology and trading business </td> </tr> <tr> <td>2018-present</td> <td> <ul style="list-style-type: none"> Advisor, Kiatnakin Phatra Financial Group </td> </tr> <tr> <td>2007-present</td> <td> <ul style="list-style-type: none"> Independent Director, Loxley Plc. / Technology and trading business </td> </tr> </table>	2018-present	<ul style="list-style-type: none"> Audit Committee Member, Loxley Plc. / Technology and trading business 	2018-present	<ul style="list-style-type: none"> Advisor, Kiatnakin Phatra Financial Group 	2007-present	<ul style="list-style-type: none"> Independent Director, Loxley Plc. / Technology and trading business
2018-present	<ul style="list-style-type: none"> Audit Committee Member, Loxley Plc. / Technology and trading business 							
2018-present	<ul style="list-style-type: none"> Advisor, Kiatnakin Phatra Financial Group 							
2007-present	<ul style="list-style-type: none"> Independent Director, Loxley Plc. / Technology and trading business 							

Non-Listed Companies/ Other Business (2)	2017	<ul style="list-style-type: none"> Expert Member of Investment Committee Government Pension Fund / Independent entity under the supervision of Ministry of Finance
	2006-present	<ul style="list-style-type: none"> Trustee, Kenan Institute Asia / Non-Profit organization
Work Experience for the Past 5 years	2006-2019	<ul style="list-style-type: none"> Sub-Committee, The National Economic and Social Development Board (NESDB) / Government entity
	2005-2017	<ul style="list-style-type: none"> Executive Director, Managing Director (Head of Research) Phatra Securities Plc / Securities services
	2013-2016	<ul style="list-style-type: none"> Special Expert, Thailand Creative Economy Agency / Government entity
	2012-2016	<ul style="list-style-type: none"> Advisor of Investment Committee, Government Pension Fund / Independent entity under the supervision of Ministry of Finance
	2011-2014	<ul style="list-style-type: none"> Commission Member, Office of the Police Commission / Government entity
	2011-2013	<ul style="list-style-type: none"> Committee, Strategic Committee for Reconstruction and Future Development / Government entity
	2008-2011	<ul style="list-style-type: none"> Investment Expert of Investment Committee Government Pension Fund / Independent entity under the supervision of Ministry of Finance
Shareholding in Loxley		<ul style="list-style-type: none"> Own: None Spouse or Underage Children: None
Family Relationship among Executives	None	

5	Mr. Charoon Chinalai	Age 80, Nationality - Thai
	<ul style="list-style-type: none"> Independent Director Audit Committee Member Chairman of Nominating & Remuneration Committee 	<ul style="list-style-type: none"> 1 April 1993 - 31 December 2019 27 December 2001 - 31 December 2019 29 February 2012 - 31 December 2019
Education/Training		<ul style="list-style-type: none"> Civil Engineering, King's College London University, England Director Accreditation Program 12/2004, Thai Institute of Directors Association
Expertise		Engineering
Listed Companies		None
Non-Listed Companies/ Other Business (3)	2020-present	<ul style="list-style-type: none"> Director, LN SIAM Co., Ltd. / Manufacture of iron and steel sheets
	2002-present	<ul style="list-style-type: none"> Independent Director, NS BlueScope Lysaght (Thailand) Limited / Manufacture and sale of steel roofing
	1992-present	<ul style="list-style-type: none"> Director, Parinda Plc. / Quarry concession and stone mill factory

Work Experience for the Past 5 years	2012-2019	<ul style="list-style-type: none"> Chairman of Nominating & Remuneration Committee, Loxley Plc. / Technology and trading business
	2001-2019	<ul style="list-style-type: none"> Audit Committee, Loxley Plc / Technology and trading business
	1993-2019	<ul style="list-style-type: none"> Independent Director, Loxley Plc. / Technology and trading business
	1980-2016	<ul style="list-style-type: none"> Director, Coffral-Thai Co., Ltd. / Construction equipment rental service
	1980-2016	<ul style="list-style-type: none"> Director, EkThana Engineering Co., Ltd. / Rental of construction equipment

Shareholding in Loxley	<ul style="list-style-type: none"> Own: None Spouse or Underage Children: None
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Family Relationship among Executives	None
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6	Mr. Joti Bhokavanij	Age 77, Nationality - Thai				
	<ul style="list-style-type: none"> Independent Director 	<ul style="list-style-type: none"> 30 April 2012 - 31 December 2019 				
	Education/Training	<ul style="list-style-type: none"> Fellow of the Association of Chartered Certified Accountants, England Programme for Management Development, Harvard Business School, U.S.A. Marketing Management Programme, Stanford University, Graduated School of Business, U.S.A. Director Accreditation Program (DAP), Thai Institute of Directors Association Chairman 2000, Thai Institute of Directors Association Director Certification Program (DCP), Thai Institute of Directors Association IOD National Director Conference 2012-Moving Corporate Governance Forward: Challenge for Thai Directors, Thai Institute of Directors Association Monitoring the Quality of Financial Reporting (MFR), Thai Institute of Directors Association Successful Formulation & Execution of Strategy (SFE), Thai Institute of Directors Association How to Measure the Success of Corporate Strategy (HMS), Thai Institute of Directors Association Monitoring Fraud Risk Management (MFM) Monitoring the Internal Audit Function (MIA) Monitoring the System of Internal Control and Risk Management (MIR) 				
	Expertise	Accounting				
	Listed Companies (4)	<table> <tr> <td>Aug 2019-Present</td> <td> <ul style="list-style-type: none"> Independent Director, Chairman of the Audit Committee and Chairman of Nominating & Remuneration Committee, Siam Makro Plc/ Wholesale business </td> </tr> <tr> <td>Sep 2017-present</td> <td> <ul style="list-style-type: none"> Independent Director and Chairman of the Audit Committee, True Corporation Plc / Information and communication services </td> </tr> </table>	Aug 2019-Present	<ul style="list-style-type: none"> Independent Director, Chairman of the Audit Committee and Chairman of Nominating & Remuneration Committee, Siam Makro Plc/ Wholesale business 	Sep 2017-present	<ul style="list-style-type: none"> Independent Director and Chairman of the Audit Committee, True Corporation Plc / Information and communication services
Aug 2019-Present	<ul style="list-style-type: none"> Independent Director, Chairman of the Audit Committee and Chairman of Nominating & Remuneration Committee, Siam Makro Plc/ Wholesale business 					
Sep 2017-present	<ul style="list-style-type: none"> Independent Director and Chairman of the Audit Committee, True Corporation Plc / Information and communication services 					

	2013-present	<ul style="list-style-type: none"> Chairman, Bangkok Ranch Plc / Provide product from duck meat
	2012-present	<ul style="list-style-type: none"> Member of the Finance Committee and Member of the Compensation and Nominating Committee, True Corporation Plc / Information and communication services

**Non-Listed Companies/
Other Business**

None

**Work Experience for
the Past 5 years**

2012-2019	<ul style="list-style-type: none"> Independent Director, Loxley Plc. / Technology and trading Business
Aug 2016-Aug 2019	<ul style="list-style-type: none"> Member of the Corporate Governance Committee, Siam Makro Plc/ Wholesale business
2013- Aug 2019	<ul style="list-style-type: none"> Independent Director and Audit Committee Member, Siam Makro Plc / Wholesale business
2009-April 2019	<ul style="list-style-type: none"> Director, Thai Smart Card Co., Ltd. / Additional service to financial institutions
2012-2018	<ul style="list-style-type: none"> Audit Committee Member, Loxley Plc / Technology and trading business
2002-Oct 2017	<ul style="list-style-type: none"> Director, True Move Co., Ltd. / Mobile phone operator and distributor
2002-Oct 2017	<ul style="list-style-type: none"> Director, Bangkok Inter Teletech Plc. / Holding Company
1999-Sep 2017	<ul style="list-style-type: none"> Independent Director and Member of the Audit Committee, True Corporation Plc / Information and communication services
1999-2017	<ul style="list-style-type: none"> Director, Kingfisher Holdings Limited / Frozen seafood business

Shareholding in Loxley

- Own: None
- Spouse or Underage Children: None

**Family Relationship among
Executives**

None

7

Professor Rawat Chamchalerm

Age 74, Nationality - Thai

- | | |
|---|---|
| <ul style="list-style-type: none"> • Independent Director • Chairman of Nominating & Remuneration Committee | <ul style="list-style-type: none"> • Since 28 April 2016 • Since 1 January 2020 |
|---|---|

Education/Training

- Master Degree of Laws, Chulalongkorn University
- Bachelor of Laws, Thammasat University
- Barrister at Law, Thai Bar Association
- Diploma, National Defence College, The Joint State - Private Sector Course Class 1
- Director Certification Program/2008, Thai Institute of Directors Association
- Director Accreditation Program/2004, Thai Institute of Directors Association
- SMART GO/2004

Expertise

Law

Listed Companies (5)	2020-present	<ul style="list-style-type: none"> Chairman of Nominating & Remuneration Committee, Loxley Plc. / Technology and trading business
	2020-present	<ul style="list-style-type: none"> Independent Director and Chairman of the Corporate Governance Committee, Siam Makro Plc / Wholesale business
	2016-present	<ul style="list-style-type: none"> Independent Director, Loxley Plc / Technology and trading business
	2011-present	<ul style="list-style-type: none"> Independent Director, Serm Suk Plc / Beverage manufacturer and distributor of both soft drinks and non-carbonated soft drinks
	2010-present	<ul style="list-style-type: none"> Chairman of the Board, Sino-Thai Engineering and Construction Plc. / Engineering and construction
	2010-present	<ul style="list-style-type: none"> Independent Director, True Corporation Plc / IT and communication business
Non-Listed Companies/ Other Business (21)	Present	<ul style="list-style-type: none"> Chairman of the Board on the Review of Bills and Ordinances for submission to the Cabinet
	Present	<ul style="list-style-type: none"> Chairman of the Board on Revisions of the Criminal Procedural Code
	Present	<ul style="list-style-type: none"> Chairman of the Bill Drafting Commission on Organ Donation and Organ Transplantation, The Thai Red Cross Society
	Present	<ul style="list-style-type: none"> Property Management Committee, The Thai Red Cross Society
	Present	<ul style="list-style-type: none"> Committee and Chairman of Legal committee, Organ Donation Center, The Thai Red Cross Society
	Present	<ul style="list-style-type: none"> Vice Chairman, Don Muang Tollway Plc.
	Present	<ul style="list-style-type: none"> Adjunct Professor, Faculty of Law, Chulalongkorn University
	Present	<ul style="list-style-type: none"> Adjunct Professor, Institute of Legal Education, Thai Bar Association
	Present	<ul style="list-style-type: none"> Adjunct Professor, Master Degree, Mahidol University
	Present	<ul style="list-style-type: none"> Adjunct Professor, Doctoral, Bangkokthonburi University
	Present	<ul style="list-style-type: none"> Adjunct Professor, Faculty of Law, Mae Fah Luang University
	Present	<ul style="list-style-type: none"> Lecturer in Justice Affairs, The Ministry of Justice
	Present	<ul style="list-style-type: none"> Lecturer in Department of Special Investigation, The Ministry of Justice
	Present	<ul style="list-style-type: none"> Lecturer in Institute of Administration Development, The Ministry of Interior of Thailand
	2004-present	<ul style="list-style-type: none"> Special Lecturer, Office of the Attorney General
2004-present	<ul style="list-style-type: none"> Advisor, Athletic Association of Thailand Patron : His Majesty the King 	
2004-present	<ul style="list-style-type: none"> Expert Member in Law Special Committee in the Council of State 	
2002-present	<ul style="list-style-type: none"> Director, Thai National Food Commission 	
2001-present	<ul style="list-style-type: none"> Board of Directors on Disclosure of Information 	
2001-present	<ul style="list-style-type: none"> Board, Office of the Council of State 	
1995-present	<ul style="list-style-type: none"> Director, National Olympic Committee of Thailand 	
Work Experience for the Past 5 years	2007-2015	<ul style="list-style-type: none"> Vice Chairman, Nakhonluang Leasing Factoring Plc.
	2002-2014	<ul style="list-style-type: none"> Expert Member of the Special Investigation Board, Department of Special Investigation
	2002-2014	<ul style="list-style-type: none"> Director, the Office of Board of Royal Thai Police
	2002-2006	<ul style="list-style-type: none"> Chairman and Independent Director, MCOT Plc. / Multi- media businesses
	2003-2005	<ul style="list-style-type: none"> Director, Krung Thai Bank Plc. / Banking Business
	2003-2005	<ul style="list-style-type: none"> Legal Counsel, Thai Airways International Plc. / Transportation & Logistics
	2003-2004	<ul style="list-style-type: none"> Attorney General, Office of the Attorney General

Shareholding in Loxley

- Own: None
- Spouse or Underage Children: None

Family Relationship among Executives

None

8 Dr. Nattaporn Phan-Udom **Age 61, Nationality - Thai**

- Independent Director
- Audit Committee Member

- Since 14 August 2019
- Since 14 August 2019

Education/Training

- Ph.D. in Innovation Management, Suan Sunandha Rajabhat University
- Master Degree in Management, SASIN Institute of Administration of Chulalongkorn University
- Advanced Diploma in Auditing, Chulalongkorn University
- Bachelor of Accounting (Honors), Thammasat University
- Directors Certification Program /2016, Thai Institute of Directors Association

Expertise

Accounting

Listed Companies (1)

2019-present

- Independent Director and Audit Committee, Loxley Plc. / Technology and trading business

Non-Listed Companies/ Other Business

None

Work Experience for the Past 5 years

1998-Jun 2019

- Assurance Partner, PricewaterhouseCoopers

1994-1997

- Audit Partner, PricewaterhouseCoopers Legal & Tax Consultants Co., Ltd.

1990-1993

- Manager, Audit Department, PricewaterhouseCoopers Legal & Tax Consultants Co., Ltd.

1987-1989

- Assistant Vice Chairman, Internal Audit Department, Bank of Asia

1982-1986

- Auditor, PricewaterhouseCoopers Legal & Tax Consultants Co., Ltd.

Shareholding in Loxley

- Own: None
- Spouse or Underage Children: None

Family Relationship among Executives

None

9 Dr. Jingjai Hanchanlash **Age 76, Nationality - Thai**

- Director
- Vice Chairman of the Executive Board

- 15 May 2014 - 31 December 2019
- 1 January 2017 - 31 December 2019

Education/Training

- Doctoral d'University 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

Expertise

Law

Listed Companies (4)	2015-present	<ul style="list-style-type: none"> Independent Director, Thai Wah Plc / Manufacture and distribute various products
	2014-present	<ul style="list-style-type: none"> Vice Chairman, Muang Thai Insurance Plc. / Insurance business
	2001-present	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Independent Director and Audit Committee, Laguna Resorts & Hotel Plc. / Hotel operations
Non-Listed Companies/ Other Business (13)	2016-present	<ul style="list-style-type: none"> Director, Societe Commerciale Lao / Trading in Laos
	2016-present	<ul style="list-style-type: none"> Director, Loxley Simulation Technology Co., Ltd. / Virtual learning services
	2015-present	<ul style="list-style-type: none"> Vice Chairman, The Thai Chamber of Commerce and Board of Trade of Thailand
	2014-present	<ul style="list-style-type: none"> Director of the Executive Board, King Prajadhipok Institute / Government Entity
	2009-present	<ul style="list-style-type: none"> Expert Director Member, The Thailand Research Fund (TRF) / Government Entity
	2007-present	<ul style="list-style-type: none"> Director, Office of the Public Sector Development Commission / Government Entity (Ministry of Foreign Affairs of The Kingdom of Thailand)
	2007-present	<ul style="list-style-type: none"> Member of the Council, King Prajadhipok Institute / Government Entity
	2007-present	<ul style="list-style-type: none"> Member, Saranrom Institute of Foreign Affairs, Foundation
	1997-present	<ul style="list-style-type: none"> Board Member, SPIE Oil & GAS Service (Thailand) Ltd. / Oil & Gas exploration & production
	1996-present	<ul style="list-style-type: none"> Member, Chumbhot-Pantip Foundation Council / Foundation
	1996-present	<ul style="list-style-type: none"> President, Alliance Francaise / Association
	1996-present	<ul style="list-style-type: none"> Honorary Consul, Honorary Consulate of Jamaica to Thailand / Consulate
	present	<ul style="list-style-type: none"> Board, Jenlak Vie Consulting Co., Ltd./ Consulting Business
Work Experience for the Past 5 years	2017-2019	<ul style="list-style-type: none"> Vice Chairman of the Executive Board, Loxley Plc. / Technology and trading business
	2014-2019	<ul style="list-style-type: none"> Director, Loxley Plc. / Technology and trading business
Shareholding in Loxley		<ul style="list-style-type: none"> Own: 630,000 shares or 0.03% Spouse or Underage Children: 2,621,850 shares or 0.11%
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

• Director

• 1 April 1993 - 31 December 2019

Education/Training

- B.A. Political Science, (1973) University of Colorado, U.S.A.
- Strayer College, U.S.A.
- Trent College, England
- Saint Gabriel, Thailand
- Director Accreditation Program 28/2004, Thai Institute of Directors Association

Expertise	Management	
Listed Companies (2)	2010-present 1987-present	<ul style="list-style-type: none"> • Advisor, Muang Thai Insurance Plc. / Insurance business • Vice Chairman, Phatra Leasing Plc. / Car Leasing management and administration for juristic persons
Non-Listed Companies/ Other Business (3)	2010-present 2010-present 1988-present	<ul style="list-style-type: none"> • Director and Advisor, Muang Thai Life Assurance Plc. / Life insurance business • Director, Muangthai Holding Co., Ltd. / Holding Company • Director, Muangthai Real Estate Plc. / Real Estate business
Work Experience for the Past 5 years	1993-2019	<ul style="list-style-type: none"> • Director, Loxley Plc. / Technology and trading business
Shareholding in Loxley	<ul style="list-style-type: none"> • Own: 1,050,000 shares or 0.05% • Spouse or Underage Children: 60,112 shares or 0.002% 	
Family Relationship among Executives	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	

11	Mr. Vasant Chatikavanij	Age 62, Nationality - Thai
	<ul style="list-style-type: none"> • Director 	<ul style="list-style-type: none"> • Since 1 April 1993
Education/Training	<ul style="list-style-type: none"> • M.S. Chemical Engineering, Lehigh University, U.S.A. • B.S.E. Chemical Engineering, Princeton University, U.S.A. • Director Accreditation Program 12/2004, Thai Institute of Directors Association 	
Expertise	Engineering and Management	
Listed Companies (1)	2020-present	<ul style="list-style-type: none"> • Director, Loxley Plc. / Technology and trading business
Non-Listed Companies/ Other Business (13)	2019-present	<ul style="list-style-type: none"> • Director, Travel Ads Network (Thailand) Co., Ltd. / provide digital platform services for tourism and hospitality sectors in Thailand and the region
	2018-present	<ul style="list-style-type: none"> • Director, Market Boomer (Thailand) Co., Ltd. / Electronics procurement system services for service industry and trading management system between hotel and supplier
	2018-present	<ul style="list-style-type: none"> • Director, Wanvanij Holding Co., Ltd. / Holding company
	2016-present	<ul style="list-style-type: none"> • Director, LWSN Co., Ltd. / Telecommunication, IT systems and submarine cable network services
	2016-present	<ul style="list-style-type: none"> • Director, Loxley Simulation Technology Co., Ltd./ Virtual simulation solutions and services
	2012-present	<ul style="list-style-type: none"> • Director, Loxley & AIT Holding Co., Ltd. / Information technology, communication and telecommunication network systems in ASEAN Economic Community
	2011-present	<ul style="list-style-type: none"> • Chairman, Loxley Mobile Co., Ltd. / Sale and service of various prepaid electronics cash card
	2007-present	<ul style="list-style-type: none"> • Director, Mobile Innovation Co., Ltd. / Service of real time vehicles tracking management system

	2000-present	• Director, Point Asia Land Co., Ltd. / Analysis, research, evaluation, and survey the point of Land parcel
	1999-present	• Chairman, Loxley Orbit Plc. / Software solution provider
	1995-present	• Director, Eximnet Co., Ltd. / Service of information technology and computer systems
	1990-present	• Director, Ekpavee Co., Ltd. / Holding company
	1981-present	• Director, Loxley International Co., Ltd. / Maintenance services for computer, communication systems and project consultant
<hr/>		
Work Experience for the Past 5 years	2017-2019	• Vice Chairman of the Executive Board, Loxley Plc. / Technology and trading business
	2017-2019	• 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
<hr/>		
Shareholding in Loxley		<ul style="list-style-type: none"> • Own: 2,242,478 shares or 0.10% • Spouse or Underage Children: None
<hr/>		
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	

12

Mr. Suraphand Bhasitnirandr

Age 67, Nationality - Thai

- | | |
|--|---------------------------------------|
| • Director | • 1 February 1999 - 31 December 2019 |
| • Vice Chairman of the Executive Board | • 1 January 2017 - 31 December 2019 |
| • Nominating & Remuneration Committee Member | • 14 November 2003 - 31 December 2019 |

Education/Training

- Master Degree in Business Administration, University of West Los Angeles, U.S.A.
- Bachelor Degree in Accountancy (Honors), Chulalongkorn University
- Director Accreditation Program 12/2004, Thai Institute of Directors Association
- Certificate Politics and Government in Democratic Systems for Executives Course, King Pradjadhipok's Institute 10/2006
- Certificate Capital Market Academy Leader Program, Capital Market Academy 5/2007
- Certificate Top Executive Program in Commerce and Trade (TEPCoT 5), University of the Thai Chamber of Commerce 5/2012

Expertise

Accountancy and Business Management

Listed Companies

None

**Non-Listed Companies/
Other Business (6)**

- | | |
|--------------|--|
| 2017-present | • Director, Green Natural Products Co., Ltd. / Manufacture and sale of kaffir oil, essential oil and other healthcare products |
| 2015-present | • Director, L Food Solutions Co., Ltd. / Food service |
| 2015-present | • Chairman, Parts Zone (Thailand) Co., Ltd./ Trading in automotive parts and equipment |
| 2011-present | • Director, SCL Co., Ltd. / Trading in Lao People's Democratic Republic |
| 2008-present | • Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services |
| 2007-present | • Director, Loxley Trading Co., Ltd. / Sale of consumer products |

**Work Experience for
the Past 5 years**

- | | |
|-----------|---|
| 2012-2019 | • Chairman, Loxley Intertrade (Guangzhou) Co., Ltd. / Trading in the People's Republic of China |
| 2017-2019 | • Vice Chairman of the Executive Board, Loxley Plc. / Technology and trading business |
| 2003-2019 | • Nominating & Remuneration Committee, Loxley Plc. / Technology and trading business |
| 2014-2019 | • Chairman, Car Convenie Co., Ltd./ Provide quick car body and paint repair and sell franchise of "Car Con" car body and paint repair workshops |
| 2005-2019 | • Chairman, L-Elevator and Engineering Co., Ltd. / Sale and Installation of elevators and escalators |
| 2016-2018 | • Director, Loxtrade Specialty Innovation Co., Ltd. / Manufacture and distribute supplementary foods |
| 2015-2017 | • Vice Chairman, Thai National Shipper's Council |
| 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	<ul style="list-style-type: none"> Chairman, Mainstay Property Solutions & Security Services Co., Ltd./ Provide security service and general cleaning service
2005-2017	<ul style="list-style-type: none"> Director, L-TAG Technologies Co., Ltd./ Sale of construction materials and installation service of waste water treatment system and other sanitation
2008-2016	<ul style="list-style-type: none"> Senior Executive Vice President, Loxley Plc. / Technology and trading business
1999-2007	<ul style="list-style-type: none"> Executive Vice President, Loxley Plc. / Technology and trading business

Shareholding in Loxley

- Own: None
- Spouse or Underage Children: None

Family Relationship among Executives

None

13	Dr. Sompop Chareonkul	Age 70, Nationality - Thai
<ul style="list-style-type: none"> • Director • Vice Chairman of the Executive Board • Nominating & Remuneration Committee Member 	<ul style="list-style-type: none"> • 15 November 2001 - 31 December 2019 • 1 January 2017 - 31 December 2019 • 1 January 2017 - 31 December 2019 	
Education/Training	<ul style="list-style-type: none"> • B. Commerce (1st Class Honors), Chulalongkorn University • MBA, (Marketing), University of Wisconsin-Madison, U.S.A. • M.S. (Business Administration), University of Wisconsin- Madison, U.S.A. C225 • Ph.D. (Business Madison, U.S.A Administration), University of Wisconsin- Madison, U.S.A. • National Defense College (4212) • Director Accreditation Program 15/2004, Thai Institute of Directors Association • Advanced Security Management Program, National Defense College Association of Thailand • Top Executive Program in Commerce and Trade: TEPCoT 4 (Commerce Academy) • Poompalungpandin Program (RIAL I), Chulalongkorn University • Advanced Political and Electoral Development Program APED IV, Political and Electoral Development Institute, Office of The Election Commission of Thailand • The 3rd Metropolis Development Programmer for Top Executive (the Meropolis 3) • Thammasat Leadership Program (TLP VI) 	
Expertise	Commerce and Business Management	
Listed Companies	None	

Non-Listed Companies/ Other Business (4)	2013-present	<ul style="list-style-type: none"> Chairman, LS Technology Solutions Co., Ltd. / Operate the security technology solutions in Asian region
	2008-present	<ul style="list-style-type: none"> Chairman of the Board, ASM Security Management Co., Ltd. / Security service
	2008-present	<ul style="list-style-type: none"> Chairman of the Executive Board / Director, Loxley Evolution Technology Co., Ltd. / Design and installation services of security systems (formerly - Law Enforcement Technology Solutions Co., Ltd.)
	2007-present	<ul style="list-style-type: none"> Director, Loxley Trading Co., Ltd. / Sale of consumer products
Work Experience for the Past 5 years	2017-2019	<ul style="list-style-type: none"> Vice Chairman of the Executive Board, Loxley Plc. / Technology and trading business
	2001-2016	<ul style="list-style-type: none"> Senior Executive Vice President, Loxley Plc. / Technology and trading business
	1998-2015	<ul style="list-style-type: none"> Executive Director, Oriental Post Co., Ltd. / Advertising series post production service
	2008-2015	<ul style="list-style-type: none"> Director, Postique Co., Ltd. / Advertising and film services
Shareholding in Loxley		<ul style="list-style-type: none"> Own: 720,000 shares or 0.03% Spouse or Underage Children: None
Family Relationship among Executives		None

14	Mr. Petch Wanglee	Age 56, Nationality - Thai
	<ul style="list-style-type: none"> Director 	<ul style="list-style-type: none"> Since 24 February 2018
	Education/Training	<ul style="list-style-type: none"> Master Degree in Business Administration, University of Babson College, U.S.A. Bachelor Degree in Business Administration, University of Hartford, U.S.A. Certificate Politics and Government in Democratic Systems for Executives Course, King Pradjadhipok's Institute 9/2005 Certificate Government Joint Defence Course, Thailand National Defence College 22/2009 Certificate Capital Market Academy Leader Program, Capital Market Academy 17/2013 Certificate for Senior Executives at Energy Science, Thailand Energy Academy 11/2018
	Expertise	Management
	Listed Companies (1)	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	

15	Mr. Krisada Lamsam	Age 55, Nationality - Thai
	• Director	• Since 24 February 2018
Education/Training	<ul style="list-style-type: none"> • Master of Arts, University of Oregon State, U.S.A. • Bachelor of Science, St. John Fisher College, Rochester, New York, U.S.A. • Director Accreditation Program 2013, Thai Institute of Directors Association 	
Expertise	Management Finance Banking Insurance and Life Assurance	
Listed Companies (2)	24 February 2018 -present	• Director, Loxley Plc. / Technology and trading business
	2016-present	• Director, Muang Thai Insurance Plc. / Insurance business

Non-Listed Companies/ Other Business (11)	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. / Real estate
	2016-present	• Chairman and Chairman of Executive Board, Autobliss Co., Ltd. / sale of new automotive and maintenance
	2013-present	• Vice Chairman, MuangThai Group 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
Work Experience for the Past 5 years	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
Shareholding in Loxley	• Own: None	• 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.Suroj Lamsam, and Mr. Chalermchoke Lamsam	

16	Mr. Suroj Lamsam	Age 52, Nationality - Thai
	<ul style="list-style-type: none"> • Director • President • CEO & President 	<ul style="list-style-type: none"> • Since 27 April 2004 • Since 1 January 2017 • Since 1 January 2020
	Education/Training	<ul style="list-style-type: none"> • MM. Sasin Graduate Institute of Business Administration of Chulalongkorn University • MA., Communications, New York University, New York U.S.A. • BA., Marketing and Consumer Studies, Syracuse University, Syracuse New York • Graduate Diploma in Management of Public Economy, King Prajadhipok's Institute • Director Accreditation Program 40/2005, Thai Institute of Directors Association • Diploma, National Defence College, The National Defence Course Class 2018
	Expertise	Management

Listed Companies (2)	2020-present	• Chief Executive Officer & President, Loxley Plc. / Technology and trading business
	2017-present	• Director, QTC Energy Plc. / Manufacturing and distributing custom made transformers and provides various types of services for customers
Non-Listed Companies/ Other Business (25)	2020-present	• Chairman, L Food Solutions Co., Ltd. / Food service
	2019-present	• Director, AOT Aviation Security Co., Ltd. / Provide security service
	2019-present	• Managing Director, LB EV Co., Ltd. / Manufacturing and trading electricity Automotive
	2019-present	• Managing Director, L Automotive Co., Ltd. / Manufacture, assemble, rent, leasing, import, export and after sale services of automotive business
	2018-present	• Chairman, The Foodsource Co., Ltd. / Import, wholesale and retail of food material and produce food products
	2018-present	• Director, Siamsamut Warin Co., Ltd. / Import, wholesale and distribution of food ingredients and food products
	2018- present	• Director, Loxley Joint and Hold Co., Ltd. / Holding Company
	2018- present	• Director, BP-Castrol (Thailand) Limited / Sale of Castrol and BP lubricant
	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
	2017-present	• Director, Loxley Intertrade (Guangzhou) Co., Ltd. / Trading in the People’s Republic of China
	2017-present	• Chairman, Loxbit Plc. / Trading of telecommunication equipment and programs
	2017-present	• Director, ASM Security Management Co., Ltd. / Security service
	2016-present	• Director, Loxley GTECH Technology Co., Ltd. / Sale and service of information technology and online lottery system
	2016-present	• Director, Loxley Trading Co., Ltd. / Trading of consumer products
	2016-present	• Director, Loxley Global Co., Ltd. / Holding company
	2011-present	• Director, Loxley Mobile Co., Ltd. / Sale and service of various prepaid electronics cash card
	2008-present	• Managing Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services
	2008-present	• Managing Director, Data Mining Co., Ltd. / Service of Information technology equipment and computer systems
	2005-present	• Director, Ekpavee Co., Ltd. / Holding Company
	2000-present	• Managing Director, Thai Gateway Co., Ltd./Trading of Telecommunication equipment
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	2012-2019	• Managing Director, L Food Solutions Co., Ltd. / Food service
	2017-2019	• President, Loxley Plc. / Technology and trading business
	2018-2019	• Director, Loxtrade Specialty Innovation Co., Ltd. / Manufacture and distribute supplementary foods
	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	<ul style="list-style-type: none"> • Own: 1,699,795 shares or 0.07% • Spouse or Underage Children: None
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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
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17	Mr. Chalermchoke Lamsam	Age 45, Nationality - Thai
	<ul style="list-style-type: none"> • Director • Managing Director 	<ul style="list-style-type: none"> • Since 22 December 2010 • Since 1 January 2017
	Education/Training	<ul style="list-style-type: none"> • Bachelor of Business Administration, Chulalongkorn University • MBA., Seattle University, U.S.A. • Public Administration and Public Laws, King Prajadhipok's Institute • Director Accreditation Program 106/2013, Thai Institute of Directors Association
	Expertise	Business Management and Accounting
	Listed Companies (1)	2017-present • Managing Director, Loxley Plc. / Technology and trading business
	Non-Listed Companies/ Other Business (26)	2019-present • Director, AOT Aviation Security Co., Ltd. / Provide security service 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 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, L Automotive Co., Ltd. / Manufacture, assemble, rent, leasing, import, export and after sale services of automotive business
2017-present	• Director, Phuket Smart Bus Co., Ltd. / Provide bus services
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
2014-present	• Director, GMP (Thailand) Co., Ltd. / Manufacture, sale and import-export seafood and processed foods
2013-present	• Director, LS Technology Solutions Co., Ltd. / Operate the security technology solutions in Asian region
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
2005-present	• Director, Thai Fiber Optics Co., Ltd. / Manufacture of fiber optic
2005-present	• Director, Ekpavee Co., Ltd. / Holding Company
2002-present	• Director, Loxley Evolution Technology Co., Ltd. / Design and installation services of security systems (formerly-Law Enforcement Technology Solutions Co., Ltd.)
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	<ul style="list-style-type: none"> • Director, LTS Travel Service Co., Ltd. / Tourism business and sale of plane tickets
	2010-2016	<ul style="list-style-type: none"> • Senior Executive Vice President, Loxley Plc. / Technology and trading business
	2008-2010	<ul style="list-style-type: none"> • Executive Vice President, Loxley Plc. / Technology and trading business
<hr/>		
Shareholding in Loxley		<ul style="list-style-type: none"> • Own: 9,876,688 shares or 0.44% • Spouse or Underage Children: 3,920,437 shares or 0.17%
<hr/>		
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

18	Mr. Supat Karachalkul	Age 54, Nationality - Thai				
	<ul style="list-style-type: none"> • First Executive Vice President • Chief Financial Officer (the person taking the highest responsibility in finance and accounting) 	<ul style="list-style-type: none"> • Since 1 January 2017 • Since 1 January 2011 				
<hr/>						
	Education/Training	<ul style="list-style-type: none"> • B.A. Accountancy, Assumption University • LLB, Laws, Thammasat University • Director Accreditation Program 99/2012, Thai Institute of Directors Association • Director Certification Program 168/2013, Thai Institute of Directors Association • Successful Formulation & Execution of Strategy (SFE 18/2013) • How to Measure the Success of Corporation Strategy (HMS 2/2013) • Anti-Corruption for Executive Program 12/2014 • IOD's 3rd National Director Conference 2014 "Improving Corporate Governance: Key to Advancing Thailand" • Director Certification Program 3/2015, Thai Institute of Directors Association • Chief Financial Officer Certification Program CFO 19, Federation of Accounting Professions • 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 (Class 1/2018), Federation of Accounting Professions • Overall of Thai Financial Reporting Standards (TFRS) Class 4, Federation of Accounting Professions • Overall of Thai Standards on Auditing Class 2/2019, Federation of Accounting Professions • Getting ready with accounting matters on lease agreements and the reading and writing of Auditor's Report to give an understanding, Department of Business Development (DBD), Ministry of Commerce • Refreshment Traditional Costing Class 2/2019, Federation of Accounting Professions 				
<hr/>						
	Expertise	Accountancy and Laws				
<hr/>						
	Listed Companies (1)	<table> <tr> <td>2017-present</td> <td> <ul style="list-style-type: none"> • First Executive Vice President, Loxley Plc. / Technology and trading business </td> </tr> <tr> <td>2011-present</td> <td> <ul style="list-style-type: none"> • Chief Financial Officer, Loxley Plc. / Technology and trading business </td> </tr> </table>	2017-present	<ul style="list-style-type: none"> • First Executive Vice President, Loxley Plc. / Technology and trading business 	2011-present	<ul style="list-style-type: none"> • Chief Financial Officer, Loxley Plc. / Technology and trading business
2017-present	<ul style="list-style-type: none"> • First Executive Vice President, Loxley Plc. / Technology and trading business 					
2011-present	<ul style="list-style-type: none"> • Chief Financial Officer, Loxley Plc. / Technology and trading business 					

Non-Listed Companies/ Other Business (11)	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
	2018-present	• Audit Committee, Built Land PCL. / Development of real estates business
	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
	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
	2014-present	• Director, Rutnin Eye Hospital / Hospital Business
	2013-present	• Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services
	2013-present	• Director, LS Technology Solutions Co., Ltd./ Operate the security technology solutions in Asian region
	2006-present	• Director, Loxley Global Co., Ltd. / Holding Company
	2006-present	• Director, ASM Security Management Co., Ltd. / Provide security service
Work Experience for the Past 5 years	2018-2019	• Director, Siamsamut Warin Co., Ltd. / Import, wholesale and retail of food material and produce food products
	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
Shareholding in Loxley	<ul style="list-style-type: none"> • Own: None • Spouse or Underage Children: None 	
Family Relationship among Executives	None	

19

Mr. Saknarong Saengsangapong

Age 58, Nationality - Thai

• First Executive Vice President

• Since 1 January 2017

Education/Training

- Master Degree, Business Administration (International Program), Bangkok University
- Bachelor of Science, Chiangmai University
- Certificate in Advance Computer Engineering, CICC, Tokyo, Japan
- Columbia Senior Executive Program, Columbia University, U.S.A.
- Advance Certificate in Politics & Governance in Democratic Systems for Executives class 12, King Prajadhipok's Institute

- Director Accreditation Program 99/2012, Thai Institute of Directors Association
- Executive Program for Management Development (Mahanakorn 2), Urban Green Development Institute Bangkok
- National Defence Program for Public and Private Executive 23 (NDC 2010), National Defence College
- The Rule of Law Democracy, College Constitution (Version 1), Institute of Constitution Studies, The Office of the Constitute Court
- Executive Program for Senior Administrative Justice class 5, The Administrative Court
- Executive Program (CMA. 19), Capital Market Academy
- Executive Program in Energy Literacy for a Sustainable Future, Thailand Energy Academy
- The Programme for Senior Executives on Justice Administration (B.Y.S.22), National Justice Academy Office of The Judiciary

Expertise	Business Administration, Science and Computer Engineering	
Listed Companies (1)	2017-present	• First Executive Vice President, Loxley Plc / Technology and trading business
Non-Listed Companies/ Other Business (4)	2006-present	• President & CEO, LOXBIT Plc. / Trading of telecommunication equipment, computers and computer programs
	2004-present	• Director, L Hardware & Services Co., Ltd. / Installation and repair of IT equipment, sale of computers and peripherals
	1998-present	• Director, NetONE Network Solution Co., Ltd. / Sale and service of IT systems
	1993-present	• President, Professional Computer Co., Ltd. / Supply, maintenance and set up of work system, installation of computers and management of installation of computers and management of computerized center
Work Experience for the Past 5 years	2016-2019	• Director, K2 Venture Capital Co., Ltd. / Holding company
	2012-2016	• Executive Vice President, Loxley Plc. / Technology and trading business
Shareholding in Loxley	<ul style="list-style-type: none"> • Own: None • Spouse or Underage Children: None 	
Family Relationship among Executives	None	

20	Mr. Karn Thongyai	Age 59, Nationality - Thai
	• First Executive Vice President	• Since 1 January 2017
Education/Training	<ul style="list-style-type: none"> • Master Degree of Computer and Information Science, University of New Haven, U.S.A. • Capital Market Academy 2017 • The National Defence College 2012 • Advanced Security Management Program 2 • Financial Statement for Director 4/2009, Thai Institute of Directors Association 	

Expertise	Security service business management for airports, airlines, cargo, buildings and places, also cleaning services and facility management	
Listed Companies (1)	2017-present	<ul style="list-style-type: none"> • First Executive Vice President, Loxley Plc./Technology and trading business
Non-Listed Companies/ Other Business (8)	2019-present	<ul style="list-style-type: none"> • Director, AOT Aviation Security Co., Ltd. / Provide security service
	2019-present	<ul style="list-style-type: none"> • Chairman, Bangkok Health Care Management Co., Ltd./Nursinghome & Rehabilitating care for elderly
	2018-present	<ul style="list-style-type: none"> • Chairman, ASM Professional Manpower Co., Ltd. / Recruitment and other related services
	2018-present	<ul style="list-style-type: none"> • Chairman, ASM Training Co., Ltd. / Personal development, Training, and other related services
	2018- present	<ul style="list-style-type: none"> • Director, Loxley Property Development Co., Ltd. / Renting of building, advertising board and providing services
	2017-present	<ul style="list-style-type: none"> • Director, Loxley Evolution Technology Co., Ltd. / Design and installation services of security systems (formerly-Law Enforcement Technology Solutions Co., Ltd.)
	2013-present	<ul style="list-style-type: none"> • Director, LS Technology Solutions Co., Ltd. / Operate the security technology solutions in Asian region
	2006-present	<ul style="list-style-type: none"> • Chief Executive Officer, ASM Security Management Co., Ltd. / Provide security service
Work Experience for the Past 5 years	2017-2019	<ul style="list-style-type: none"> • Chairman, Mainstay Property Solutions & Security Services Co., Ltd. / Provide security service and general cleaning service
	2014-2016	<ul style="list-style-type: none"> • Executive Vice President, Loxley Plc. /Technology and trading business
	2006-2016	<ul style="list-style-type: none"> • Managing Director, Loxley Evolution Technology Co., Ltd. / Design and installation services of security systems (formerly-Law Enforcement Technology Solutions Co., Ltd.)
Shareholding in Loxley	<ul style="list-style-type: none"> • Own: None • Spouse or Underage Children: 5,000 shares or 0.0002% 	
Family Relationship among Executives	None	

21	Mr. Nimit Prasertsuk	Age 58, Nationality - Thai
	<ul style="list-style-type: none"> • First Executive Vice President 	<ul style="list-style-type: none"> • Since 1 January 2020
Education/Training	<ul style="list-style-type: none"> • Bachelor of Engineering (Electrical Engineering), King Mongkut's Institute of Technology Ladkrabang • Director Accreditation Program (DAP) 2017, Thai Institute of Directors Association • Advance Certificate in Politics & Governance in Democratic Systems for Executives class 17, King Prajadhipok's Institute 	
Expertise	Engineering	

Listed Companies (1)	2020-present	<ul style="list-style-type: none"> • First Executive Vice President, Loxley Plc. / Technology and trading business
Non-Listed Companies/ Other Business (3)	2016-present	<ul style="list-style-type: none"> • Director, Loxley System Integrator Co., Ltd. / Telecommunication system integrator
	2016-present	<ul style="list-style-type: none"> • Director, Thanthiya Technology Co., Ltd. / Manufacture and wholesale of water management systems and equipment
	2015-present	<ul style="list-style-type: none"> • Director, Loxley Power Systems Co., Ltd. / Construction of electrical substation & transmission and provide electrical system
Work Experience for the Past 5 years	2016-2019	<ul style="list-style-type: none"> • Executive Vice President, Loxley Plc. / Technology and trading business
Shareholding in Loxley		<ul style="list-style-type: none"> • Own: None • Spouse or Underage Children: None
Family Relationship among Executives	None	

22	Ms. Malinee Sahavongjaroen	Age 59, Nationality - Thai
	<ul style="list-style-type: none"> • Vice President, Accounting Management Department (The person who assigned to be responsible directly in accounting that has qualifications and conditions of being an Accountant according to the Rules of the Department of Business Development) 	<ul style="list-style-type: none"> • Since 1 January 2015
Education/Training		<ul style="list-style-type: none"> • Bachelor of Business Administration, Accounting, Ramkhamhaeng University • Courses on the Accounting Standards and Business Tax amounting 13 hours
Expertise		Accounting
Listed Companies (1)	2015-present	<ul style="list-style-type: none"> • Vice President, Accounting Management Dept., Loxley Plc. / Technology and trading business
Non-Listed Companies/ Other Business	None	
Work Experience for the Past 5 years	2004-2013	<ul style="list-style-type: none"> • Assistant Vice President, Accounting Management Dept., Loxley Plc. / Technology and trading business
Shareholding in Loxley		<ul style="list-style-type: none"> • Own: 113,350 shares or 0.005% • Spouse or Underage Children: None
Family Relationship among Executives	None	

- Company Secretary

- Since 11 January 2008

Education/Training

- LL.B., Ramkhamhaeng University
- Certificate in Law and Regulations for Company Secretary in accordance with the law of SET and MAI, Law and Development Research Center, Chulalongkorn University
- Company Secretary Program 27/2008 (CSP), Thai Institute of Directors Association
- Effective Minutes Taking 11/2008 (EMT), Thai Institute of Directors Association
- Anti-Corruption for Executive Program 12/2014, Thai Institute of Directors Association
- Verifying the CAC Checklist : Experience Sharing from Auditors
- Anti-Corruption in Thailand : Sustaining the Momentum, IOD

Expertise

Law

Listed Companies (1)

- | | |
|--------------|--|
| 2017-present | <ul style="list-style-type: none"> • Senior Vice President, Legal & Securities Dept., Loxley Plc. / Technology and trading business |
| 2008-present | <ul style="list-style-type: none"> • Company Secretary, Loxley Plc. / Technology and trading business |

**Non-Listed Companies/
Other Business**

None

**Work Experience for
the Past 5 years**

- | | |
|-----------|---|
| 2553-2559 | <ul style="list-style-type: none"> • Vice President, Legal & Securities Dept., Loxley Plc. / Technology and trading business |
| 2549-2552 | <ul style="list-style-type: none"> • Assistant Vice President, Legal & Securities Dept., Loxley Plc. / Technology and trading business |

Shareholding in Loxley

- Own: 21,000 shares or 0.001%
- Spouse or Underage Children: 25,200 shares or 0.001%

**Family Relationship among
Executives**

None

Information of Directors' Positions in the Related Parties as of 31 December 2019

Director	Company	Direct and Indirect Subsidiaries																																														
		Loxley Public Company Limited	1. Loxbit Public Company Limited	2. Loxley Orbit 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. Loxley Power Systems Co., Ltd.	10. L-Elevator and Engineering Co., Ltd.	11. Loxley Engineering Co., Ltd.	12. Loxley System Integrator Company Limited	13. ASM Security Management Co., Ltd.	14. L Automotive Co., Ltd.	15. Loxley Evolution Technology Co., Ltd.	16. Loxley Property Development Co., Ltd.	17. The Foodsource Co., Ltd.	18. Loxley Wireless Public Company Limited	19. Green Natural Product Co., Ltd.	20. L Solar 3 Co., Ltd.	21. Loxley Global Co., Ltd.	22. LB EV Co., Ltd.	23. Lego 99 Co., Ltd.	24. Loxley Trading Co., Ltd.	25. Societe Commercial Lao	26. NetOne Network Solution Co., Ltd.	27. Thai Gateway Company Limited	28. Professional Computer Company Limited	29. L Hardware & Services Co., Ltd.	30. Loxley Simulation Technology Co., Ltd.	31. ASM Professional Manpower Co., LTD.	32. ASM Training Company Limited	33. Proprove Rajana Joint Venture Company Limited	34. LWSN Company Limited	35. Sam Samut Wain Co., Ltd.	36. Bangkok Healthcare Management Co., Ltd.	37. Phetkasem Green Holding Co., Ltd.									
1	Mr. Dhongchai Lamsam	C,C2			/												/			/				C			/																					
2	Mr. Suebrakul Soonthornthum	VC,VE			/												/			/																												
3	Dr. Harit Sutabutr	CA,I																																														
4	Dr. Supavud Saicheua	AJ																																														
5	Mr. Charoon Chinalai	AJ																																														
6	Mr. Joti Bhokavanij	I																																														
7	Prof. Rawat Chamchalerm	I																																														
8	Dr. Nattapom Phan-Udom	AJ																																														
9	Dr. Jingjai Hanchanlash	//VE																										/																				
10	Mr. Poomchai Lamsam	/																																														
11	Mr. Vasant Chatikavanij	//VE	C			C																																										
12	Mr. Suraphand Bhasitnirand	//VE					/											/			/						/	/																				
13	Dr. Sompop Chareonkul	//VE													C	C2												/																				
14	Mr. Petch Wanglee	/																										/																				
15	Mr. Krisada Lamsam	/																																														
16	Mr. Suroj Lamsam	P	C	M	/	/	M	/						/	M	M	C			/	/	M	/			/			M																			
17	Mr. Chalermchoke Lamsam	MD	/			/	/	/	C	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
18	Mr. Supat Karachalkul	//F	/				/							/													/																					
19	Mr. Saknarong Saengsangapong	//	C2,P																										C		C,M	C																
20	Mr. Karn Thongyai	//													C1,M	/	/																															

Remarks : C = Chairman C1= Chief Executive Officer C2 = Chairman of the Executive Board VC = Voice Chairman VE = Voice Chairman of the Executive Board
P = President MD = Managing Director M = Managing Director / = Director // = First Executive Vice resident/
CA = Chairman of the Audit Committee A = Audit Committee Member I = Independent Director F = Chief Financial Officer
(Director No. 1-2 and 9-17 are directors who have the authorizes to sign and binding the Company specified in Company's Certificate.)

Director Company		Direct and Indirect Joint ventures	Direct and Indirect Associates																				
		1. Car Convenie Co., Ltd.	2. Traval Ads Network (Thailand) Co., Ltd.	3. LS Technology Solutions Company Limited	4. Loxley & AIT Holding Co., Ltd.	1. Oriental Post Co., Ltd.	2. Parts Zone (Thailand) Co., Ltd.	3. DM-Loxley Co.,Ltd.	4. Thai Fiber Optics Company Limited	5. Loxley GTECH Technology Co., Ltd.	6. Thanthiya Technology Co., Ltd.	7. Mobile Innovation Co., Ltd.	8. Foseco (Thailand) Limited	9. NS BlueScope (Thailand) Limited	10. NS BlueScope Lysaght (Thailand) Limited	11. Bluescope Building (Thailand) Co., Ltd.	12. K 2 Venture Capital Co., Ltd.	13. TLK 2 Management Co., Ltd.	14. AOT Aviation Security Company Limited	15. BP-Castrol (Thailand) Limited	16. Wisdom Vast Company Limited	17. MOCAP Limited	
1	Mr. Dhongchai Lamsam						/	/					/							/			
2	Mr. Suebtrakul Soonthornthum											C	/	/	/					/			
3	Dr. Harit Sutabutr																						
4	Dr. Supavud Saicheua																						
5	Mr. Charoon Chinalai														I								
6	Mr. Joti Bhokavanij																						
7	Prof. Rawat Chamchalerm																						
8	Dr. Nattaporn Phan-Udom																						
9	Dr. Jingjai Hanchanlash																						
10	Mr. Poomchai Lamsam																						
11	Mr. Vasant Chatikavanij	/		/							/												
12	Mr. Suraphand Bhasitnirandr							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 Karachalkul	/		/																			
19	Mr. Saknarong Saengsangapong																						
20	Mr. Karn Thongyai			/																/			

Remarks : C = Chairman / = Director I = Independent Director

		Other Related Parties																				
		1. Thanakorn Vegetable Oil Products Co., Ltd.	2. L-TAG Technologies Company Limited	3. Zin Suaphah Company Limited	4. L Business Process Outsourcing Co., Ltd.	5. LOC Thai Joint Stock Company	6. Loxley International Company Limited	7. Eximnet Co., Ltd.	8. Muang Thai Insurance Public Company Limited	9. Muang Thai Life Assurance Public Company Limited	10. GMP (Thailand) Co., Ltd.	11. MappointAsia (Thailand) Public Company Limited	12. The Lamsam Estate Co., Ltd.	13. Mainstay Property Solutions & Security Services Co., Ltd.	14. Spie Oil & Gas Services (Thailand) Ltd.	15. Phatra Leasing Public Company Limited	16. Phuket Smart Bus Co., Ltd.	17. Jayoun (Thailand) Co., Ltd.	18. NP PointAsia Co., Ltd.	19. LN Siam Co.,Ltd.	20. NS BlueScope Services (Thailand) Limited	21. Q Solar 1 Co., Ltd.
Director	Company																					
1	Mr. Dhongchai Lamsam		/			C2				/												
2	Mr. Suebtrakul Soonthornthum		/						/						/							/
3	Dr. Harit Sutabutr																					
4	Dr. Supavud Saicheua																					
5	Mr. Charoon Chinalai																					/
6	Mr. Joti Bhokavanij																					
7	Prof. Rawat Chamchalem																					
8	Dr. Nattaporn Phan-Udom																					
9	Dr. Jingjai Hanchanlash								/						/							
10	Mr. Poomchai Lamsam									/						/						
11	Mr. Vasant Chatikavanij						/	/														
12	Mr. Suraphand Bhasitnirandr																					
13	Dr. Sompop Chareonkul																					
14	Mr. Petch Wanglee	M																				
15	Mr. Krisada Lamsam		/						/	/			M									
16	Mr. Suroj Lamsam	/										/										/
17	Mr. Chalermchoke Lamsam						/				/					/						
18	Mr. Supat Karachalkul																					
19	Mr. Saknarong Saengsangapong																					
20	Mr. Karn Thongyai																					

Remarks : C = Chairman M = Managing Director / = Director

Information of Directors' Positions in the Subsidiaries as of 31 December 2019

Director	Company	Direct and Indirect Subsidiaries																																																		
		1. Loxbit Public Company Limited	2. Loxley Orbit 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. Loxley Power Systems Co., Ltd.	10. L-Elevator and Engineering Co., Ltd.	11. Loxley Engineering Co., Ltd.	12. Loxley System Integrator Company Limited	13. ASM Security Management Co., Ltd.	14. L Automotive Co., Ltd.	15. Loxley Evolution Technology Co., Ltd.	16. Loxley Property Development Co., Ltd.	17. The Foodsource Co., Ltd.	18. Loxley Wireless Public Company Limited	19. Green Natural Product Co., Ltd.	20. L Solar 3 Co., Ltd.	21. Loxley Global Co., Ltd.	22. LB EV Co., Ltd.	23. Lego 99 Co., Ltd.	24. Loxley Trading Co., Ltd.	25. Societe Commercial Lao	26. NetOne Network Solution Co., Ltd.	27. Thai Gateway Company Limited	28. Professional Computer Company Limited	29. L Hardware & Services Co., Ltd.	30. Loxley Simulation Technology Co., Ltd.	31. ASM Professional Manpower Co., LTD.	32. ASM Training Company Limited	33. Proprove Rojana Joint Venture Company Limited	34. LWSN Company Limited	35. Siam Samut Wain Co., Ltd.	36. Bangkok Healthcare Management Co., Ltd.	37. Phetkasem Green Holding Co., Ltd.														
1 Mr. Nimit Prasertsuk							/	/																																												
2 Mr. Kittichai Raktakanit									/	/	/				/	/																																				
3 Dr. Dawarit Tansuphasiri	/			/	/	/						/																/																								
4 Mr. Ouychai Rangchaikul						/										M2											M2																/									
5 Mr. Thongyai Chanthanawan						/			/							/																										/										
6 Mr. Tim Tak Timothy Wong	/		/	/	/						/					/												/																								
7 Mr. Werachai Kitsirisin																/																																				
8 Mrs. Vanida Viriyatharangkunr	/																										/	/	/																							
9 Mr. Ali Bin Hussan Aljunied	/	/																/										/																								
10 Miss Duangmanee Boonpong	/																																																			
11 Mr. Charaspong Lamsam				/												/																																				
12 AM. Adireg Sastararuchi													/																																							
13 Mr. Vichaya Chatikavanij																/																																				
14 Mr. Piboon Piboontum																										M	/																						/			
15 Mr. Wachra Asvanuwatra																									M																											
16 Mr. Tanu Sirisaowalak																									/																											
17 Mrs. Sirinan Lamsam	/																																																			
18 Miss Kamothorn Malavichai																																																				
19 M.R. Pornrapee Abhakorn																																																				
20 Mr. Parivat Tharincharoen																																																				
21 Mr. Atikhun Suwachiralaphakul								/							/																																					
22 Gen. Nipon Siriporn																								/																												
23 Mr. Boonlert Jaimun							/	/					/														/																									
24 Mrs. Hathairat Somsiripat									/																																											
25 Mr. Bongkarn Jiraboonsri												/							/																																	
26 Mr. Somphop Pitaksiripun																																																				
27 Mr. Sith Chokpipatpaiboon											/																																									
28 Mr. Boonsiri wattanarajanikorn											/	/																																								
29 Mr. Yuthaporn Chitakasem											/																																									
30 Mr. Chalermchai Piyavee				/																																																

Remarks : M = Managing Director M2 = Chairman of the Executive Board / = Director

Director	Company	Direct and Indirect Subsidiaries																																						
		1. Loxbit Public Company Limited	2. Loxley Orbit 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 Intrade (Guangzhou) Co., Ltd.	8. Loxley Business Innovation Co., Ltd.	9. Loxley Power Systems Co., Ltd.	10. L-Elevator and Engineering Co., Ltd.	11. Loxley Engineering Co., Ltd.	12. Loxley System Integrator Company Limited	13. ASM Security Management Co., Ltd.	14. L Automotive Co., Ltd.	15. Loxley Evolution Technology Co., Ltd.	16. Loxley Property Development Co., Ltd.	17. The Foodsource Co., Ltd.	18. Loxley Wireless Public Company Limited	19. Green Natural Product Co., Ltd.	20. L Solar 3 Co., Ltd.	21. Loxley Global Co., Ltd.	22. LB EV Co., Ltd.	23. Lego 99 Co., Ltd.	24. Loxley Trading Co., Ltd.	25. Societe Commercial Lao	26. NetOne Network Solution Co., Ltd.	27. Thai Gateway Company Limited	28. Professional Computer Company Limited	29. L Hardware & Services Co., Ltd.	30. Loxley Simulation Technology Co., Ltd.	31. ASM Professional Manpower Co., LTD.	32. ASM Training Company Limited	33. Proprove Rojana Joint Venture Company Limited	34. LWSN Company Limited	35. Siam Samut Wain Co., Ltd.	36. Bangkok Healthcare Management Co., Ltd.	37. Phetkaseem Green Holding Co., Ltd.		
31 Miss Yawalak Peukliang								/																																
32 Mr. Boontham Pasutha								/																																
33 Miss Wasana Wetchakornpatiwong													/															/												
34 Miss Patteera Lapassethsiri													/																	/										
35 Mrs. Thippaka Boonyasirirat																																								
36 Miss Supaporn Kusolsat																											/													
37 Mrs. Salisa Chareonsuk		/																										/												
38 Mrs. Kruamas Puwattanavanich												/																												
39 Mr. Wansit Chatikavanij																											/													
40 Miss Wannee Boontaganon		/																																						
41 Miss Wilawan Sirrojanakul			/																										/											
42 Mrs. Vongthip Chumpani	/																																							
43 Mr. EK-Khun Boonpiti	/																																							
44 Mrs. Suganya Ungpakom					/																																			
45 Mr. Chatri Sabado Srivichit																		/																						
46 Mr. Atipong Lohabundwong																																								
47 Miss Kamonporn ShinKiatThanakun																																								
48 Mr. Chistopher Sze Hoo Lam																						/																		
49 Mr. Gerald Hin Tsun To																						/																		
50 Mr. Kim Pun Wong																						/																		
51 Mr. Kitti Jongcharoenkijkam																												/												
52 Mr. Suntad Yingyong																							/																	
53 Mr. Udomsak Kaewsiri																							/																	
54 Mr. Oudet Souvannavong																																								
55 Mr. Viphet Sihachakr																																								
56 Mr. Ty Leeaphorn																																								
57 Mrs. Manichan Phommachack																																								
58 Mrs. Sangmanee Viyagate																																								
59 Miss Siriphon Chomyong																																				/	/			
60 Mr. Kachean Kittiprichasak																																				/	/			

Remarks : M = Managing Director M2 = Chairman of the Executive Board / = Director

Director	Company	Direct and Indirect Subsidiaries																																								
		1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.	18.	19.	20.	21.	22.	23.	24.	25.	26.	27.	28.	29.	30.	31.	32.	33.	34.	35.	36.	37.				
61	Mr. Pasakorn Aksornsuan																																						/			
62	Mr. Jaturon Chonthananukool																																						/			
63	Mr. Tawatchai Songsamphant																																						/			
64	Mr. Chanawat Wuthisela																																						/			
65	Mrs. Sukanya Somsri																																						/			
66	Miss Knokporn Suveerayuth																																						/			
67	Mr. Liu Xue liang																							/																/		
68	Mr. Ki yubin																							/																/		
69	Miss Teeraya Kritsadapong																							/																/		
70	Mrs. Samitta Tinnam															/																								/		
71	Mr. Valentorn singkarlanich															/																								/		
72	Miss Nishapa Rueangrat															/																								/		
73	Mrs. Kosoom Sinphurmsukskul					/																						/												/		
74	Mr. Adul Premprasert																											/												/		
75	Mr. Sukrasit Haritaworn														/																									/		
76	Mr. Wasan Wanich																																								/	
77	Miss Charatsang Wonwien																																								/	
78	Mrs. Nitaya Chaniswon																																								/	
79	Mr. Adisorn Chaniswon																																								/	
80	Miss Janita Ekawiriyakit																																								/	
81	Mrs. Manisara Janewithaypun			/																																					/	
82	Mr. Nattapon Dejvitak						/																																		/	
83	Mr. Wanchai Anantanasakul																												/												/	
84	Mr. Surapong Paveena-Aichart																												/												/	
85	Mr. Somdej Buathama																																								/	
86	Mrs. Jutathip Phoo-in																																								/	

Remarks : M = Managing Director M2 = Chairman of the Executive Board / = 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 2019 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 efficient, 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 2019 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)
Chief Executive Officer & President

Report of the Audit Committee

The Audit Committee of Loxley Public Co., Ltd. consists of 4 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 2019, the Audit Committee held 5 meetings. Meeting attendance details are as follows:

No	Name	Position	No. of Total Meetings	No. of Meeting attended
1	Dr. Harit Sutabutr	Chairman	5	5
2	Mr. Charoon Chinalai	Member	5	5
3	Dr. Supavud Saicheua	Member	5	5
4	Dr. Nattaporn Phan-Udom*	Member	2	2

Remarks:

* Dr. Nattaporn Phan-Udom has been appointed as Audit Committee member, with effect from 14 August 2019.

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 2019 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

Other income

Purchase of goods and rendering of services

Distribution costs

Administrative expenses

Finance costs

Purchase of investment

Sale of investment

Purchase of assets

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 cost

Market prices or contractually agreed prices

Market prices or contractually agreed prices

Market rates or contractually agreed rates

Fair value or contractually agreed prices

Fair value or contractually agreed prices

Market prices 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 Remarks No.6 on Financial Statements for the year ending 31 December 2019 re: related parties -- for the purpose of these Financial Statements, related parties mean individuals or enterprises with the power of control or holding joint power of control, either directly or indirectly, or with substantial influence over any decision-making on financial or management matters for the Group of companies/Companies, individuals or enterprises under the same jurisdiction, or substantially subjected to the same influence with the Group of companies/Companies or Group of companies/Companies with the power of control or joint control, either directly or indirectly or wielding substantial influence over any decision-making or management of that individual or enterprise.

Significant transactions for the year ended 31 December 2019 with related parties were as follows:

Related Parties and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
Subsidiaries			
Loxley Wireless Public Company Limited 85% of its shares are held by Loxley Plc.	Income from rent and rendering of services	1.13	<ul style="list-style-type: none"> Space rental service based on area and other services as scope of works at third party compatible prices. Internet services as scope of works at third party compatible prices.
	Services expenses	4.67	
	Other receivables	0.10	
	Other payables	0.38	
Associates and joint ventures			
K2 Venture Capital Co., Ltd. 50% of its shares are held by Loxbit	Income from rendering of services	0.14	<ul style="list-style-type: none"> Normal transactions as scope of works at third party compatible prices. Interest income as contractually agreed prices at market rate. 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.
	Interest income	0.03	
	Loan	1.00	
TLK 2 Management Co., Ltd. 50% of its shares are held by Loxbit	Income from rendering of services	5.21	<ul style="list-style-type: none"> Normal transactions as scope of works at third party compatible prices. Interest income as contractually agreed prices at market rate. 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.
	Interest income	0.12	
	Loan	1.00	
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	16.79	<ul style="list-style-type: none"> Normal transactions at third party compatible prices. Normal transactions at third party compatible prices.
	Purchase of goods	150.34	
	Trade accounts payable	14.25	

Related Parties and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
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	0.70	<ul style="list-style-type: none"> • Normal transactions at third party compatible prices. • Debtor from project service and loan as a part of supporting associate in the past until present. However, since the government ordered to delay the proceeding without fixed date, the Company has set doubtful accounts at full amount until the proceeding is executed. (excluding the estimated recoverable amount)
	Trade accounts receivable – net	-	
	Other receivables – net	0.02	
	Loan - net		
Thanthiya Technology Co., Ltd. 30% of its shares held by Loxley Plc.	Income from rendering of services	1.70	<ul style="list-style-type: none"> • Consultancy services as scope of works at third party compatible prices. • Purchase of assets for projects at the at third party compatible prices. • Purchase of goods for projects, recognized as normal transaction at the at third party compatible prices.
	Purchase of assets	2.57	
	Purchase of goods	0.23	
	Trade accounts payable	0.16	
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	10.23	<ul style="list-style-type: none"> • 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	2.17	
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	0.11	<ul style="list-style-type: none"> • Normal transactions at third party compatible prices. • Purchase of goods for projects, recognized as normal transaction at the at third party compatible prices.
	Purchase of goods	147.84	
	Trade accounts receivable	0.09	
	Trade accounts payable	31.11	

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 and Mr. Supat Karachalkul.	Income from sale of goods and rendering of services	0.09	<ul style="list-style-type: none"> Income derived from sales of goods, recognized as normal transaction at third party compatible prices. Income from other services as scope of works at third party compatible prices. Interest income as contractually agreed prices at market rate. Normal transactions at third party compatible prices. Loan from Loxley, its major shareholder, as percentage of shareholding. The interest rate was at market rate.
	Interest income - net	(0.06)	
	Service expenses	0.01	
	Other receivables Loan - net	0.01 -	
Travel Ads Network (Thailand) Co., Ltd. 51% of its shares are held by Loxley Plc, with a director in common, namely Mr. Vasant Chatikavanij.	Income from rendering of services	1.10	<ul style="list-style-type: none"> Consultancy and other services as scope of works at third party compatible prices.
LPDPS Joint Venture Loxley Property Development Co., Ltd. has 49% interests in joint operation.	Income from rendering of services	0.73	<ul style="list-style-type: none"> Normal transactions as scope of works at third party compatible prices. Interest income as contractually agreed prices at market rate. Trade accounts receivable and loan from the Company and subsidiary to support the subsidiary's operation; due to the joint venture's limited credit line from other financial resources. The interest rate was at market rate.
	Interest income	5.61	
	Trade accounts receivable – net	-	
	Loan - net	49.08	
LBS Joint Venture Loxley Plc. has 45% interests in joint operation.	Income from sale of goods	100.01	<ul style="list-style-type: none"> Income from project, as normal transactions at third party compatible prices.
	Trade accounts receivable	97.95	

Related Parties and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
Others	Income from sale of goods, rendering of services and others	1.68	<ul style="list-style-type: none"> Total value of related party transactions between the Company and its subsidiaries with various associates and joint ventures. Sizes of transaction are relatively small. All related party transactions are conducted in ordinary course of business, with prices and conditions in compliance with general market prices and conditions.
	Selling cost and administrative expenses	0.29	
	Trade accounts receivable	0.28	
	Trade accounts payable	0.18	
Related parties			
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	<ul style="list-style-type: none"> Normal business transaction at third party compatible prices. Interest paid for loan at market rate. Loan provided to a subsidiary due to limit financial amount from other source of funds, the interest rate at market rate.
	Interest paid	3.92	
	Loan	80.00	
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. Petch Wanglee and Mr. Suroj Lamsam.	Purchase of goods	1,159.77	<ul style="list-style-type: none"> 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.
	Trade accounts payable	253.06	
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	1.32	<ul style="list-style-type: none"> Services based on scope of works at third party compatible prices. Normal transactions, space rental fee based on area and number of cars parked at third party compatible prices.
	Service expenses	0.38	
	Trade accounts receivable	0.02	
	Other receivables	0.06	

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.	Income from sale of goods and rendering of services	16.90	<ul style="list-style-type: none"> • 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 as contractually agreed prices at market rate • Consultancy service as normal transaction, based on work scope, at third party compatible prices.
	Interest income	0.05	
	Service expenses	2.49	
	Trade accounts receivable	6.73	
	Other payables	0.10	
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	2.90	<ul style="list-style-type: none"> • Space rental fee based on area and other income based on scope of works at third party compatible prices. • Normal business transaction at third party compatible prices.
	Service expenses	1.79	
	Trade accounts receivable	0.01	
	Other receivables	4.65	
	Other payables	0.17	
Muang Thai Insurance Public Company Limited Directors in common are Dr. Jingjai Hanchanlash and Mr. Krisada Lamsam.	Income from rendering of services	2.67	<ul style="list-style-type: none"> • Income derived from projects as normal business transaction at third party compatible prices. • Normal business transaction at third party compatible prices.
	Service expenses	7.24	
	Trade accounts receivable	0.12	
	Trade accounts payable	0.33	
	Other payables	0.16	
Muang Thai Life Assurance Public Company Limited Directors in common are Mr. Poomchai Lamsam, Mr. Suebtrakul Soonthornthum, and Mr. Krisada Lamsam.	Income from sale	47.28	<ul style="list-style-type: none"> • Income derived from projects as normal business transaction at third party compatible prices. • Normal business transaction at third party compatible prices.
	Service expenses	1.95	
	Trade accounts receivable	0.64	
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	2.09	<ul style="list-style-type: none"> • Space rental fee based on area and other income based on scope of works at third party compatible prices.
	Trade accounts receivable	0.01	
	Other receivables	0.16	

Related Parties and Relationship	Description of Transaction	Value (MB)	Justification and Necessity for Transaction
Mainstay Property Solutions & Security Services Co., Ltd. 99% of its shares are held by Ekpavee Co., Ltd.	Income from sale of goods, rental fee and rendering of services	2.67	<ul style="list-style-type: none"> 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. Normal transactions as scope of works at third party compatible prices.
	Service expenses	0.74	
	Trade accounts receivable	0.13	
	Other receivables	0.50	
	Trade accounts payable	0.03	
	Other payables	0.10	
Phatra Leasing Public Company Limited Directors in common are Mr. Poomchai Lamsam and Mr. Suebtrakul Soonthronthum.	Purchase of assets	0.18	<ul style="list-style-type: none"> Purchase of assets at third party compatible prices. Purchase of goods for projects as normal transactions at third party compatible prices. Normal business transaction as scope of works at third party compatible prices.
	Purchase of equipment for projects	0.52	
	Service expense	25.32	
	Trade accounts payable	0.20	
	Other payables	0.12	
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 rendering of services	0.26	<ul style="list-style-type: none"> income based on scope of works at third party compatible prices. Interest income at market rate or contractually agreed prices.
	Interest income	0.12	
	Trade accounts receivable	2.10	
Ms. Nualphan Lamsam Connected person	Sale of investment	146.34	<ul style="list-style-type: none"> Contractually agreed prices at third party compatible prices
Mr. Suroj Lamsam Director of Loxley Plc.	Loan from director	5.00	<ul style="list-style-type: none"> An indirect subsidiary asked for loan from the Company's director, since it had limited credit line from other financial resources. The interest rate was at market rate.
Others	Income from sale of goods, rendering of services, and others	1.27	<ul style="list-style-type: none"> Total value of related party transactions between the Company and its subsidiaries with various related parties. Sizes of transactions are relatively small. All related party transactions are conducted in ordinary course of business, with prices and conditions in compliance with general market prices and conditions.
	Purchase of goods and rendering of services, selling cost, and administrative expenses	1.02	
	Trade accounts receivable	0.65	
	Trade accounts payable	0.44	
	Loan from director	0.28	

Management Discussion and Analysis related to the Results of Business Operations

Performance of the Company and Subsidiaries in 2019, 2018 and 2017

Income

In 2019, 2018 and 2017, the Company had total income of Baht 14,124.72 million, Baht 13,582.77 million and Baht 15,928.91 million, respectively. Income structure can be described as follows:

Income Structure (Unit : Million Baht)	Year ended 31 Dec 2019		Year ended 31 Dec 2018		Year ended 31 Dec 2017	
	Value	%	Value	%	Value	%
Revenue from sale of goods and rendering of services	13,613.19	96.38%	13,188.48	97.10%	15,639.45	98.18%
Gain on sales of investments	* 268.56	1.90%	-	-	* 96.88	0.61%
Other income	242.97	1.72%	394.29	2.90%	192.58	1.21%
Total income	14,124.72	100.00%	13,582.77	100.00%	15,928.91	100.00%

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 2019, the Company generated profits of Baht 268.56 million from sale of its investment, 90% or Baht 245.31 million of which came from sale of investment in Muang Thai Insurance Public Company Limited under Other Long-Term Investments. 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.

Total income by business segment

Total income in 2019, 2018, and 2017 as categorized by business segment is as follows:

Income Structure (Unit : Million Baht)	Year ended 31 Dec 2019		Year ended 31 Dec 2018		Year ended 31 Dec 2017	
	Value	%	Value	%	Value	%
Information Technology SBG	3,555.00	25.17%	3,636.99	26.78%	3,358.82	21.09%
Food Services & Distribution SBG	3,226.54	22.84%	3,311.93	24.38%	3,675.08	23.07%
Energy SBG	1,963.06	13.90%	1,532.09	11.28%	1,791.53	11.25%
Network Solutions SBG	2,698.43	19.10%	2,240.25	16.49%	4,194.58	26.34%
Services SBG	2,395.15	16.96%	2,600.59	19.14%	2,005.17	12.59%
Special Project Businesses and Others	636.61	4.51%	881.56	6.49%	1,357.56	8.52%
Total income	14,474.79	102.48%	14,203.41	104.56%	16,382.74	102.85%

Income Structure (Unit : Million Baht)	Year ended 31 Dec 2019		Year ended 31 Dec 2018		Year ended 31 Dec 2017	
	Value	%	Value	%	Value	%
Less Related Transaction	(645.10)	(4.57)%	(655.16)	(4.82)%	(598.00)	(3.75)%
Add Unallocated Other	295.03	2.09%	34.52	0.26%	144.17	0.90%
Grand total income	14,124.72	100.00%	13,582.77	100.00%	15,928.91	100.00%

The 2019 grand total income was Baht 14,124.72 million, comprising of the income from Information Technology, Food Services & Distribution, Network Solutions and Services Business Segment with the proportion of 25.17%, 22.84%, 19.10% and 16.96% of grand total income, respectively. By comparing to the 2018 income, Network Solutions SBG income of Baht 2,240.25 million had increased to Baht 2,698.43 million mainly as the result of the contract for the Procurement and Installation of Baggage Handling System (BHS) and Explosive Detection System (EDS) (Departure).

In 2018, the grand total income of Baht 13,582.77 million came from Information Technology, Food Services & Distribution, Network Solutions, and Services Business Segments at 26.78%, 24.38%, 16.49% and 19.14% respectively. Vis-à-vis 2017 income, one can see a decrease in the Network Solutions SBG from Baht 4,194.58 million to Baht 2,240.25 million mainly as

the result of the completion of the switching from the analog to digital system mega project from Broadcast Department.

Other Income

The Company's Other Revenue were derived from space rental, management/administrative fees and others which, in 2019, amounted to Baht 242.97 million or Baht 151.32 million less than 2018 as the result of the new method used to evaluate property for investment pursuant to requirements governing standards for financial reporting which turned up Baht 113.60 million of profits from evaluation of property for investment that had not as yet materialized, with Other Revenue from reversal of provisioning for debts doubtful as loss recovered during the year and profits of Baht 25.42 million evaluated for property for new investments in 2019.

Costs and Expenses

The Company had costs and expenses in 2019, 2018, and 2017 as follows:

Costs and Expenses of the Company (Unit : Million Baht)	Year ended 31 Dec 2019		Year ended 31 Dec 2018		Year ended 31 Dec 2017	
	Value	%	Value	%	Value	%
Cost of sale of goods and rendering of services	12,663.87	83.09%	11,296.15	81.96%	13,550.40	82.84%
Distribution costs	679.39	4.46%	762.25	5.53%	799.19	4.89%
Administrative expenses	1,709.12	11.21%	1,538.11	11.16%	1,481.72	9.06%
Loss from debt restructuring	-	-	-	-	337.27	2.06%
Finance costs	188.88	1.24%	185.44	1.35%	187.82	1.15%
Total expenses	15,241.26	100.00%	13,781.95	100.00%	16,356.40	100.00%

Cost of sale of goods and rendering of services

The Company's Costs of sale and services in 2019 were Baht 12,663.87 million or an increase of 12.11% over 2018 thereby leaving it with a 6.97% gross profit margin in 2019 - a drop from 14.35% in 2018 mainly because of the Baht 801 million increase in interim project debts/loss estimated in conformance with the financial reporting criteria in which the Group was required to immediately recognize contingent loss anticipated to arise in its current Profits and Loss Statement with the result of project revenue to be recognized in the next financial period until project termination breaking even. Mostly from project network business solutions with a state enterprise agency amounting to Baht 653 million. Prices would be quoted for such projects on the lump sum basis with bidders taking responsibility for the workload until completion. The said loss is caused by a change in construction plan, significant changes in main equipment of the project including the delay of the delivery of the construction area due to the problems of the construction of other contractors which are outside factors that cannot be controlled. Thus, the Company had to review its estimated project costs which led to the said loss from project works. However, 2018 was 16.64% less than 2017 which was in line with the declining sales turnover.

Distribution costs and administrative expenses

The Group's cost of distribution of Baht 679.39 million in 2019 dropped from 2018's Baht 762.25 million mostly as the result of action taken to keep down sales promotion expenses and re-classification of accounting entries by showing net expenses from sales turnover pursuant to the Financial Reporting Standards No. 15 re: Revenue derived from contracts made with customers (TFRS15). Rates on cost of distribution to sales turnover were still maintained at the levels of 5-6% during 2017-2019.

Major administrative expenses comprised personnel-related expenses, depreciation, amortization of Debts Doubtful as Loss and rental of office spaces, equipment and vehicles. 2019 Administrative expenses were Baht 1,709.12 million, or an increase over 2018's Baht 1,538.11 million as the result of the policy to make provisioning for depreciation on some of its non-performing 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 2019 and 2018, the Company received regular repayments from OTEP under the Installment Plan.

Financial costs

The Company's financial cost of Baht 188.88 million in 2019 rose by Baht 3.44 million over Baht 185.44 million in 2018 as the result of increased working capital and cash flow used for mega project works which led to an increase of short-term loans from financial institutions for projects during the year.

(Unit : Million Baht)	Year ended 31 Dec 2019		Year ended 31 Dec 2018		Year ended 31 Dec 2017	
	Value	% per Total income	Value	% per Total income	Value	% per Total income
Total income	14,124.72	100.00%	13,582.77	100.00%	15,928.91	100.00%
Total costs and expenses	(15,241.26)	(106.57)%	(13,781.95)	(100.10)%	(16,356.40)	(101.50)%
Share of profit of investments in associates and joint ventures - net	444.41	3.15%	355.36	2.62%	482.69	3.03%
Profit (loss) before income tax expense	(672.13)	(4.76)%	156.18	1.15%	55.20	0.35%
Income tax	(96.58)	(0.68)%	(82.52)	(0.61)%	(56.57)	(0.36)%
Non-controlling interests	12.90	0.09%	18.40	0.14%	51.86	0.33%
Profit (loss) to owners of the parent	(755.81)	(5.35)%	92.06	0.68%	50.49	0.32%

Share of profit from investments in associates and joint ventures, net

Share of profit from investments in the Joint Venture Business Group were made with recognition of profits/loss from associated companies' and joint ventures' operations by the equity method to investment ratio. Major investments were made in the lubricant and metal-coating industries with the Company's profit sharing from investments in associated companies and joint ventures in 2019, 2018 and 2017 being Baht 444.41 million, 355.36 million and 482.69 million respectively. The increase in 2019 was primarily the result of improved performance by the metal-coating industry with sharing of profits (loss) from investment in 2019 and 2018 of Baht 37.68 and (2.07) million respectively.

Net Profit (loss)

The Company generated net profits (loss) on shareholders equity for 2019, 2018 and 2017 of Baht (755.81), 92.06 and 50.49 million respectively.

In 2019, the Company suffered an increased net loss of Baht 847.87 million or 100%+ over 2018 primarily as the result of increased estimated loss entered in the books for project works.

The Company's and subsidiaries' financial status as of 31 December 2019, 2018 and 2017

As of 31 December 2019, 2018 and 2017, assets, liability and shareholder's equity of the Company are as follows:

Unit : Million Baht	31 Dec 2019	31 Dec 2018	31 Dec 2017
Assets	16,196.77	15,097.11	16,209.64
Liabilities	11,181.34	9,096.87	9,915.59
Shareholders' equity	5,015.43	6,000.24	6,294.05
Total liabilities and shareholders' equity	16,196.77	15,097.11	16,209.64

Assets

The Company's total assets as of 31 December 2019, 2018 and 2017 were Baht 16,196.77 million, Baht 15,097.11 million and Baht 16,209.64 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 2019, 2018 and 2017, the Company and its subsidiaries had the temporary investments of Baht 212.21, 579.75, and 803.23 million, respectively. The movements in the temporary investments came from the regular changes in working capital management.

Trade accounts receivable

As of 31 December 2019, 2018 and 2017, the Company's trade accounts receivable were Baht 3,123.63 million, Baht 3,007.27 million and Baht 2,665.22 million, respectively and the increase rate at the end of 2019 and 2018 were 3.87% and 12.83% respectively. The Company's major trade accounts receivable were government organizations and state enterprises, which resulted mostly from large scale projects handled by the Information Technology, Energy, and Network Solutions business segments.

The Company set up provision for doubtful accounts for trade accounts receivable for the year 2019, 2018 and 2017 of Baht 3.11 million, Baht 125.12 million and Baht 59.10 million, respectively.

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

As at 31 December 2019, 2018 and 2017, the Company's receivable under debt restructuring agreements were Baht 805.44 million, 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 2019, 2018 and 2017, the Company's other receivables were Baht 615.99 million, Baht 667.61 million and Baht 516.49 million, respectively. The account consists of value added tax, promotion receivables, prepaid expenses, advance to employees, prepaid withholding tax, and deposit, etc. The increase (decrease) rate at the end of 2019 and 2018 were (7.73)% and 29.26% respectively.

Contract assets (short-term and long-term)

Contract assets consist of re-classification of transactions pursuant to the TFRS 15 which cover unbilled account receivables and retention receivables. The Company's unbilled account receivables are the value of work in progress which are billable to customers as they had been performed by the Company pursuant to the contract albeit their scheduled delivery is not yet due for such works to be billed to the various projects. The reason for this high volume of outstanding account receivables for projects is because, in some cases, disbursements under the contract will take place only after the Final Acceptance Test while Recognition of Income from projects will be made by the Company from completion of work according to rules governing Financial Reporting which, however, may not conform with the invoicing timeline. However, after having duly discharged its contractual obligations and disbursement is due, invoices may be issued by the Company and transactions will then be entered in the books as regular account receivables.

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.

As at 31 December 2019, 2018 and 2017, the Company's contract assets were Baht 1,654.73, 1,666.90 and 2,718.82 million respectively with rates of decrease at the end of 2019 and 2018 being 0.73% and 38.69% respectively mainly because of the decreased billings and payments to/from mega project works during the year.

Inventories

The Company had stock inventories as at 31 December 2019, 2018 and 2017 of Baht 2,224.87, 1,429.60 and 1,708.20 million respectively with rates of increase (decrease) as at the end of 2019 and 2018 being 55.63 % and (16.31)% respectively. Most of 2019's increased inventories are the results of project equipment and project works in process of installation to be delivered in 2020. The Company's main outstanding stock in its inventory consisted of project equipment and ongoing projects of the Network Solutions and Information Technology business segments, goods available for sale such as consumer products and chemicals. The Company had set a provision for the reduced value of goods during 2019, 2018 and 2017 of Baht 31.70, 8.49 and 23.42 million, respectively.

Advances paid to suppliers

Advances paid to suppliers as of 31 December 2019, 2018 and 2017 were Baht 414.14 million, 541.83 million and Baht 227.54 million, respectively. The increase (decrease) at the end of 2019 and 2018 were (23.57)% and 138.13 % respectively. Advance Payment for goods was lower in 2019 primarily as the result of project accomplishments and their recognition as costs during the year.

Other current assets

Other current assets as of 31 December 2019, 2018 and 2017 were Baht 12.85 million, 8.43 million and Baht 14.31 million, respectively. They included office equipments and staff uniforms receivable, etc. The increase (decrease) at the end of 2019 and 2018 were 52.43% and (41.09)%, respectively.

Investments in associates and joint ventures

Investments in associates and joint ventures as of 31 December 2019, 2018 and 2017 were Baht 2,759.74 million, Baht 2,749.69 million and Baht 2,894.08 million, respectively. The increase (decrease) mainly due to recognition of share of profit, at the end of 2019 and 2018 were 0.37% and (4.99)%, respectively.

Other long-term investments

Other long-term investments as of 31 December 2019, 2018 and 2017 were Baht 158.20 million, Baht 468.74 million and Baht 710.76 million, respectively. The decreases at the end of 31 December 2019 and 2018 were 66.25% and 34.05% respectively. The main decrease was from sale of investment in Muang Thai Insurance Public Company Limited. As of 31 December 2019, the long-term investments included investment in QTC Energy Public Company Limited of Baht 71.48 million, Thanakorn Vegetable Oil Company Limited of Baht 39.35 million and other investment of Baht 47.37 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 2019, 2018 and 2017, such fixed assets values were Baht 1,137.14 million, Baht 1,108.19 million and Baht 1,204.12 million, respectively. Most increases in 2019 came from purchases of equipment to be leased to government work units by the Information Technology Business Segment.

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 2019 accounted at Baht 623.53 million and Baht 165.40 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 2019 were higher than those in 2018 which were Baht 598.11 million and Baht 164.90 million respectively; the Company recognized gain from the assessment of unrealized real estate for investment in the consolidated financial statement of Baht 25.42 million and Baht 113.60 million in 2019 and 2018 respectively.

Intangible asset

Intangible assets of the Company include software licenses. As of 31 December 2019, 2018 and 2017, intangible assets were Baht 93.99 million, Baht 114.95 million and Baht 90.07 million, respectively. The increase (decrease) at the end of 2019 and 2018 were (18.23)% and 27.62% respectively.

Liabilities

The Company's total liabilities as of 31 December 2019, 2018 and 2017 were Baht 11,181.34 million, Baht 9,096.87 million and Baht 9,915.59 million, respectively, representing the increase (decrease) rate at 22.91% and (8.26)% by the end of 2019 and 2018.

Significant liabilities are as follows:

Bank overdraft and short-term loans from financial institutions

As of 31 December 2019, 2018 and 2017, the Company's bank overdraft and short-term loan from financial institutions were Baht 2,812.55 million, Baht 1,823.17 million and Baht 1,815.36 million, respectively. The increases at the end of 2019 and 2018 were 54.27% and 0.43 % respectively. The bank overdraft and short-term loans from financial institutions comprised bank overdraft, short-term loans and debts from trust receipts. Core short-term loans in 2019 consisted of short-term loans from project credit lines scheduled for repayment in accordance with billing phases.

Trade accounts payable

Trade accounts payable as of 31 December 2019, 2018 and 2017 were Baht 3,332.77 million, Baht 1,866.79 million and Baht 2,922.52 million, respectively. The increase (decrease) at the end of 2019 and 2018 were 78.53% and (36.12)% respectively. Most of them were overseas trade payables from projects in the Network Solutions business segment.

Other payables (short-term and long-term)

Other payables as of 31 December 2019, 2018 and 2017 were Baht 982.47 million, Baht 992.08 million and Baht 1,196.32 million, respectively. The decreases at the end of 2019 and 2018 were 0.97% and 17.07% respectively. As of 31 December 2019, the Company's other payables consisted of accrued cost and warranty cost and general payable expenses. The decrease of other payables was mainly from projects' accrued cost and warranty cost.

Contract liabilities (Advances received from customers)

Contract liabilities as of 31 December 2019, 2018 and 2017 were Baht 516.83 million, Baht 1,371.96 million and Baht 852.08 million, respectively. The increases (decrease) at the end of 2019 and 2018 were (62.33)% and 61.01% respectively. In 2019, the decrease came from Network Solutions SBG and Information Technology SBG as the works were gradually installed and the revenue was recognized during the year.

Loans from related parties (short-term and long-term)

Loans from related parties as of 31 December 2019, 2018 and 2017 were Baht 85.28 million, Baht 81.28 million and Baht 80.28 million, respectively. Increases at the end of 2019 and 2018 were 4.92% and 1.25% respectively. At the end of 2019, 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 2019	31 Dec 2018	31 Dec 2017
Current portion of long-term liabilities	289.78	65.31	68.06
Current portion of long-term debenture	300.00	-	-
Long-term liabilities	915.05	1,000.48	1,160.61
Long-term debenture	700.00	1,000.00	1,000.00
Total long-term liabilities	2,204.83	2,065.79	2,228.67

Long-term liabilities as of 31 December 2019, 2018 and 2017 were Baht 2,204.83 million, Baht 2,065.79 million and Baht 2,228.67 million, respectively. The increase (decrease) at the end of 2019 and 2018 were 6.73% and (7.31)%, respectively. As at 31 December 2019, such long-term liabilities consisted of Baht 759.76 million loan obtained by a subsidiary with a 6-year installed repayment term under the debts restructuring plan with repayment due of Baht 163.03 million in 2020; 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.

Provisions for employee benefits (short-term and long-term)

Provisions for employee benefits as of 31 December 2019, 2018 and 2017 were Baht 731.36 million, Baht 633.23 million and Baht 605.42 million, respectively. The increases at the end of 2019 and 2018 were 15.50% and 4.59% respectively. The Company forecasted such provisions using the Projected Unit Credit Method handled by independent actuaries. In 2019, additional provisioning of Baht 96 million was made for expenses on employee's benefits as the result of the revised Act of Labour Protection which gives employees with 20 years of service the right to receive maximum compensation at the rate of 400 days.

Shareholders' equity

Shareholders' equity as of 31 December 2019 was Baht 5,015.43 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 309.58 million, respectively, and other components of equity of Baht 1,713.92 million.

The Company's shareholders equity dropped in 2019 mostly as the result of recognition of estimated project debts/loss as defined in the costs of sale and services.

Cash flow of the Company and subsidiaries at the end of 2019, 2018 and 2017

Net cash flow used in operations in 2019, 2018 and 2017 was Baht 580.12 million, Baht 137.82 million, and Baht 1,054.87 million, respectively. Net Cash Flow from operating activities was in the minus as the result of changes in working capital increased. Major changes in 2019 working capital came from major changes of assets and operating liabilities such as an increase in trade accounts receivable of Baht 91.86 million, an increase in other receivables of Baht 53.95 million, an increase in inventories of Baht 1,003.35 million, an increase in trade accounts payable of Baht 1,458.34 million, and a decrease in contract liabilities of Baht 855.22 million. The Company paid Baht 208.38 million for income tax and withholding tax of 2019.

The Company's net cash provided by investment activities in 2019, 2018 and 2017 were Baht 917.36, 619.21 and 986.35 million respectively. Net Cash Flow provided by these activities in 2019, 2018 and 2017 were dividends received of Baht 497.23, 519.13 and 644.33 million respectively; investment in land, building and equipment increased by Baht 90.62, 81.29 and 126.60 million respectively. The decreases in current investments were Baht 367.75, 224.93 and 407.69 million respectively.

The Company's net cash provided by (used in) financing activities 2019, 2018 and 2017 was Baht 790.76 million, (Baht 463.62 million) and Baht 337.32 million, respectively. Significant financing activities in 2019, 2018 and 2017 came from the increase (decreases) of bank overdraft and short-term loans from financial institutions of Baht 989.38 million, (Baht 15.52 million), and Baht 847.89 million, respectively; repayment of long-term liabilities of Baht 233.87, 169.65 and 120.26 million, respectively. Long-term liabilities increased Baht 247.86 million in 2019. The Company paid finance costs of Baht 168.44, 160.61 and 171.03 million respectively. In 2018 and 2017, the Company paid cash dividends of Baht 158.55 million.

Therefore, in 2019, 2018 and 2017, the Company's net cash and cash equivalents increase were Baht 1,128.00, 17.77 and 268.80 million, respectively.

The Company's financial ratio analysis

LIQUIDITY RATIO

Liquidity Ratio	2019	2018	2017
Current ratio (times)	1.17	1.35	1.34
Quick ratio (times)	0.81	0.96	1.00
Flow liquidity (times)	(0.08)	(0.02)	(0.15)
Account receivable turnover (times)	2.63	2.42	3.02
Collection period (days)*	136.85	148.58	119.25
Inventory turnover (times)	6.66	7.13	8.72
Inventory turnover period (days)	54.07	50.52	41.29
Account payable turnover (times)	4.87	4.72	5.22
Payment period (days)	73.90	76.32	68.98
Cash cycle (days)	117.02	122.78	91.56

*Period of debt-collection is calculated on the aggregate total of trade accounts receivable and contract assets.

The Company's overall liquidity ratio for 3 years, i.e. 2017 – 2019 were in the normal range of over 1.00 times without any substantial change. However, its overall cash cycle in 2019 was less vis-à-vis the preceding year as the Company was able to expedite payment during the course of 2019 from customers in government work units.

PROFITABILITY RATIO

Profitability Ratio	2019	2018	2017
Gross profit margin (%)	6.97%	14.35%	13.36%
Operating profit (loss) margin (%)	(5.55)%	0.70%	0.32%
Net profit (loss) margin (%)	(5.35)%	0.68%	0.32%
Return of equity (%)	(13.96)%	1.52%	0.81%

EFFICIENCY RATIO

Efficiency Ratio	2019	2018	2017
Return on assets (%)	(4.83)%	0.59%	0.32%
Return on fixed assets (%)	(52.07)%	22.84%	16.59%
Asset turnover (times)	0.90	0.87	1.00

The Company's profitability ratio and efficiency ratio were lower than the preceding year's as the result of increased loss estimation for project works as mentioned in the costs of sale and services.

FINANCIAL POLICY RATIO

Financial Policy Ratio	2019	2018	2017
Debt to equity (times)	2.23	1.52	1.58
Dividend payout ratio* (%)	N/A	-	49.02%

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

As for its debt to equity in 2019, 2018 and 2017 of 2.23, 1.52 and 1.58 times respectively, the increase in 2019 was the result of increased overdrafts and short-term loans from financial institutions and accounts payable for project management. Such increase will gradually decline on each project's termination.

Loxley Public Company Limited and its Subsidiaries

Financial statements for the year ended 31 December 2019
and
Independent Auditor's Report

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 2019, 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 2019 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 2019 and 2018 of Loxley Public Company Limited and its subsidiaries included investments in two 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 years ended 30 June 2019 and 2018 which were audited by other auditors and for the six-month periods ended 31 December 2019 and 2018 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 2019 and 2018, which amounted to Baht 1,564 million and Baht 1,527 million, respectively and the share of their profit (loss) for the years ended 31 December 2019 and 2018 of Baht 37 million and Baht (2) million, respectively. Consequently, I was unable to determine whether any adjustments to these amounts were necessary.

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* 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 2019 and 2018, and the share of their profit (loss) for the years ended 31 December 2019 and 2018. 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, related receivables and provisions for project loss	
Refers to the notes 2(c), 4(e), 4(j), 4(o), 4(s) and 22 to the financial statements	
<i>The key audit matter</i>	<i>How the matter was addressed in the audit</i>
<p>The Group's major revenue is rendering of services related to technology business, energy and network solutions. Some of these service contracts account for revenue and margin based on the stage of completion of individual contracts, assessed by reference to the proportion of costs incurred to the reporting date compared to the estimated final costs of the contract at completion including possible losses.</p> <p>The accurate recording of contract revenue, and related receivables is highly dependent on the following key factors:</p> <ul style="list-style-type: none"> • The cost incurred; • The engineers' surveys of work performed; • The estimated final costs of the contract at completion including possible losses; and • Revision for certain events or condition that occur or expected to occur to complete the contract including variations result in adjustments of these estimates that could give rise to variances in the amounts recognised. <p>I focused on this area as a key audit matter due to the number and type of estimation events over the course of the contract life, the wide variety of unique contract conditions, leading to complex and highly judgmental revenue recognition from contracts.</p>	<p>I evaluated the controls designed and implemented 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"> • testing the details of costs incurred by verifying with supporting documents; • challenging competency of the Group's engineers in respect of estimation the stage of completion of individual projects; • inspecting key terms in the contracts relating to estimates made and revenue recognition in the financial statements; • obtaining detailed estimated final costs of the contract at completion including possible losses from the management and assessing the reasonableness of estimates by reviewing the result of estimates in previous years and current surrounding factors; • testing mathematical accuracy of contract revenue, related receivables and provisions for project loss and comparatively analysing the stage of completion of the costs incurred up to the end of reporting period and the estimated final costs of the contract at completion and the stage of completion by the engineer;

	<ul style="list-style-type: none"> • assessing the Group’s ability to deliver contracts within budget by analysing the relationship of cost versus billing on contracts; • physically inspecting the existence and the reasonableness of stage of completion of individual projects; and • considering the adequacy of disclosures in accordance with the related Thai Financial Reporting Standards.
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Valuation of investments in subsidiaries, associates and joint ventures, and other long-term investments

Refers to the notes 2(c), 4(g), 4(l), 12, 13 and 15 to the financial statements

<i>The key audit matter</i>	<i>How the matter was addressed in the audit</i>
<p>The Group 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"> • inspecting the design and implementation of relevant controls; • considering the profitability of the investee, historical financial information and other information to assess the sufficiency of allowance for impairment of investment; • assessing the Group’s budgeting procedures which is the source of discounted future cash flow model; • challenging the key assumptions by comparing against the historical and external information regarding key inputs such as the revenue, the cost, the capital and operating expenditures, and the discount rate; • testing mathematical accuracy; and • considering the adequacy of disclosures in accordance with the related Thai Financial Reporting Standards.

Valuation of trade accounts receivable, other receivables, and receivable under debt restructuring agreement	
Refers to the notes 2(c), 4(e), 8, 9 and 10 to the financial statements	
<i>The key audit matter</i>	<i>How the matter was addressed in the audit</i>
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.	My audit procedures included, but were not limited to: <ul style="list-style-type: none"> • testing the design and implementation and the effectiveness of controls over the monitoring of receivables and over the collection process; • challenging the provision policies by considering the historical cash collection trends, the receivable's ability to pay, as well as the lawyer confirmation relating to the receivables, and testing the reversal of provisions previously made; • testing the completeness and accuracy of information provided and the accuracy of the provision calculation according to the Group's policies; • analysing all items of overdue balance over normal credit term without setting up allowance for, and • considering the adequacy of disclosures in accordance with the related Thai Financial Reporting Standard.

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

MPMG Phoomchai Audit Ltd.
Bangkok
26 February 2020

Statement of financial position

Loxley Public Company Limited and its Subsidiaries

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2019	2018	2019	2018
			<i>(in Baht)</i>		
Current assets					
Cash and cash equivalents	7	2,245,500,072	1,117,683,484	912,881,241	163,339,289
Current investments	15	212,214,809	579,749,662	7,768,931	502,604,692
Trade accounts receivable	8, 19, 26	3,123,632,056	3,007,269,919	988,795,221	981,704,568
Other receivables	9	319,163,841	295,350,373	152,895,504	75,814,035
Current portion of receivable under debt restructuring agreement	10, 19	145,400,629	139,526,560	-	-
Contract assets	3, 26	1,374,155,164	-	562,323,555	-
Unbilled trade accounts receivable	3	-	1,283,695,579	-	478,147,237
Retentions receivable	3	-	18,304,463	-	18,053,963
Short-term loans to related parties	6	51,075,000	32,000,000	88,108,000	55,328,865
Inventories	11	2,224,873,996	1,429,599,748	829,739,588	309,187,066
Advances paid to suppliers		414,142,006	541,834,155	306,483,843	414,996,405
Dividend receivables	6	-	-	-	100,000,000
Other current assets		12,854,456	8,423,466	4,868,879	280,373
Total current assets		10,123,012,029	8,453,437,409	3,853,864,762	3,099,456,493
Non-current assets					
Investments in associates and joint ventures	12	2,759,744,285	2,749,685,355	979,230,113	965,103,112
Investments in subsidiaries	13	-	-	2,258,164,279	2,173,284,487
Other long-term investments	15	158,195,648	468,740,906	85,423,746	411,547,318
Other receivables	9	296,829,218	372,260,412	68,142,437	144,390,086
Receivable under debt restructuring agreement	10, 19	660,039,460	803,988,558	-	-
Contract assets	3, 26	280,573,968	-	261,219,112	-
Unbilled trade accounts receivable	3	-	135,895,196	-	135,895,196
Retentions receivable	3	-	229,002,560	-	209,647,704
Long-term loans to related parties	6	-	-	31,222,500	36,921,227
Investment properties	16, 19	623,529,000	598,113,000	165,400,000	164,900,000
Property, plant and equipment	17, 19	1,137,140,422	1,108,191,497	538,352,149	522,085,290
Goodwill	5, 18	38,638,160	38,638,160	-	-
Intangible assets	18	93,988,372	114,949,003	49,814,863	48,223,160
Other non-current assets		25,082,481	24,212,280	-	-
Total non-current assets		6,073,761,014	6,643,676,927	4,436,969,199	4,811,997,580
Total assets		16,196,773,043	15,097,114,336	8,290,833,961	7,911,454,073

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	
		2019	2018	2019	2018
			<i>(in Baht)</i>		
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	19	2,812,553,018	1,823,174,678	1,503,996,788	340,863,341
Trade accounts payable	20	3,332,769,458	1,866,795,636	1,140,148,276	647,242,040
Other payables	21	973,562,256	984,434,833	211,848,305	275,320,224
Contract liabilities	3, 26	516,824,044	-	106,347,457	-
Advances received from customers	3	-	1,371,959,294	-	531,884,963
Current portion of long-term liabilities	19	289,777,021	65,308,053	436,682	405,421
Current portion of long-term debenture	19	300,000,000	-	300,000,000	-
Short-term loans from related parties	6, 19	5,280,000	81,280,000	-	-
Short-term loans from other parties	19	1,137,760	48,506,222	-	-
Income tax payable		5,389,546	8,416,281	-	-
Provisions for project loss	22	352,670,884	-	322,939,580	-
Current provisions for employee benefits	23	29,553,389	33,738,575	19,095,074	26,269,768
Total current liabilities		8,619,517,376	6,283,613,572	3,604,812,162	1,821,985,757
Non-current liabilities					
Other payables	21	8,911,940	7,651,412	-	-
Long-term loans from related parties	6, 19	80,000,000	-	-	-
Long-term liabilities	19	915,050,930	1,000,477,622	114,351	551,034
Long-term debenture	19	700,000,000	1,000,000,000	700,000,000	1,000,000,000
Deferred tax liabilities	29	156,051,040	205,640,395	98,270,258	152,879,667
Non-current provisions for employee benefits	23	701,809,777	599,487,909	299,705,691	317,404,915
Total non-current liabilities		2,561,823,687	2,813,257,338	1,098,090,300	1,470,835,616
Total liabilities		11,181,341,063	9,096,870,910	4,702,902,462	3,292,821,373

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

Statement of financial position

Loxley Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2019	2018	2019	2018
<i>(in Baht)</i>					
Liabilities and equity					
Equity					
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	141,746,500	141,746,500	141,746,500
Unappropriated		309,581,563	1,104,313,196	405,299,204	1,254,223,529
Other components of equity	25	1,713,920,190	1,882,886,977	272,679,975	454,456,851
Equity attributable to owners of the parent		4,933,454,073	5,897,152,493	3,587,931,499	4,618,632,700
Non-controlling interests	14	81,977,907	103,090,933	-	-
Total equity		5,015,431,980	6,000,243,426	3,587,931,499	4,618,632,700
Total liabilities and equity		16,196,773,043	15,097,114,336	8,290,833,961	7,911,454,073

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		For the year ended	
		31 December		31 December	
		2019	2018	2019	2018
		(in Baht)			
Income	6, 26				
Revenue from sale of goods and rendering of services	3	13,613,193,637	13,188,477,502	4,245,382,306	4,053,953,387
Gain on sales of investments	5, 15	268,557,694	-	261,842,206	-
Dividend income	12, 13, 15	13,071,743	19,995,919	430,788,821	626,483,119
Other income	16	229,898,174	374,296,785	123,632,944	234,640,902
Total income		14,124,721,248	13,582,770,206	5,061,646,277	4,915,077,408
Expenses	6				
Cost of sale of goods and rendering of services		12,663,871,888	11,296,151,136	4,474,246,008	3,466,138,594
Distribution costs	3	679,395,621	762,247,750	373,092,212	397,733,165
Administrative expenses		1,709,116,284	1,538,110,811	962,602,196	833,523,492
Finance costs		188,876,375	185,437,838	78,505,146	78,154,442
Total expenses	28	15,241,260,168	13,781,947,535	5,888,445,562	4,775,549,693
Share of profit of investments in associates and joint ventures, net	12	444,413,242	355,362,554	-	-
Profit (loss) before income tax expense		(672,125,678)	156,185,225	(826,799,285)	139,527,715
Income tax expense	29	(96,581,374)	(82,522,536)	(100,000)	(7,460,000)
Profit (loss) for the year		(768,707,052)	73,662,689	(826,899,285)	132,067,715
Profit (loss) attributable to:					
Owners of the parent		(755,811,870)	92,065,401	(826,899,285)	132,067,715
Non-controlling interests	14	(12,895,182)	(18,402,712)	-	-
Profit (loss) for the year		(768,707,052)	73,662,689	(826,899,285)	132,067,715
Basic earnings (loss) per share	30	(0.33)	0.04	(0.37)	0.06

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		For the year ended	
		31 December		31 December	
		2019	2018	2019	2018
		<i>(in Baht)</i>			
Profit (loss) for the year		(768,707,052)	73,662,689	(826,899,285)	132,067,715
Other comprehensive income					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Defined benefit plan actuarial losses	23	(38,919,763)	(19,773,600)	(22,025,040)	(19,074,218)
		<u>(38,919,763)</u>	<u>(19,773,600)</u>	<u>(22,025,040)</u>	<u>(19,074,218)</u>
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating foreign operations		3,345,964	(1,188,696)	-	-
Reversal of unrealised gain on sales of available-for-sale investment	15	(247,396,234)	-	(247,396,234)	-
Change in fair value of available-for-sale investments, net	15	11,094,218	(230,538,582)	10,909,949	(230,648,868)
Income tax relating to items that will be reclassified subsequently to profit or loss	29	54,672,555	22,173,410	54,709,409	22,173,410
		<u>(178,283,497)</u>	<u>(209,553,868)</u>	<u>(181,776,876)</u>	<u>(208,475,458)</u>
Other comprehensive income (expense) for the year		<u>(217,203,260)</u>	<u>(229,327,468)</u>	<u>(203,801,916)</u>	<u>(227,549,676)</u>
Total comprehensive income (expense) for the year		<u>(985,910,312)</u>	<u>(155,664,779)</u>	<u>(1,030,701,201)</u>	<u>(95,481,961)</u>
Total comprehensive income (expense) attributable to:					
Owners of the parent		(973,015,130)	(137,408,098)	(1,030,701,201)	(95,481,961)
Non-controlling interests		(12,895,182)	(18,256,681)	-	-
Total comprehensive income (expense) for the year		<u>(985,910,312)</u>	<u>(155,664,779)</u>	<u>(1,030,701,201)</u>	<u>(95,481,961)</u>

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

Statement of changes in equity

Loxley Public Company Limited and its subsidiaries

	Note	Consolidated financial statements														
		Retained earnings		Other components of equity				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	Revaluation surplus on assets, net	Portion of Company (in Baht)	Portion of subsidiary	Change in percentage of holding in subsidiaries	Total other components of equity	Equity attributable to owners of parent	Non-controlling interests	Total equity	
Year ended 31 December 2018																
Balance at 1 January 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		
Transactions with owners, recorded directly in equity																
Contributions by and distributions to owners of the parent																
Paid-up share capital of non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	15,590,000	15,590,000		
Dividends of subsidiaries to non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	(1,487,000)	(1,487,000)		
Dividends to owners of the Company	31	-	-	-	(158,546,844)	-	-	-	-	-	-	(158,546,844)	-	(158,546,844)		
Total contributions by and distributions to owners of the parent		-	-	-	(158,546,844)	-	-	-	-	-	-	(158,546,844)	14,103,000	(144,443,844)		
Changes in ownership interests in subsidiaries	5															
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		-	-	-	-	-	-	-	-	(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)	(4,967,656)	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 (expense) 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	25	-	-	6,604,000	(6,604,000)	-	-	-	-	-	-	-	-	-		
Balance 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		

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

Statement of changes in equity

Loxley Public Company Limited and its subsidiaries

	Note	Consolidated financial statements										Total equity											
		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	Revaluation surplus on assets, net	Change in percentage of holding in subsidiaries	Total other components of equity	Equity attributable to owners of the parent		Non-controlling interests										
Year ended 31 December 2019																							
Balance at 1 January 2019		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									
Transactions with owners, recorded directly in equity																							
Contributions by and distributions to owners of the parent																							
Paid-up share capital of non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	2,745,030	2,745,030									
Dividends of subsidiaries to non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	(90,960)	(90,960)									
Total contributions by and distributions to owners of the parent		-	-	-	-	-	-	-	-	-	-	-	2,654,070	2,654,070									
Changes in ownership interests in subsidiaries	5																						
Decrease in non-controlling interests without a change in control		-	-	-	-	-	-	-	4,312,471	5,004,239	9,316,710	9,316,710	(11,286,710)	(1,970,000)									
Decrease in non-controlling interests with a change in control		-	-	-	-	-	-	-	-	-	-	-	414,796	414,796									
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	4,312,471	5,004,239	9,316,710	9,316,710	(10,871,914)	(1,555,204)									
Total transactions with owners, recorded directly in equity		-	-	-	-	-	-	-	4,312,471	5,004,239	9,316,710	9,316,710	(8,217,844)	1,098,866									
Comprehensive income for the year																							
Profit or loss		-	-	-	(755,811,870)	-	-	-	-	-	-	-	(12,895,182)	(768,707,052)									
Other comprehensive income		-	-	-	(38,919,763)	3,345,964	(181,629,461)	-	-	-	(178,283,497)	(217,203,260)	-	(217,203,260)									
Total comprehensive income (expense) for the year		-	-	-	(794,731,633)	3,345,964	(181,629,461)	-	-	-	(178,283,497)	(973,015,130)	(12,895,182)	(985,910,312)									
Balance at 31 December 2019		2,264,954,920	503,250,900	141,746,500	309,581,563	(4,536,143)	(82,277,160)	355,215,296	142,143,351	1,303,374,846	1,713,920,190	4,933,454,073	81,977,907	5,015,431,980									

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

Statement of changes in equity

Loxley Public Company Limited and its subsidiaries

	Separate financial statements							Total equity
	Retained earnings			Other components of equity				
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated investments, net of equity	Change in fair value of available-for-sale investments, net	Revaluation surplus on assets, net	Total other components of equity	
Year ended 31 December 2018								
Balance at 1 January 2018	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
Transactions with owners, recorded directly in equity								
<i>Contributions by and distributions to owners</i>								
Dividends to owners of the Company	-	-	-	(158,546,844)	-	-	-	(158,546,844)
Total contributions by and distributions to owners	-	-	-	(158,546,844)	-	-	-	(158,546,844)
Comprehensive income for the year								
Profit or loss	-	-	-	132,067,715	-	-	-	132,067,715
Other comprehensive income	-	-	-	(19,074,218)	(208,475,458)	-	(208,475,458)	(227,549,676)
Total comprehensive income (expense) for the year	-	-	-	112,993,497	(208,475,458)	-	(208,475,458)	(95,481,961)
Transfer to legal reserve	-	-	6,604,000	(6,604,000)	-	-	-	-
Balance at 31 December 2018	2,264,954,920	503,250,900	141,746,500	1,254,223,529	99,241,555	355,215,296	454,456,851	4,618,632,700

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	Change in fair value of available-for-sale investments, net (in Bahr)	Revaluation surplus on assets, net	Total other components of equity		
Year ended 31 December 2019								
Balance at 1 January 2019	2,264,954,920	503,250,900	141,746,500	1,254,223,529	99,241,555	355,215,296	454,456,851	4,618,632,700
Comprehensive income for the year								
Profit or loss	-	-	-	(826,899,285)	-	-	-	(826,899,285)
Other comprehensive income	-	-	-	(22,025,040)	(181,776,876)	-	(181,776,876)	(203,801,916)
Total comprehensive income (expense) for the year	-	-	-	(848,924,325)	(181,776,876)	-	(181,776,876)	(1,030,701,201)
Balance at 31 December 2019	2,264,954,920	503,250,900	141,746,500	405,299,204	(82,535,321)	355,215,296	272,679,975	3,587,931,499

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		For the year ended	
	31 December		31 December	
Note	2019	2018	2019	2018
(in Baht)				
Cash flows from operating activities				
Profit (loss) for the year	(768,707,052)	73,662,689	(826,899,285)	132,067,715
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				
Depreciation and amortisation	171,242,830	171,953,556	44,654,450	40,890,678
Interest income	(89,358,634)	(90,592,649)	(44,263,226)	(44,002,847)
Finance costs	188,876,375	185,437,838	78,505,146	78,154,442
Employee benefit expenses	23 219,772,785	87,169,379	113,657,919	41,146,763
Project loss	22 533,735,276	-	460,938,665	-
Unrealised loss on exchange	5,383,450	5,261,450	1,611,716	2,242,491
Dividends received	(13,071,743)	(19,995,919)	(430,788,821)	(626,483,119)
Written-off trade and other accounts receivable	2,380,891	-	-	-
Written-off withholding tax deducted at source	11,905,619	922,760	-	-
Inventories donation	-	5,983,396	-	-
Set up provision for:				
- Doubtful accounts for trade and other accounts receivable	32,630,247	153,740,727	52,853,288	29,888,500
- Doubtful accounts for short-term loans to related parties	122,110,000	35,971,738	12,860,000	15,971,738
- Decline in contract assets	5,100,432	-	-	-
- Decline in value of inventories	31,698,835	8,485,342	5,431,734	2,295,047
- Decline in value of investments in subsidiaries	-	-	102,840,158	8,000,000
- Decline in value of investments in associates	-	11,849,814	-	123,557,400
- Decline in value of other long-term investments	49,953,597	16,500,000	49,953,597	14,500,000
- Decline in value of advances paid to suppliers	49,557,594	-	49,557,594	-
Impairment losses on property, plant and equipment and intangible assets	49,699,517	-	-	-
Gain on sales of investments in subsidiaries	5 (6,689,562)	-	(50,000)	-
Gain on sales of investments in joint ventures	(26,880)	-	-	-
Gain on sales of other long-term investments	15 (261,841,251)	-	(261,792,206)	-
Unrealised gain on revaluation of investment property, net	16 (25,416,000)	(113,603,533)	(500,000)	(37,300,000)
(Gain) loss on disposals of/written-off property, plant and equipment and intangible assets	4,213,097	(2,228,572)	108,460	537,479
Share of profit from investments in associates and joint ventures, net	12 (444,413,242)	(355,362,554)	-	-
Gain on bargain purchase	(7,550,536)	(409,360)	-	-
Exchange differences on translating foreign operations	3,345,964	(1,188,696)	-	-
Income tax expense	96,581,374	82,522,536	100,000	7,460,000
	(38,887,017)	256,079,942	(591,220,811)	(211,073,713)

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		For the year ended	
	31 December		31 December	
Note	2019	2018	2019	2018
	(in Baht)			
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(91,857,911)	(412,817,682)	(35,530,867)	177,318,354
Other receivables	(53,945,497)	(115,406,432)	(72,328,476)	53,553,642
Contract assets	3 (1,663,769,007)	-	(827,482,112)	-
Unbilled trade accounts receivable	3 1,419,590,775	1,062,206,504	614,042,433	1,298,198,172
Retentions receivable	3 251,505,023	(10,374,330)	231,899,667	(8,981,974)
Receivable under debt restructuring agreement	138,075,030	98,253,542	-	-
Inventories	(1,003,351,889)	293,664,495	(663,983,339)	86,676,791
Advances paid to suppliers	77,980,325	(314,257,036)	58,800,739	(290,065,514)
Other assets	3,637,045	5,905,929	(4,588,506)	225,230
Trade accounts payable	1,458,337,116	(1,095,553,061)	496,548,492	(630,614,264)
Other payables	(27,636,626)	(228,790,425)	(63,133,246)	(103,434,833)
Contract liabilities	3 516,738,469	-	106,277,515	-
Advances received from customers	3 (1,371,959,294)	519,295,651	(531,884,963)	270,040,536
Provisions for employee benefits	23 (161,769,757)	(79,138,148)	(160,556,877)	(57,604,898)
Withholding tax deducted at source refunded	175,577,755	79,675,911	120,379,324	-
Income tax and withholding tax deducted at source paid	(208,384,627)	(196,561,463)	(49,597,361)	(66,184,761)
Net cash from (used in) operating activities	(580,120,087)	(137,816,603)	(1,372,358,388)	518,052,768
<i>Cash flows from investing activities</i>				
Interest received	59,762,509	62,194,232	14,786,798	15,249,185
Dividends received	497,230,983	519,127,902	530,788,821	759,483,119
Proceed from disposal of subsidiaries, net of cash disposed of subsidiaries	5 46,917	(2,457,158)	50,000	-
(Increase) decrease in current investments	367,750,773	224,932,304	494,835,761	(279,204,985)
Acquisition of subsidiaries, net of cash acquired	5 (369,930)	(37,311,718)	-	-
Increase in investments in subsidiaries	5 -	-	(185,749,950)	(47,000,000)
Increase in investments in associates and joint ventures	(50,159,500)	(4,050,000)	(14,127,000)	(117,050,000)
Increase in other long-term investments	(16,382,500)	(4,787,500)	(787,500)	(2,287,500)
(Increase) decrease in short-term loans to related parties	(141,185,000)	(65,971,738)	(39,940,408)	6,958,170
Decrease in short-term loans to other parties	-	3,251,460	-	-
Cash dividends of subsidiaries paid to non-controlling interests	(90,960)	(1,487,000)	-	-
Increase in property, plant and equipment	(90,619,625)	(81,294,320)	(53,984,311)	(36,940,131)
Increase in intangible assets	(19,322,876)	(23,944,051)	(9,496,583)	(7,154,049)
Proceed from sales of investment in joint ventures	381,450	-	-	-
Proceed from sales of other long-term investments	15 302,513,396	-	302,263,396	-

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	
		2019	2018	2019	2018
(in Baht)					
Cash flows from investing activities					
Proceed from paid-up share capital of non-controlling interests		2,745,030	15,590,000	-	-
Proceed from sales of property, plant and equipment and intangible assets		5,059,463	15,419,751	859,421	2,232,368
Net cash from investing activities		917,360,130	619,212,164	1,039,498,445	294,286,177
Cash flows from financing activities					
Payment of change in ownership interest in subsidiaries without a change in control	5	(1,970,000)	-	(1,970,000)	-
Finance costs paid		(168,444,098)	(160,616,983)	(78,178,301)	(78,172,352)
Dividends paid to owners of the Company	31	-	(158,546,844)	-	(158,546,844)
Increase (decrease) in bank overdrafts and short-term loans from financial institutions		989,378,340	(15,516,643)	1,163,133,446	(430,483,255)
Increase (decrease) in loans from related parties		4,000,000	1,000,000	-	(206,000,000)
Increase (decrease) in short-term loans from other parties		(46,193,662)	39,713,300	-	-
Increase in long-term liabilities		247,858,712	-	-	-
Repayment of long-term liabilities		(233,874,110)	(169,649,511)	(405,421)	(430,899)
Net cash from (used in) financing activities		790,755,182	(463,616,681)	1,082,579,724	(873,633,350)
Net increase (decrease) in cash and cash equivalents		1,127,995,225	17,778,880	749,719,781	(61,294,405)
Cash and cash equivalents at 1 January		1,117,683,484	1,099,928,820	163,339,289	224,660,367
Effect of exchange rate changes on balances held in foreign currencies		(178,637)	(24,216)	(177,829)	(26,673)
Cash and cash equivalents at 31 December	7	2,245,500,072	1,117,683,484	912,881,241	163,339,289

Non-cash transaction

During 2019, the Group acquired property, plant and equipment totaling Baht 216 million (2018: Baht 84 million) which included equipment and assets of finance lease totaling Baht 125 million (2018: Baht 3 million) and cash payments of Baht 91 million (2018: Baht 81 million).

During 2019, the Company had dividend received amounting to Baht 431 million (2018: Baht 626 million). The Company received dividend in cash of Baht 531 million (2018: Baht 759 million) (included dividend receivables at beginning of period of Baht 100 million (2018: Baht 233 million)) and had no dividend receivables (2018: Baht 100 million).

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

Notes to the financial statements

For the year ended 31 December 2019

Loxley Public Company Limited and its Subsidiaries

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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 Board of Directors on 26 February 2020.

1 General information

Loxley Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in January 1994. The Company’s registered office at 102 Na Ranong Road, Klong Toey, Klong Toey, Bangkok, 10110, Thailand.

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 2019 and 2018 are given in note 13.

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 and applicable rules and regulations of the Thai Securities and Exchange Commission.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2019. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s/ Company’s accounting policies. There is no material impact on the Group’s/ Company’s financial statements except for initial applying TFRS 15 *Revenue from Contracts with Customers* which replaces TAS 18 *Revenue*, TAS 11 *Construction Contracts* and related interpretations. The effects of these changes, where such effects are considered material to the financial statements, are disclosed in note 3.

In addition, the Group/Company has not early adopted a number of new and revised TFRS which are not yet effective for the current period in preparing these financial statements. Those new and revised TFRS that are relevant to the Group's/Company's operations are disclosed in note 36.

(b) Functional and presentation currency

The financial statements are prepared 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.

(c) 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 the Group's/Company's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- | | |
|-------------|--|
| 4(s) and 26 | Revenue recognition: <ul style="list-style-type: none">• whether performance obligations in a bundled sale of products and services are capable of being distinct;• whether revenue from sales of products or services is recognised over time or at a point in time; and |
| 12 | Equity-accounted investees: whether the Group has significant influence over an investee |

(ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2019 that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

4(s) and 26	Revenue recognition from project contract: estimate of final costs of the contract at completion including possible losses;
4(e), 8, 9 and 10	Measurement of allowance for doubtful debts of trade and other accounts receivable and impairment of contract assets;
4(p) and 23	Measurement of defined benefit obligations: key actuarial assumptions;
4(q), 22 and 34	Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
4(x) and 29	Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised;
4(g), 4(l), 12, 13 and 15	Impairment test: key assumptions underlying recoverable amounts;
4(h) and 16	Valuation of investment properties; and
4(i) and 17	Valuation of land

3 Change in accounting policy

From 1 January 2019, the Group/Company has adopted TFRS 15 using the cumulative effect method, taking into account the effect of initially applying this standard only to contracts that were not completed before 1 January 2019 as an adjustment to the retained earnings at 1 January 2019. Therefore, the Group/Company has not restated the information presented for 2018, as previously reported under TAS 18 and related interpretations. The disclosure requirements of TFRS 15 have not generally been applied to comparative information.

Under TFRS 15, the Group/Company recognises revenue when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group/Company expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and after deduction of any trade discounts and volume rebates. Judgement is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time. Under TAS 18, the Group/Company recognised revenue from sale of goods when the significant risks and rewards of ownership of the goods were transferred to the buyer, and recognised revenue from rendering of services by reference to the stage of completion of the transaction at the end of the reporting period. No revenue was recognised if there was continuing management involvement with the goods or there were significant uncertainties regarding recovery of the consideration due.

The following tables summarise the impacts of initial application of TFRS 15 on the financial statements.

<i>Statement of financial position at 31 December 2019</i>	Consolidated financial statements			Separate financial statements		
	Amounts as reported	Reclass.	Amounts without adoption of TFRS 15	Amounts as reported	Reclass.	Amounts without adoption of TFRS 15
	<i>(in million Baht)</i>					
Assets						
Contract assets - current portion	1,374	(1,374)	-	562	(562)	-
Unbilled trade accounts receivable - current portion	-	1,318	1,318	-	507	507
Retentions receivable - current portion	-	56	56	-	55	55
Contract assets - non-current portion	281	(281)	-	261	(261)	-
Unbilled trade accounts receivable - non-current portion	-	82	82	-	82	82
Retentions receivable - non-current portion	-	199	199	-	179	179
		-			-	
		-			-	
Liabilities						
Contract liabilities	(517)	517	-	(106)	106	-
Advances received from customers	-	(517)	(517)	-	(106)	(106)
		-			-	
		-			-	

<i>Statement of income for the year ended 31 December 2019</i>	Consolidated financial statements			Separate financial statements		
	Amounts as reported	Reclass.	Amounts without adoption of TFRS 15	Amounts as reported	Reclass.	Amounts without adoption of TFRS 15
	<i>(in million Baht)</i>					
Revenue from sale of goods and rendering of services	(13,613)	(21)	(13,634)	(4,245)	-	(4,245)
Distribution costs	679	21	700	373	-	373
		-			-	
		-			-	
 <i>Statement of cash flow for the year ended 31 December 2019</i>						
 <i>Changes in operating assets and liabilities</i>						
Contract assets	(1,664)	1,664	-	(827)	827	-
Unbilled trade accounts receivable	1,420	(1,827)	(407)	614	(933)	(319)
Retentions receivable	251	(259)	(8)	232	(238)	(6)
Contract liabilities	517	(517)	-	106	(106)	-
Advances received from customers	(1,372)	939	(433)	(532)	450	(82)
		-			-	
		-			-	

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3 Change in accounting policies.

(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 and contract assets

A receivable is recognised when the Group/Company has an unconditional right to receive consideration. If revenue has been recognised before the Group/Company has an unconditional right to receive consideration, the amount is presented as a contract asset.

A receivable is stated at invoice value less allowance for doubtful accounts which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

Contract assets are measured at the amount of consideration that the Group/Company is entitled to, less impairment losses.

(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 there is a disposal of revalued assets, the amount recognised in revaluation surplus is reclassified 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) Contract cost assets

Contract cost assets are the incremental costs to obtain a contract with a customer. The Group/Company expects to recover these costs. However, the incremental costs of obtaining a contract are expensed when incurred, if the expected amortisation period is one year or less.

Contract cost assets are measured at cost less accumulated amortisation and impairment losses. Amortisation is charged to profit or loss on systematic basis over the term of the contract it relates to, consistent with the related revenue recognition.

(k) 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 4(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.

(l) 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.

(m) *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.

(n) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(o) Contract liabilities

A contract liability is the obligation to transfer goods or services to the customer. A contract liability is recognised when the Group/Company receives or has an unconditional right to receive non-refundable consideration from the customer before the Group/Company recognises the related revenue.

(p) 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.

(q) 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.

(r) Measurement of fair values

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's/Company's 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 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 or indirectly.
- *Level 3*: inputs for the asset or liability that are based on unobservable input.

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.

(s) Revenue

Information about the Group's/Company's change in accounting policies relating to revenue from contracts with customers is disclosed in note 3.

Accounting policies for revenue recognition in 2019

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group/Company expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Sale of goods and services

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers.

Revenue for rendering of services is recognised over time based on stage of completion / as the services are provided. The stage of completion is assessed based on surveys of cost-to-cost method / work performed. The related costs are recognised in profit or loss when they are incurred.

For bundled packages, the Group/Company accounts for individual products and services separately if they are distinct (i.e. if a product or service is separately identifiable from other items and a customer can benefit from it) or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices which are determined based on the price list at which the Group/Company sells the products and services in separate transactions.

Accounting policies for revenue recognition in 2018

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.

(t) *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. Contingent rentals are recognised as income in the accounting period in which they are earned.

(u) *Investment income*

Investment income comprises dividend and interest income from investments and bank deposits. Dividend income is recognised in profit or loss on the date the Group's/Company's right to receive payments is established. Interest income is recognised in profit or loss as it accrues.

(v) *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.

(w) *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.

(x) *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.

(y) *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.

(z) *Related parties*

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group/Company; a person or entity that are under common control or under the same significant influence as the Group/Company; or the Group/Company has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

(aa) 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.

5 Acquisitions and disposals of subsidiaries and non-controlling interests

(a) Acquisition of subsidiary

2019

In January 2019, the Company purchased 199,998 shares of Loxley Evolution Technology Co., Ltd. (Formerly “Law Enforcement Technology Solutions Co., Ltd.”), a related party, from related parties amounting to Baht 11 million. The said company is engaged in the business of distribution and providing security solutions using equipment and technology. The Company held 99% of shares and voting right in the said subsidiary. The Group has gain on bargain purchase amounting to Baht 8 million which was recorded in the statement of income in full. The consolidation of such entity does not have any material impact on the consolidated financial statements. And in May 2019, the said subsidiary increased its registered share capital from Baht 20 million to Baht 40 million, which had been fully paid up. The Company paid up the increase in share capital according to percentage of shareholding of 99%, amounting to Baht 20 million.

In April 2019, The Company purchased 3,940 shares of Green Natural Products Co., Ltd., a subsidiary of the Company, from the subsidiary’s shareholder totaling Baht 2 million, resulting in the increase in percentage of holding from 75% to 85%. The Group recognised a decrease in non-controlling interests of Baht 6 million and gain from changes in percentage of holding amounting to Baht 4 million which was recorded under “change in percentage of holding in subsidiaries” in other components of equity.

In May 2019, Loxley Power Systems Co., Ltd., a subsidiary of the Company, increased its registered share capital from Baht 30 million to Baht 50 million, which had been fully paid up. The Company paid up the increase in share capital according to percentage of shareholding of 99%, amounting to Baht 20 million.

In May 2019, Loxley Business Innovation Co., Ltd., a subsidiary of Company, called for an additional paid-up of 50%. The Company fully paid up according to percentage of holding of 99%, amounting to Baht 5 million.

In May 2019, Loxley System Integrator Co., Ltd., a subsidiary of the Company, increased its registered share capital from Baht 20 million to Baht 40 million, which had been fully paid up. The Company paid up the increase in share capital according to percentage of shareholding of 99%, amounting to Baht 20 million.

In August 2019, L Automotive Co., Ltd. (Formerly “Loxley Automotive Co., Ltd.”), a subsidiary of the Company, increased its registered share capital from Baht 0.25 million to Baht 10 million, which had been fully paid up. The Company paid up the increase in share capital according to percentage of shareholding of 99%, amounting to Baht 10 million.

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

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

Identifiable assets acquired and liabilities assumed

	Fair value <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)

	Fair value
	<i>(in million Baht)</i>
Advances received from customers	(1)
Long-term liabilities	(4)
Total identifiable net assets	3
Non-controlling interests	(1)
Goodwill arising from the acquisition	39
Purchase consideration transferred	41
Net cash acquired with the subsidiary	3
Cash paid	(41)
Net cash outflows	(38)

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.

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

2019

In May and November 2019, Loxley Property Development Co., Ltd., a subsidiary of the Company, increased its registered share capital from Baht 250 million to Baht 350 million, which had been fully paid up. The Company acquired 1,000,000 shares of the increased share capital, totaling Baht 100 million, resulting in the increase in percentage of holding from 90% to 93%. The Group recognised a decrease in non-controlling interests of Baht 5 million and gain from changes in percentage of holding amounting to Baht 1 million which was recorded under “change in percentage of holding in subsidiaries” in other components of equity.

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

2019

In February 2019, the Company disposed its entire investment in Loxley Environmental Dynamics Co., Ltd., a subsidiary of the Company, to a non-related party amounting to Baht 0.05 million, resulting in a loss of control in the said subsidiary. The Group recognised an increase in non-controlling interest of Baht 0.41 million and has gain from disposal of investments in consolidated and separate financial statements amounting to Baht 6.69 million and Baht 0.05 million, respectively, which was recorded in the consolidated and separate statements of income in full. The deconsolidation of such entity does not have any material impact on the consolidated financial statements.

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.

6 Related parties

Relationships with subsidiaries, associates and joint ventures are described in notes 12 and 13. Other related parties that the Group/Company had significant transactions with during the year were as follows:

Name of entities	Nature of relationships
Major shareholder	
Ekpavee Company Limited	A major shareholder, 26% shareholding of the Company, common director
Key management personnel	
Key management personnel	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.
Other related parties	
Thanakorn Vegetable Oil Products Co., Ltd.	Shareholding by the major shareholder, subsidiary, common director
Zin Suapah Company Limited	Shareholding by the major shareholder, common director
L Business Process Outsourcing Co., Ltd.	Shareholding by the major shareholder, common director
Loxley International Company Limited	Shareholding by Company's director, common director
Loxley Evolution Technology Co., Ltd. (Formerly "Law Enforcement Technology Solutions Co., Ltd.") (become a subsidiary during 2019)	Shareholding by Company's director, common director
Muang Thai Insurance Public Company Limited (disposed during 2019)	Common director
Muang Thai Life Assurance Public Company Limited	Common director
The Lamsam Estate Co., Ltd.	Shareholding by Company's director, common director
Mainstay Property Solutions & Security Services Co., Ltd.	Shareholding by the major shareholder, common director
Phatra Leasing Public Company Limited	Common director
Phuket Smart Bus Co., Ltd.	Shareholding by Company, common director
Mrs. Nualphan Lamsam	Persons who are connected to the Company's key management personnel

The above related parties were incorporated in Thailand

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 comparable prices
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
Sale of investment	Fair value or contractually agreed prices
Purchase of assets	Market prices or contractually agreed prices

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

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Subsidiaries				
Sale of goods and rendering of services	-	-	76	206
Other income	-	-	61	73
Dividend income	-	-	399	529
Purchases of goods and rendering of services	-	-	204	147
Distribution costs	-	-	7	3
Administrative expenses	-	-	135	112
Finance costs	-	-	-	1
Purchase of investment	-	-	-	113

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Associates and joint ventures				
Sale of goods and rendering of services	101	81	100	39
Other income	43	30	32	24
Dividend income	-	-	21	83
Purchases of goods and rendering of services	299 ¹	347 ¹	298 ¹	347 ¹
Purchase of assets	3	-	3	-
Other related parties				
Sale of goods and rendering of services	72	73	42	43
Other income	5	13	4	11
Dividend income	11	19	9	14
Purchases of goods and rendering of services	1,165 ²	1,264 ²	3	20
Distribution costs	-	1	-	-
Administrative expenses	35	37	30	29
Finance costs	4	4	-	-
Purchase of assets	1	-	-	-
Sale of investment	146	-	146	-
Key management personnel				
Key management personnel compensation				
Short-term management benefits	140	169	71	84
Long-term management benefits	21	7	10	3

¹ The amount mainly comprises purchase and installation of project equipment from an associate, totaling Baht 148 million and Baht 214 million, for the years then ended 31 December 2019 and 2018, respectively in the consolidated and separate financial statements. The pricing policy is based on contractually agreed prices.

² The amount mainly comprises a subsidiary's purchase of vegetable oil from a related party totaling Baht 1,160 million and Baht 1,237 million for the years then ended 31 December 2019 and 2018 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 with related parties were as follows:

<i>Trade accounts receivable</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Subsidiaries	-	-	111	180
Associates and joint ventures	342	244	212	114
Other related parties	13	10	7	3
	<u>355</u>	<u>254</u>	<u>330</u>	<u>297</u>
Less allowance for doubtful accounts	(246)	(246)	(142)	(119)
Net	<u>109</u>	<u>8</u>	<u>188</u>	<u>178</u>
Bad debts and doubtful debts expense for the year	-	118	23	-

Other receivables

<i>Receivables - other income</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Subsidiaries	-	-	9	34
Associates and joint ventures	274	245	274	245
Other related parties	5	5	5	5
	<u>279</u>	<u>250</u>	<u>288</u>	<u>284</u>
Less allowance for doubtful accounts	(272)	(242)	(275)	(245)
Net	<u>7</u>	<u>8</u>	<u>13</u>	<u>39</u>
Bad debts and doubtful debts expense for the year	30	29	30	29

Deposit

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Subsidiaries	-	-	17	18

<i>Dividend receivables</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Subsidiaries	-	-	-	100

<i>Movement of short-term loans to</i>	Interest rate At 31 December <i>(% per annum)</i>	Consolidated financial statements			At 31 December
		At 1 January	Increase	Decrease	
		<i>(in million Baht)</i>			
2019					
Associates and joint ventures	3 - 7.5	539	167	(26)	680
Total		539			680
Less allowance for doubtful accounts		(507)			(629)
Net		32			51

2018					
Associates and joint ventures	3 - 7.5	473	74	(8)	539
Total		473			539
Less allowance for doubtful accounts		(471)			(507)
Net		2			32

<i>Movement of short-term loans to</i>	Interest rate At 31 December <i>(% per annum)</i>	Separate financial statements			At 31 December
		At 1 January	Increase	Decrease	
		<i>(in million Baht)</i>			
2019					
Subsidiaries	3 - 5	45	305	(272)	78
Associates and joint ventures	3 - 6	517	13	-	530
Total		562			608
Less allowance for doubtful accounts		(507)			(520)
Net		55			88

<i>Movement of short-term loans to</i>	Interest rate	Separate financial statements			
	At 31 December (% per annum)	At 1 January	Increase	Decrease	At 31 December
2018					
Subsidiaries	3 - 5	135	31	(121)	45
Associates and joint ventures	3 - 6	471	46	-	517
Total		606			562
Less allowance for doubtful accounts		(491)			(507)
Net		115			55

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Bad and doubtful debt expenses for the year	122	36	13	16

(in million Baht)

Short-term loans to related parties are repayable at call.

<i>Movement of long-term loans to</i>	Interest rate	Separate financial statements			
	At 31 December (% per annum)	At 1 January	Increase	Decrease	At 31 December
2019					
Subsidiaries	3.5	37	-	(6)	31
2018					
Subsidiaries	3.5 - 5	-	37	-	37

In May 2018, the Company entered into a long-term loan agreement with a subsidiary amounting to Baht 36 million for 6-year period ended 31 May 2024, semi-annually interest payment and annually principal repayment.

<i>Trade accounts payable</i>	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Subsidiaries	-	-	32	15
Associates and joint ventures	46	50	46	50
Other related parties	254	150	-	1
Total	300	200	78	66

Other payables

<i>Payables - other expenses</i>	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Subsidiaries	-	-	26	15
Other related parties	1	7	-	1
Total	1	7	26	16

<i>Movement of short-term loans from</i>	Interest rate	Consolidated financial statements			
		At 31 December	At 1 January	Increase	Decrease
					At 31 December
		<i>(% per annum)</i>			
		<i>(in million Baht)</i>			
2019					
Major shareholder	-	80	-	(80)	-
Other related parties	3 - 7	1	8	(4)	5
Total		81			5
2018					
Major shareholder	5	80	-	-	80
Other related parties	3	-	1	-	1
Total		80			81

Short-term loans from related parties are repayable at call.

<i>Movement of short-term loans from</i>	Interest rate		Consolidated financial statements		
	At	At			At
	31 December (% per annum)	1 January	Increase	Decrease	31 December
			<i>(in million Baht)</i>		
2018					
Subsidiaries	-	<u>206</u>	150	(356)	<u>-</u>

<i>Movement of long-term loans from</i>	Interest rate		Consolidated financial statements		
	At	At			At
	31 December (% per annum)	1 January	Increase	Decrease	31 December
			<i>(in million Baht)</i>		
2019					
Major shareholder	5	<u>-</u>	80	-	<u>80</u>

Significant agreements - related parties

Operating leases

In December 2018, the Company entered into a land rental agreement with a subsidiary for 3-year period ended 31 December 2021. Under this agreement, the subsidiary has obligation to pay rental fees according to the conditions specified in the agreement.

Securing the credit facilities

As at 31 December 2019, the Company has commitments from securing the credit facilities of an associate amounting to Baht 375 million (2018: Baht 375 million).

As at 31 December 2019, the Company has commitments from securing the credit facilities of a subsidiary and an indirect subsidiary totaling to Baht 90 million (2018: Baht 90 million).

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

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Within one year	24	24	19	23
After one year but within five years	21	27	15	20
Total	45	51	34	43

The future minimum lease payments under non-cancellable operating leases mostly are from various vehicle lease agreements with a related party which periods of 1 year to 5 years which will mature within May 2024.

7 Cash and cash equivalents

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Cash on hand and cash at banks - current accounts	130	60	6	9
Cash at banks - savings accounts	1,695	978	603	147
Highly liquid short - term investments	406	55	294	-
Cheque on hand	15	25	10	7
Total	2,246	1,118	913	163

Highly liquid short-term investments consisted of promissory notes, fixed deposits at banks, and others which have maturity period less than 3 months from the acquisition date.

8 Trade accounts receivable

Year ended 31 December	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>(in million Baht)</i>					
Related parties	6	355	254	330	297
Other parties		3,209	3,197	900	903
Total		3,564	3,451	1,230	1,200
Less allowance for doubtful accounts		(440)	(444)	(241)	(218)
Net		3,124	3,007	989	982
Bad debts and doubtful debts for the year		3	125	23	1

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<i>(in million Baht)</i>				
Related parties				
Within credit terms	102	2	132	108
Overdue:				
Less than 3 months	5	3	15	21
3 - 6 months	-	17	20	17
6 - 12 months	-	24	39	32
Over 12 months	248	208	124	119
	355	254	330	297
Less allowance for doubtful accounts	(246)	(246)	(142)	(119)
	109	8	188	178

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Other parties				
Within credit terms	1,797	1,468	393	274
Overdue:				
Less than 3 months	789	829	270	349
3 - 6 months	58	222	38	55
6 - 12 months	30	248	19	87
Over 12 months	535	430	180	138
	3,209	3,197	900	903
Less allowance for doubtful accounts	(194)	(198)	(99)	(99)
	3,015	2,999	801	804
Net	3,124	3,007	989	982

Included in trade accounts receivable - other parties over the age thresholds of 6 months as at 31 December 2019 and 2018 are amounts receivable from government agencies and state enterprises as follows:

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
6 - 12 months	6	232	-	78
Over 12 months	286	206	37	14
Total	292	438	37	92

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

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>(in million Baht)</i>					
Receivables - other income	6	297	271	302	293
Prepaid withholding tax		173	247	50	120
Value added tax		130	34	75	-
Account receivable finance lease		116	118	3	7
Prepaid expenses		52	43	20	14
Advance to employees		36	50	23	7
Other receivables		-	56	-	-
Others		87	97	25	30
Total		891	916	498	471
Less allowance for doubtful accounts		(275)	(249)	(277)	(251)
Net		616	667	221	220
Current		319	295	153	76
Non-current		297	372	68	144
Total		616	667	221	220
Bad debts and doubtful debts expenses for the year	6	30	29	30	29

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 25th 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

As of 31 December 2019, Loxley Wireless received textbooks from OTEP in full amount and received payment according to the above installment agreement.

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

	Within one year		After one year but within five years		Total	
	2019	2018	2019	2018	2019	2018
	<i>(in million Baht)</i>					
Receivable under debt restructuring agreement	180	181	711	889	891	1,070
Less unearned interest income	(35)	(41)	(51)	(85)	(86)	(126)
Total receivable under debt restructuring agreement	145	140	660	804	805	944

11 Inventories

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>(in million Baht)</i>					
Raw materials		70	58	-	-
Merchandise inventories		333	400	181	253
Project equipment and project in progress		1,959	984	678	42
Goods in transit		142	61	142	43
Total		2,504	1,503	1,001	338
Less allowance for decline in value		(98)	(73)	(33)	(29)
project loss	22	(181)	-	(138)	-
Net		2,225	1,430	830	309
Inventories recognised as cost of sale of goods and rendering of services					
- Cost of sale of goods and rendering of services		9,676	9,307	3,730	3,439
Inventories recognised as administrative expenses					
- Provisions for declining in value		32	8	5	2
- Effect of acquisition and disposal of interests in subsidiaries		-	8	-	-
- Reversal of provision for declining in value		(7)	(25)	(1)	(4)
		25	(9)	4	(2)

12 Investments in associates and joint ventures

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<i>(in million Baht)</i>				
Associates				
At 1 January	2,724	2,847	852	947
Increase	36	4	-	4
Share of profit of investments, net	476	383	-	-
Dividend income	(484)	(499)	-	-
Allowance for impairment	-	(11)	-	(99)
At 31 December	2,752	2,724	852	852
Joint ventures				
At 1 January	26	47	113	25
Increase	14	-	14	113
Share of loss of investments, net	(31)	(28)	-	-
Disposal	(1)	-	-	-
Effect of change in percentage of holding	-	7	-	-
Allowance for impairment	-	-	-	(25)
At 31 December	8	26	127	113
Total				
At 1 January	2,750	2,894	965	972
Increase	50	4	14	117
Share of profit of investments, net	445	355	-	-
Dividend income	(484)	(499)	-	-
Disposal	(1)	-	-	-
Effect of change in percentage of holding	-	7	-	-
Allowance for impairment	-	(11)	-	(124)
At 31 December	2,760	2,750	979	965

2019

In February 2019, the Company invested in Travel Ads Network (Thailand) Co., Ltd. amounting to Baht 14 million. The said company has an authorised and fully paid up share capital amounting to Baht 28 million and engage in business of providing digital platform for tourism in Thailand and the region. The Company held 51% of shares and voting right in the said joint venture.

In October 2019, a subsidiary invested in AOT Aviation Security Co., Ltd. amounting to Baht 36 million. The said company has an authorised share capital amounting to Baht 350 million and 25% paid-up share. The said company engages in providing security services in the airport and others. The subsidiary held 41% of shares in the said company, consist of 1.33 million ordinary shares and 0.11 million preferred shares (the Group indirectly held 41%) and voting right in the said associate is 40% (the voting right are 1 vote for 1 ordinary share and 1 vote for 10 preferred shares).

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.

Investments in associates and joint ventures are based on the audited financial statements as at 31 December 2019 and 2018 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 2019 and 2018, respectively, which were audited by other auditors who have been approved by the Securities and Exchange Commission of Thailand and for the six-month periods ended 31 December 2019 and 2018, 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 2019 and 2018 was Baht 1,564 million and Baht 1,527 million, respectively, the share of their profit (loss) for the years ended 31 December 2019 and 2018 was Baht 37 million and Baht (2) million, respectively, and the dividend income received from them for the year ended 31 December 2018 was Baht 78 million. However, during 2019, the Company's management received the audited financial statements of the associates for the year ended 30 June 2019. 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 2019.

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.

Investments in associates and joint ventures as at 31 December 2019 and 2018, and dividend income for the years then ended were as follows:

Consolidated financial statements

	Ownership interest (%)		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		Dividend income for the year	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(in million Baht)													
Associates														
Oriental Post Co., Ltd.	50	50	150 million Baht	150 million Baht	82	82	14	14	(14)	(14)	-	-	-	-
K2 Venture Capital Co., Ltd.	50	50	100 million Baht	100 million Baht	50	50	37	43	-	-	37	43	-	-
TLK2 Management Co., Ltd.	50	50	1 million Baht	1 million Baht	1	1	-	-	-	-	-	-	-	-
Parts Zone (Thailand) Co., Ltd.	46	46	56 million Baht	56 million Baht	26	26	2	2	(2)	(2)	-	-	-	-
DM-Loxley Co., Ltd.	45	45	45 million Baht	45 million Baht	20	20	20	20	-	-	20	20	-	-
AOT Aviation Security Co., Ltd.	41	-	88 million Baht	-	36	-	36	-	-	-	36	-	-	-
Thai Fiber Optics Company Limited	40	40	100 million Baht	100 million Baht	40	40	158	166	-	-	158	166	5	-
BP - Castrol (Thailand) Limited	40	40	49 million Baht	49 million Baht	20	20	867	892	-	-	867	892	463	416
Loxley GTECH Technology Co., Ltd.	35	35	300 million Baht	300 million Baht	105	105	-	-	-	-	-	-	-	-
Thanthiya Technology Co., Ltd.	30	30	11 million Baht	11 million Baht	15	15	14	20	-	-	14	20	-	-
Wisdom Vast Company Limited	30	30	10 million Baht	10 million Baht	5	5	4	4	-	-	4	4	-	-
Mobile Innovation Co., Ltd.	27	27	184 million Baht	184 million Baht	50	50	21	21	-	-	21	21	-	-
Foseco (Thailand) Limited	26	26	10 million Baht	10 million Baht	3	3	18	21	-	-	18	21	16	5
MOCAP Limited	25	25	61 million Baht	61 million Baht	15	15	13	10	-	-	13	10	-	-
NS BlueScope Lyseight (Thailand) Limited	20	20	600 million Baht	600 million Baht	120	120	216	220	-	-	216	220	-	6
NS BlueScope (Thailand) Limited	20	20	5,000 million Baht	5,000 million Baht	640	640	1,348	1,307	-	-	1,348	1,307	-	72
BlueScope Buildings (Thailand) Limited (ceased its operation during 2018)	20	20	360 million Baht	360 million Baht	72	72	9	9	(9)	(9)	-	-	-	-
					1,300	1,264	2,777	2,749	(25)	(25)	2,752	2,724	484	499

Consolidated financial statements

	Ownership interest (%)		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		Dividend income for the year	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Joint ventures														
Car Convinie Co., Ltd.	51	51	50 million Baht	50 million Baht	25	25	-	-	-	-	-	-	-	-
Travel Ads Network (Thailand) Co., Ltd.	51	-	28 million Baht	-	14	-	5	-	-	-	5	-	-	-
L S Technology Solutions Co., Ltd.	50	50	10 million Baht	10 million Baht	5	5	-	-	-	-	-	-	-	-
Loxley Numap Infra Plus Joint Venture	-	-	-	-	-	-	1	1	-	-	1	1	-	-
LXFM Joint Venture	-	-	-	-	-	-	2	3	-	-	2	3	-	-
Loxley & AIT Holding Co., Ltd.	50	50	200 million Baht	200 million Baht	113	113	-	22	-	-	-	22	-	-
Loxtrade Specialty Innovation Co., Ltd.	-	25	-	5 million Baht	-	3	-	-	-	-	-	-	-	-
LPDPS Joint Venture*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
					157	146	8	26	-	-	8	26	-	-
Total					1,457	1,410	2,785	2,775	(25)	(25)	2,760	2,750	484	499

(in million Baht)

* As at 31 December 2019 and 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.

Separate financial statements

	Ownership interest (%)		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income for the year	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	<i>(in million Baht)</i>											
Associates												
Oriental Post Co., Ltd.	50	50	150 million Baht	150 million Baht	82	(82)	(82)	(82)	-	-	-	-
Parts Zone (Thailand) Co., Ltd.	46	46	56 million Baht	56 million Baht	26	(26)	(26)	(26)	-	-	-	-
DM-Loxley Co., Ltd.	45	45	45 million Baht	45 million Baht	20	-	-	-	20	20	-	-
Thai Fiber Optics Company Limited	40	40	100 million Baht	100 million Baht	40	-	-	-	40	40	5	-
Thanthiya Technology Co., Ltd.	30	30	11 million Baht	11 million Baht	15	-	-	-	15	15	-	-
Mobile Innovation Co., Ltd.	27	27	184 million Baht	184 million Baht	50	(36)	(36)	(36)	14	14	-	-
Foseco (Thailand) Limited	26	26	10 million Baht	10 million Baht	3	-	-	-	3	3	16	5
NS BlueScope Lysaght (Thailand) Limited	20	20	600 million Baht	600 million Baht	120	-	-	-	120	120	-	6
NS BlueScope (Thailand) Limited	20	20	5,000 million Baht	5,000 million Baht	640	-	-	-	640	640	-	72
BlueScope Buildings (Thailand) Limited (ceased its operation during 2018)	20	20	360 million Baht	360 million Baht	72	(72)	(72)	(72)	-	-	-	-
Loxley GTECH Technology Co., Ltd.	18	18	300 million Baht	300 million Baht	55	(55)	(55)	(55)	-	-	-	-
			1,123	1,123	(271)	(271)	(271)	(271)	852	852	21	83
Joint ventures												
Car Convinie Co., Ltd.	51	51	50 million Baht	50 million Baht	25	(25)	(25)	(25)	-	-	-	-
Travel Ads Network (Thailand) Co., Ltd.	51	-	28 million Baht	-	14	-	-	-	14	-	-	-
L S Technology Solutions Co., Ltd.	50	50	10 million Baht	10 million Baht	5	(5)	(5)	(5)	-	-	-	-
Loxley & AIT Holding Co., Ltd.,	50	50	200 million Baht	200 million Baht	113	-	-	-	113	113	-	-
			157	143	(30)	(30)	(30)	(30)	127	113	-	-
Total			1,280	1,266	(301)	(301)	(301)	(301)	979	965	21	83

The above associates and joint ventures were incorporated in Thailand except DM-Loxley Co., Ltd. which was incorporated in Lao People's Democratic Republic.

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	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Revenue	5,396	5,983	10,612	12,092
Total comprehensive income (100%)	<u>1,095</u>	<u>1,064</u>	<u>207</u>	<u>4</u>
Group's share of total comprehensive income	<u>438</u>	<u>426</u>	<u>41</u>	<u>-</u>
Current assets	2,371	2,549	3,601	5,075
Non-current assets	792	791	7,788	7,469
Current liabilities	(843)	(1,004)	(2,464)	(3,881)
Non-current liabilities	<u>(153)</u>	<u>(107)</u>	<u>(2,176)</u>	<u>(2,102)</u>
Net assets (100%)	<u>2,167</u>	<u>2,229</u>	<u>6,749</u>	<u>6,561</u>
Group's share of net assets	<u>867</u>	<u>892</u>	<u>1,348</u>	<u>1,307</u>
Group's interest in net assets of associates at 1 January	892	882	1,307	1,379
Total comprehensive income attributable to the Group	438	426	41	-
Dividends received during the year	<u>(463)</u>	<u>(416)</u>	<u>-</u>	<u>(72)</u>
Group's interest in net assets of associates at 31 December	<u>867</u>	<u>892</u>	<u>1,348</u>	<u>1,307</u>

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	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Carrying amount of interests in immaterial associates and joint ventures	537	525	8	26
Group's share of profit (loss) of total comprehensive income	(3)	(43)	(31)	(28)

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 2019, 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 2019 and 2018 as required by TAS 36 "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:

Separate financial statements

	Investment	Trade and other receivables (note 6)	Short-term loans (note 6)	Total
<i>(in million Baht)</i>				
Balance				
At 1 January 2018	105	328	471	904
Addition	-	29	12	41
At 31 December 2018	105	357	483	945
Addition	-	30	7	37
At 31 December 2019	105	387	490	982
Allowance for doubtful accounts				
At 1 January 2018	105	328	471	904
Addition	-	29	12	41
At 31 December 2018	105	357	483	945
Addition	-	30	7	37
At 31 December 2019	105	387	490	982
Net book value				
At 31 December 2018	-	-	-	-
At 31 December 2019	-	-	-	-

In the consolidated financial statements, the Group complies with TAS 28 “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 2019 and 2018, 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:

Consolidated financial statements

	Investment	Trade and other receivables (note 6)	Short-term loans (note 6)	Total
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(in million Baht)

Balance

At 1 January 2018	105	328	471	904
Addition	-	29	12	41
At 31 December 2018	105	357	483	945
Addition	-	30	7	37
At 31 December 2019	105	387	490	982

Equity loss

At 1 January 2018	105	143	57	305
Addition	-	-	-	-
At 31 December 2018	105	143	57	305
Addition	-	-	-	-
At 31 December 2019	105	143	57	305

Allowance for doubtful accounts

At 1 January 2018	-	185	414	599
Addition	-	29	12	41
At 31 December 2018	-	214	426	640
Addition	-	30	7	37
At 31 December 2019	-	244	433	677

Net book value

At 31 December 2018	-	-	-	-
At 31 December 2019	-	-	-	-

13 Investments in subsidiaries

		Separate financial statements	
	<i>Note</i>	2019	2018
		<i>(in million Baht)</i>	
At 1 January		2,173	2,134
Acquisition	5	188	47
Disposals			
Disposal	5	(8)	-
Reversal of loss from impairment		8	-
Allowance for impairment		(103)	(8)
At 31 December		<u>2,258</u>	<u>2,173</u>

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.

Investments in subsidiaries as at 31 December 2019 and 2018 and dividend income for years ended were as follows:

Separate financial statements												
	Ownership interest (%)		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income for the year	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(in million Baht)											
Subsidiaries												
Loxbit Public Company Limited	99	99	450 million Baht	450 million Baht	476	476	-	-	476	476	38	30
Loxley Orbit Public Company Limited	99	99	45 million Baht	45 million Baht	110	110	(60)	-	50	110	-	-
Data Mining Co., Ltd.	99	99	20 million Baht	20 million Baht	20	20	-	-	20	20	-	-
Loxley Joint and Hold Co., Ltd.	99	99	1,000 million Baht	1,000 million Baht	1,000	1,000	-	-	1,000	1,000	315	468
Loxley Mobile Company Limited	99	99	20 million Baht	20 million Baht	20	20	(20)	(20)	-	-	-	-
L Food Solutions Company Limited	99	99	50 million Baht	50 million Baht	50	50	(30)	(30)	20	20	-	-
Loxley Intertrade (Guangzhou) Co., Ltd.	99	99	1.05 million USD	1.05 million USD	35	35	(35)	-	-	35	-	-
Loxley Business Innovation Company Limited	99	99	10 million Baht	5 million Baht	10	5	-	-	10	5	5	-
Loxley Power Systems Co., Ltd.	99	99	50 million Baht	30 million Baht	50	30	-	-	50	30	20	20
L-Elevator and Engineering Co., Ltd.	99	99	3 million Baht	3 million Baht	3	3	-	-	3	3	-	-
Loxley Engineering Co., Ltd.	99	99	10 million Baht	10 million Baht	10	10	(8)	-	2	10	-	-
Loxley System Integrator Co., Ltd.	99	99	40 million Baht	20 million Baht	48	28	-	-	48	28	20	-
ASM Security Management Co., Ltd.	99	99	100 million Baht	100 million Baht	95	95	-	-	95	95	-	-
L Automotive Co., Ltd.												
(Formerly "Loxley Automotive Co., Ltd.")	99	99	10 million Baht	1 million Baht	10	-	-	-	10	-	-	-

Separate financial statements

	Ownership interest (%)		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income for the year	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(in million Baht)											
Subsidiaries												
Loxley Evolution Technology Co., Ltd. (Formerly "Law Enforcement Technology Solutions Co., Ltd.")	99	-	40 million Baht	-	31	-	-	-	31	-	-	-
Loxley Property Development Co., Ltd.	93	90	350 million Baht	250 million Baht	355	255	-	-	355	255	-	9
The Foodsource Co., Ltd.	90	90	30 million Baht	30 million Baht	27	27	-	-	27	27	-	-
Loxley Wireless Public Company Limited	85	85	275 million Baht	275 million Baht	255	255	(255)	(255)	-	-	-	-
Green Natural Products Co., Ltd.	85	75	4 million Baht	4 million Baht	16	14	-	-	16	14	1	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	8	8	-	-	8	8	-	-
Loxley Trading Company Limited	50	50	50 million Baht	50 million Baht	25	25	-	-	25	25	-	-
Societe Commercial Lao	50	50	4,135 million Kip	4,135 million Kip	15	15	(15)	(15)	-	-	-	-
Loxley Environmental Dynamics Co., Ltd. (disposed during 2019)	-	94	-	9 million Baht	-	8	-	(8)	-	-	-	-
	2,731	2,551	2,731	(473)	2,258	2,173	399	529				

Name of the entity	Type of Business	Ownership interest (%)	
		2019	2018
<i>Indirect subsidiaries</i>			
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	99
ASM Training Co., Ltd.	Personnel development, Training, and other related services	99	99
ProProve Rojana Joint Venture Company Limited	IT infrastructure improvement project	95	-
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	54
Bangkok Healthcare Management Co., Ltd.	Providing care and nursery for the elderly and dependents person and the elderly care facility	51	-
Phetkasem Green Holding Co., Ltd.	Manufacturing, assembling and distributing steam generator, pressure tank, filter, and conveyor belt	50	50

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 2019			Other individually immaterial subsidiaries	Total
	Loxley Property Development Co., Ltd.	Loxley Trading Company Limited	Siamsamut Warin Co., Ltd.		
	<i>(in million Baht)</i>				
Non-controlling interest percentage	7.05	50.00	46.00		
Current assets	211	393	125		
Non-current assets	800	62	16		
Current liabilities	(345)	(411)	(92)		
Non-current liabilities	(301)	(20)	(4)		
Net assets	365	24	45		
Carrying amount of non-controlling interest	26	12	19	25	82
Revenue	486	1,535	296		
Profit (loss)	(248)	(1)	16		
Total comprehensive income	(248)	(1)	16		
Profit (loss) allocated to non-controlling interest	(20)	-	8	(1)	(13)
Other comprehensive income allocated to non-controlling interest	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	29	72	(4)		

31 December 2018

	Loxley Property Development Co., Ltd.	Loxley Trading Company Limited	Siamsamut Warin Co., Ltd.	Other individually immaterial subsidiaries	Total
	<i>(in million Baht)</i>				
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)		
Net assets	514	25	29		
Carrying amount of non-controlling interest	51	12	12	28	103
Revenue	808	1,669	124		
Loss	(12)	(30)	-		
Other comprehensive income	(1)	-			
Total comprehensive income	(13)	(30)	-		
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		

15 Other investments

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
<i>Current investments</i>				
Short-term deposit at financial institution	7	-	-	-
Equity securities held for trading	200	575	3	503
Others	5	5	5	-
	212	580	8	503
<i>Other long-term investments</i>				
Equity securities available for sale	87	409	71	394
Other non-marketable equity securities	56	60	14	18
Others	15	-	-	-
	158	469	85	412
Total	370	1,049	93	915

Consolidated financial statements

<i>Marketable equity and debt securities</i>	At 1 January	Purchase	Disposal	Fair value adjustment	Allowance of impairment	At 31 December
	<i>(in million Baht)</i>					
2019						
<i>Current investments</i>						
Trading securities	575	987	(1,363)	1	-	200
<i>Other long-term investments</i>						
Available-for-sale securities	409	-	(283)	11	(50)	87

Consolidated financial statements

<i>Marketable equity and debt securities</i>	At 1 January	Purchase	Disposal	Fair value adjustment	Allowance of impairment	At 31 December
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(in million Baht)

2018

Current investments

Trading securities	798	1,720	(1,947)	4	-	575
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***Other long-term
investments***

Available-for-sale securities	654	-	-	(231)	(14)	409
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Separate financial statements

<i>Marketable equity and debt securities</i>	At 1 January	Purchase	Disposal	Fair value adjustment	Allowance of impairment	At 31 December
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(in million Baht)

2019

Current investments

Trading securities	503	528	(1,030)	2	-	3
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***Other long-term
investments***

Available-for-sale securities	394	-	(283)	10	(50)	71
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2018

Current investments

Trading securities	223	1,197	(920)	3	-	503
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***Other long-term
investments***

Available-for-sale securities	639	-	-	(231)	(14)	394
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In January 2019, the Company disposed its entire investment in Thai Smart Card Co., Ltd., other long-term investment, to non-related party amounting to Baht 21 million. The Company has gain from disposal of the said investments in statements of income amounting to Baht 16 million in full amount.

In October 2019, the Company disposed its entire investment in Muang Thai Insurance Public Company Limited, available-for-sale securities, to related party amounting to Baht 146 million and to non-related party amounting to Baht 135 million. The Company has gain from disposal of the said investments in statements of income amounting to Baht 245 million in full amount.

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 2019 and 2018, 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 for the year	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(in million Baht)													
Available-for-sale securities - at fair value														
Other related parties														
Muang Thai Insurance Public Company Limited	-	5	-	590	-	36	-	-	-	274	-	310	9	14
QTC Energy Public Company Limited	5	5	341	341	218	218	(64)	(14)	(83)	(120)	71	84	-	-
Other parties			15	15	-	-	-	-	1	-	16	15	-	-
	233	269	(64)	(14)	(82)	154	409	9	14					
General investments - at cost														
Other related parties														
Thanakorn Vegetable Oil Products Co., Ltd.	7	7	300	300	39	39	-	-	-	-	39	39	2	5
Others			16	15	(12)	(12)	-	-	-	-	4	3	-	-
Other parties			16	28	(3)	(10)	-	-	-	-	13	18	2	1
	71	82	(15)	(22)	-	-	56	60	4	6				
Total	304	351	(79)	(36)	(82)	154	469	13	20					

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 for the year	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(in million Baht)													
	(%)													
Available-for-sale securities														
- at fair value														
Other related parties														
Muang Thai Insurance Public Company Limited	-	5	-	590	-	36	-	274	-	310	-	9	-	14
QTC Energy Public Company Limited	5	5	341	341	218	218	(64)	(14)	(83)	(120)	71	84	-	-
					218	254	(64)	(14)	(83)	154	71	394	9	14
General investments - at cost														
Other related parties					4	3	-	-	-	-	4	3	-	-
Other parties					13	25	(3)	(10)	-	-	10	15	2	1
					17	28	(3)	(10)	-	-	14	18	2	1
Total					235	282	(67)	(24)	(83)	154	85	412	11	15

16. Investment properties

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
At 1 January	598	477	165	128
Transfers in (out)	-	7	-	-
Gain on fair value adjustments	26	114	-	37
At 31 December	624	598	165	165

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			

Amounts recognised in profit or loss for investment properties

Rental income	16	15	8	8
Other income				
- unrealised gains on fair value adjustments	26	114	-	37

<i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			

Minimum lease payments under non-cancellable operating lease

Within 1 year	30	33	8	8
1 - 5 years	30	60	8	16
Total	60	93	16	24

Investment properties of the Group comprise of land held for a currently undetermined future use amounting to Baht 342.51 million and a number of commercial properties that are leased to third parties amounting to Baht 281.49 million. Each of the leases contain an initial non-cancellable period of 3 years. Renewals are negotiated with the lessee. No contingent rents are charged.

Investment properties of the Company comprise a number of commercial properties that are leased to related parties. Contract details are described in note 6.

The fair value of investment properties was determined by independent professional valuers, at open market values on an existing use basis/discounted cash flow using risk-adjusted discount rates. The fair value of investment property has been categorised as a Level 3 fair value.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Land held for a currently undetermined future use		
<p>Market comparison technique; 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"> • Land price of neighborhood areas 	<p>The estimated fair value increase (decrease) if land price of neighborhood areas were higher (lower)</p>
Commercial properties		
<p><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"> • Expected market rental growth 5% - 10% for 1-3 year period • Occupancy rate 100% • Discount rates 11% 	<p>The estimated fair value increase (decrease) if:</p> <ul style="list-style-type: none"> • Expected market rental growth were higher (lower); • The occupancy rate were higher (lower); or • The discount rate were lower (higher).

17. Property, plant and equipment

	Consolidated financial statements							Total
	Land	Buildings and improvements	Furniture, fixtures and office equipment	Tools and equipment	Equipment held for lease	Vehicles	Construction in progress	
	<i>(in million Baht)</i>							
Cost / revaluation*								
At 1 January 2018	579	1,256	429	330	81	80	83	2,838
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)
At 31 December 2018	586	1,262	437	387	74	87	21	2,854
and 1 January 2019	-	24	131	12	25	13	11	216
Additions	-	-	9	-	3	-	-	12
Effect from acquisition of interest in subsidiaries	-	(16)	(23)	(23)	-	(11)	-	(73)
Disposals/written-off	-	-	1	30	(19)	-	(11)	1
Transfers in (out)	-	-	-	-	-	-	-	-
At 31 December 2019	586	1,270	555	406	83	89	21	3,010

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>								
Accumulated depreciation and impairment losses								
At 1 January 2018	-	943	348	230	64	49	-	1,634
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)
At 31 December 2018 and 1 January 2019	-	999	356	266	65	60	-	1,746
Depreciation charge for the year	-	55	29	55	3	11	-	153
Effect from acquisition of interest in subsidiaries	-	-	9	-	-	-	-	9
Impairment losses	-	-	-	32	-	-	-	32
Disposals/written-off	-	(12)	(22)	(23)	-	(10)	-	(67)
Transfers in (out)	-	-	-	12	(12)	-	-	-
At 31 December 2019	-	1,042	372	342	56	61	-	1,873

Consolidated financial statements

	Land	Buildings and improvements	Furniture, fixtures and office equipment	Tools and equipment	Equipment held for lease	Vehicles	Construction in progress	Total
<i>(in million Baht)</i>								
Net book value								
At 1 January 2018								
Owned assets	579	313	64	100	6	26	83	1,171
Assets under finance leases	-	-	17	-	11	5	-	33
	579	313	81	100	17	31	83	1,204
At 31 December 2018 and 1 January 2019								
Owned assets	586	263	67	121	3	22	21	1,083
Assets under finance leases	-	-	14	-	6	5	-	25
	586	263	81	121	9	27	21	1,108
At 31 December 2019								
Owned assets	586	228	169	64	27	20	21	1,115
Assets under finance leases	-	-	14	-	-	8	-	22
	586	228	183	64	27	28	21	1,137

* 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 2019 for the Group amounted to Baht 753 million (2018: Baht 748 million).

Separate 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>			
Cost / revaluation*								
At 1 January 2018	398	453	214	96	-	36	2	1,199
Additions	-	4	6	8	-	2	18	38
Disposals/written-off	-	-	(17)	(9)	-	(1)	-	(27)
Transfers in (out)	-	1	5	4	-	-	(10)	-
At 31 December 2018 and								
1 January 2019	398	458	208	99	-	37	10	1,210
Additions	-	14	21	8	-	1	10	54
Disposals/written-off	-	(8)	(9)	(4)	-	(2)	-	(23)
Transfers in (out)	-	-	-	11	-	-	(11)	-
At 31 December 2019	398	464	220	114	-	36	9	1,241

Separate 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>								
Accumulated depreciation and impairment loss								
At 1 January 2018	-	395	183	84	-	18	-	680
Depreciation charge for the year	-	11	9	7	-	6	-	33
Disposals/written-off	-	-	(16)	(8)	-	(1)	-	(25)
At 31 December 2018 and 1 January 2019	-	406	176	83	-	23	-	688
Depreciation charge for the year	-	12	10	8	-	7	-	37
Disposals/written-off	-	(8)	(8)	(4)	-	(2)	-	(22)
At 31 December 2019	-	410	178	87	-	28	-	703
Net book value								
At 1 January 2018	398	58	31	12	-	18	2	519
At 31 December 2018 and 1 January 2019	398	52	32	16	-	14	10	522
At 31 December 2019	398	54	42	27	-	8	9	538

* 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 2019 for the Company amounted to Baht 551 million (2018: Baht 554 million).

The fair value of land was determined by independent professional valuers, at open market values on an existing use basis. The fair value of land has been categorised as a Level 3 fair value.

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"> • Land price of neighborhood areas 	<ul style="list-style-type: none"> • The estimated fair value increase (decrease) if land price of neighborhood areas were higher (lower)

18. Intangible assets

	Consolidated financial statements			Separate financial statements
	Software License and others	Goodwill	Total	Software License and others
	<i>(in million Baht)</i>			
Cost				
At 1 January 2018	197	58	255	112
Additions	23	39	62	7
Disposals/written-off	(12)	-	(12)	(6)
Transfers in (out)	22	-	22	-
At 31 December 2018 and 1 January 2019	230	97	327	113
Additions	20	-	20	10
Disposals/written-off	(4)	-	(4)	(2)
Transfers in (out)	(1)	-	(1)	-
At 31 December 2019	245	97	342	121
Accumulated amortisation and impairment losses				
At 1 January 2018	107	58	165	63
Amortisation charge for the year	16	-	16	8
Disposals/written-off	(8)	-	(8)	(6)
At 31 December 2018 and 1 January 2019	115	58	173	65
Amortisation charge for the year	20	-	20	8
Impairment losses	18	-	18	-
Disposals/written-off	(2)	-	(2)	(2)
At 31 December 2019	151	58	209	71
Net book value				
At 1 January 2018	90	-	90	49
At 31 December 2018 and 1 January 2019	115	39	154	48
At 31 December 2019	94	39	133	50

19. Interest-bearing liabilities

Consolidated financial statements							
		2019			2018		
	Note	Secured	Unsecured	Total	Secured	Unsecured	Total
<i>(in million Baht)</i>							
Bank overdrafts		-	19	19	-	24	24
Short-term loans from financial institutions		296	1,792	2,088	315	1,017	1,332
Liabilities under trust receipts		706	-	706	467	-	467
Short-term loans from related parties	6	-	5	5	-	81	81
Short-term loans from other parties		-	1	1	-	3	3
Long-term loans from related parties	6	-	80	80	-	-	-
Long-term loans from financial institutions		-	1,040	1,040	113	925	1,038
Long-term debenture		1,000	-	1,000	1,000	-	1,000
Finance lease liabilities		165	-	165	27	-	27
Total interest-bearing liabilities		2,167	2,937	5,104	1,922	2,050	3,972
Non-interest-bearing liabilities							
Short-term loans from other parties		-	-	-	-	46	46
Total		2,167	2,937	5,104	1,922	2,096	4,018

Separate financial statement

	2019			2018		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	<i>(in million Baht)</i>					
Short-term loans from financial institutions	-	958	958	-	14	14
Liabilities under trust receipts	546	-	546	327	-	327
Finance lease liabilities	1	-	1	1	-	1
Long-term debenture	1,000	-	1,000	1,000	-	1,000
Total interest-bearing liabilities	1,547	958	2,505	1,328	14	1,342

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

As at 31 December 2019, the above outstanding bank overdraft bear interest at the floating rates ranging from 7.20% to 7.42% p.a. (2018: 7.12% to 7.42% p.a.).

As at 31 December 2019, the above short-term loans from financial institutions mostly are project finance, bear interest at the floating rates ranging from 2.30% to 5.50% p.a. (2018: 2.35% to 5.25% p.a.).

Under the terms of certain agreements of short-term loans from financial institutions, a subsidiary has transferred the right to a financial institution 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 financial institution.

Long-term liabilities

- (a) The Group long-term loans as of 31 December 2019 mostly are loans from financial institutions which bear interest at the rates 4.525% to 6.88% p.a. (2018: 4.75% to 6.88% 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 and conditions of the long-term loans from financial institutions, 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 has been classified as long-term loan as at 31 December 2019 and 2018.

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 debenture including maintaining certain financial ratios.

<i>Assets pledged as security for liabilities as at 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Receivable under debt restructuring agreement*	805	944	-	-
Investment property**	362	343	-	-
Trade accounts receivable***	153	234	-	-
Building and improvements****	10	12	-	-
Total	1,330	1,533	-	-

* A subsidiary has entered into an assignment of claim agreement under a compromise agreement to financial institutions.

** 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 a financial institution for receipt of trade accounts receivable under service contracts.

**** 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.

<i>Finance lease liabilities</i>	Consolidated financial statements					
	2019			2018		
	Principal	Interest	Payments	Principal	Interest	Payments
	<i>(in million Baht)</i>					
Within one year	34	6	40	9	1	10
After one year but within five years	131	10	141	16	3	19
After five years	-	-	-	2	-	2
Total	165	16	181	27	4	31

20. Trade accounts payable

Year ended 31 December	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>(in million Baht)</i>					
Related parties	6	300	200	78	66
Other parties		3,033	1,667	1,062	581
Total		3,333	1,867	1,140	647

21. Other payables

Year ended 31 December	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>(in million Baht)</i>					
Accrued cost and warranty cost		515	570	86	170
Accrued expenses		222	225	29	19
Payables - other expenses	6	77	66	64	50
Deposits		59	19	14	11
Revenue Department payable		50	49	16	22
Promotion expense received in advance		19	15	-	-
Others		40	48	3	3
Total		982	992	212	275
Current		973	984	212	275
Non-current		9	8	-	-
Total		982	992	212	275

22. Provision for project loss

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
At 1 January	-	-	-	-
Provisions made	801	-	679	-
Provisions used				
- Cost of sale of goods and rendering of services	(267)	-	(218)	-
- Inventories	(181)	-	(138)	-
At 31 December	353	-	323	-

Provisions for project loss increase during the year ended 31 December 2019 in the amount of Baht 801 million and Baht 679 million in the consolidated and separate financial statements, respectively. Mostly from project network business solutions with a state enterprise agency amounting to Baht 653 million. The said loss is caused by a change in construction plan, significant changes in main equipment of the project including the delay of the delivery of the construction area due to the problems of the construction of other contractors which are outside factors that cannot be controlled. Resulting in the Company reviewing the estimated cost of the project and occurred loss from the said project. From the above factors, it still affects the working in accordance with Key Dates (KD) within the period specified in the contract. However, in December 2019, the Company was approved to extend the period of the said project for another 269 days.

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.

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
At 1 January	633	605	344	341
Include in profit or loss:				
Current service cost	71	67	32	30
Past service cost	96	-	46	-
Interest on obligation	16	16	8	10
Loss on settlement	39	4	28	1
	222	87	114	41
Included in other comprehensive income				
Actuarial (gain) loss				
– Demographic assumptions	(1)	24	(1)	10
– Financial assumptions	39	23	22	12
– Experience adjustment	1	(27)	1	(3)
	39	20	22	19
Others				
Benefit paid	(167)	(75)	(141)	(43)
Provisions transferred from (to) related parties	4	(4)	(20)	(14)
	(163)	(79)	(161)	(57)
At 31 December	731	633	319	344

<i>Present value of the defined benefit obligations</i>	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Current	29	34	19	26
Non-current	702	599	300	318
Total	731	633	319	344

On 5 April 2019, the Labor Protection Act was amended 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 has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in 2019. As a result of this change, the provision for retirement benefits as well as past service cost recognised increased.

<i>Principal actuarial assumptions</i>	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Discount rate (%)	1.5 - 3.4	2.3 - 3.4	1.5	2.3
Future salary growth (%)	3 - 5	3 - 5	5	5
Retirement age (Year)	60	60	60	60
Employee turnover (%)	0 - 49	0 - 49	0 - 20	0 - 20

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

At 31 December 2019, the weighted-average duration of the defined benefit obligation for Group was 16 - 29 years (2018: 16 - 29 years) and for Company was 20 years (2018: 20 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.

<i>Effect to the defined benefit obligation</i>	Consolidated financial statements			
	increase in assumption		decrease in assumption	
	2019	2018	2019	2018
<i>At 31 December</i>				
	<i>(in million Baht)</i>			
Discount rate (1% movement)	(55)	(46)	63	53
Future salary growth (1% movement)	63	50	(56)	(45)
Life expectancy (1 year movement)	3	4	(2)	(4)
Employee turnover (1% movement)	(58)	(49)	14	11

<i>Effect to the defined benefit obligation</i>	Separate financial statement			
	increase in assumption		decrease in assumption	
	2019	2018	2019	2018
<i>At 31 December</i>				
	<i>(in million Baht)</i>			
Discount rate (1% movement)	(27)	(25)	30	29
Future salary growth (1% movement)	29	28	(26)	(25)
Life expectancy (1 year movement)	2	2	(2)	(2)
Employee turnover (1% movement)	(28)	(27)	6	6

24. Share capital

	Par value per share (in Baht)	2019		2018	
		Number	Amount	Number	Amount
<i>(million shares / million Baht)</i>					
Authorised share capital					
At 31 December	1	<u>2,331.25</u>	<u>2,331.25</u>	<u>2,331.25</u>	<u>2,331.25</u>
Issued and paid up					
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>
At 31 December					
- ordinary shares	1	<u>2,264.95</u>	<u>2,264.95</u>	<u>2,264.95</u>	<u>2,264.95</u>

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

Change in percentage of holding in subsidiaries within equity comprises of effect from dilution of percentage of holding of the Company in subsidiaries 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. 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 2019 or 2018.

Each segment's performance is measured based on segment profit before finance costs, income tax expense and past service cost for employee benefits, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before finance costs, income tax expense and past service cost for employee benefits 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. Inter-segment pricing is determined on an arm's length basis.

For the year ended 31 December		Consolidated financial statements (in million baht)														
		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		
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	
Information about reportable segments		3,505	3,596	3,088	3,055	1,835	1,457	2,666	2,207	2,192	2,414	544	819	13,830	13,548	
External revenue		50	41	139	257	128	75	32	33	203	186	93	63	645	655	
Total revenue		3,555	3,637	3,227	3,312	1,963	1,532	2,698	2,240	2,395	2,600	637	882	14,475	14,203	
Disaggregation of revenue																
Major products/service lines																
Consumer and chemical products		-	-	3,051	3,025	-	-	-	-	-	-	-	-	-	3,051	3,025
Information technology equipment		1,484	1,924	-	-	12	73	206	207	-	-	58	114	1,760	2,318	
Project works		755	490	-	-	1,764	1,306	2,323	1,865	-	-	239	361	5,081	4,022	
Security services		-	-	-	-	-	-	-	-	1,812	1,691	-	-	1,812	1,691	
Maintenance and other services		1,209	1,148	-	-	54	49	100	40	343	576	141	138	1,847	1,951	
Others		57	34	37	30	5	29	37	95	37	147	106	206	279	541	
Total revenue		3,505	3,596	3,088	3,055	1,835	1,457	2,666	2,207	2,192	2,414	544	819	13,830	13,548	

Consolidated financial statements

For the year ended	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	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	<i>(in million baht)</i>													
31 December	1,532	1,952	3,073	3,039	17	97	238	291	32	146	107	271	4,999	5,796
At a point in time	1,973	1,644	15	16	1,818	1,360	2,428	1,916	2,160	2,268	437	548	8,831	7,752
Over time	3,505	3,596	3,088	3,055	1,835	1,457	2,666	2,207	2,192	2,414	544	819	13,830	13,548
Total														
Segment profit (loss) before finance costs, income tax expense and past service cost for employee benefits	140	146	(30)	(53)	96	84	(744)	111	(157)	69	83	55	(612)	412
Segment assets	3,815	3,291	1,360	1,539	1,574	1,061	2,813	1,587	1,644	1,846	1,133	1,226	12,339	10,550

Consolidated financial statements

	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	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
For the year ended 31 December	2,880	2,995	2,845	2,895	1,716	1,271	3,059	1,822	2,212	2,175	436	665	13,148	11,823
Material items of income and expense	<i>(in million baht)</i>													
Cost of sales of goods and rendering of services	570	496	419	470	156	177	399	307	345	357	120	161	2,009	1,968
Distribution costs and administration expenses	65	70	13	9	14	13	5	4	46	48	4	5	147	149
Depreciation and amortisation expenses (included in cost of sales of goods and rendering of services, distribution costs, and administrative expenses)	-	-	3	5	-	-	-	1	5	118	-	1	8	125
Provision for doubtful accounts for trade and other accounts receivable (included in administrative expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**Separate
financial statements**

For the year ended 31 December

2019 2018

(in million Baht)

Disaggregation of revenue

Major products/service lines

Consumer and chemical products	1,058	1,106
Information technology equipment	263	380
Project works	2,698	2,361
Dividend income	431	626
Gain on sales of investments	262	-
Others	350	442
Total	5,062	4,915

Timing of revenue recognition

At a point in time	2,090	2,288
Over time	2,972	2,627
Total	5,062	4,915

Reconciliation of reportable segment profit or loss, assets and liabilities

	Consolidated financial statements			
	Revenues		Profit (loss) before finance cost and income tax expense	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Reportable segments	14,475	14,203	(612)	412
Eliminate of inter-segment profits	(645)	(655)	73	(11)
Unallocated amounts:				
- Gain on sales of investments	269	-	269	-
- Other income	26	35	26	35
- Past service cost for employee benefits	-	-	(96)	-
- Other operating expenses	-	-	(588)	(449)
- Share of profit of investments in associates and joint ventures, net	-	-	445	355
Total	14,125	13,583	(483)	342

	2019	2018
	<i>(in million Baht)</i>	
Assets		
Total assets for reportable segments	12,339	10,550
Investments in associates and joint ventures	2,760	2,750
Unallocated amounts	1,098	1,797
Consolidated total assets	16,197	15,097
Unallocated total liabilities	11,181	9,097

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 7,954 million (2018: Baht 7,159 million) of the Group's total revenues.

Contract Balances

		Consolidated financial statements		Separate financial statements	
	Note	Contract assets	Contract liabilities	Contract assets	Contract liabilities
		<i>(in million Baht)</i>			
At 1 January 2019	3	1,667	(1,372)	842	(532)
Recognised as revenue during the year		9,008	1,554	2,485	664
Transfer to accounts receivable		(9,020)	-	(2,503)	-
Advance received		-	(699)	-	(238)
At 31 December 2019		1,655	(517)	824	(106)

As at 31 December 2019, the Group and the Company have revenue expected to be recognised in the future related to performance obligations that are unsatisfied amounting to Baht 8,587 million and Baht 4,176 million, respectively, which expected to be recognised in 2020 to 2024.

27. Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
		<i>(in million Baht)</i>			
Salaries, wages, overtimes and bonus		2,625	2,520	499	511
Employees' long-term benefits	23	222	87	114	41
Welfare		125	122	16	19
Social security		60	56	6	6
Contribution to defined benefit plans		45	42	19	18
Pension and other benefits		39	35	35	35
Others		83	73	7	9
Total		3,199	2,935	696	639

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.

28. Expenses by nature

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>(in million Baht)</i>					
Purchase goods, project work, and services		10,677	9,020	4,393	3,348
Changes in inventory		(1,001)	287	(663)	91
Employee benefits expense	27	3,199	2,935	696	639
Project loss	22	801	-	679	-
Provisions for doubtful accounts, declining value in contract assets, inventories and investments, and written-off assets		276	198	244	166
Finances cost		189	185	79	78
Depreciation and amortisation expenses		171	172	45	41
Office, equipment and vehicle rental		97	96	82	81
Travelling expenses		79	81	23	28
Promotion expenses		78	146	40	46
Entertainment		74	81	40	46
Utilities		74	72	38	35
Office expenses		57	68	17	16
Impairment losses on property, plant and equipment and intangible assets		50	-	-	-
Professional and consultant fee		48	67	48	31
Transportation expense		47	52	27	28
Others		325	322	100	102
Total cost of sales of goods and service, distribution costs, administrative expenses and finance cost		15,241	13,782	5,888	4,776

29. Income tax expense

Income tax recognised in profit and loss

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Current tax expense	92	61	-	-
Deferred tax expense	5	22	-	7
Total	97	83	-	7

Income tax recognised in other comprehensive income

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Tax (expense) benefit				
Available-for-sale investments	(55)	(21)	(55)	(21)
Total	(55)	(21)	(55)	(21)

Reconciliation of effective tax rate

	Consolidated financial statements			
	2019		2018	
	<i>Rate (%)</i>	<i>(in million Baht)</i>	<i>Rate (%)</i>	<i>(in million Baht)</i>
Profit (loss) before income tax expense		(672)		156
Income tax using the Thai corporation tax rate	20	(134)	20	31
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit, net and others		231		52
Total	(14)	97	53	83

	Separate financial statements			
	2019		2018	
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Profit (loss) before income tax expense		(827)		140
Income tax using the Thai corporation tax rate	20	(165)	20	28
Tax effect of partial income and expenses that are not taxable income or not deductible in determining taxable profit, net		165		(21)
Total	-	-	5	7

Deferred tax liabilities are included in statements of financial position as at 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
<i>Deferred tax liabilities</i>				
(Credited) / Charged to other comprehensive income				
At 1 January	206	205	153	167
Available-for-sale investments				
Change in Fair value	(55)	(21)	(55)	(21)
Investment properties				
Change in Fair value	5	22	-	7
At 31 December	156	206	98	153

Deferred tax assets arising from temporary differences not recognised in the financial statements are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Deductible temporary differences				
- provisions	656	623	459	432
- others	1	1	-	-
Loss carry forward	317	317	197	194
Total	974	941	656	626

The tax losses expire in 2020 - 2024. The deductible temporary differences do not expire under current tax legislation. The Group/Company has not recognised these items as deferred tax assets because it is not probable that the Group/Company will have sufficient future taxable profit to utilise the benefits therefrom.

30. Basic earnings (loss) per share

Profit (loss) of basic earnings per share for the years ended 31 December 2019 and 2018 were based on the profit (loss) 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	
	2019	2018	2019	2018
	<i>(in million Baht / million shares)</i>			
Profit (loss) for the year attributable to ordinary shareholders of the Company (basic)	<u>(755.81)</u>	<u>92.07</u>	<u>(826.90)</u>	<u>132.07</u>
Number of ordinary shares outstanding	<u>2,264.95</u>	<u>2,264.95</u>	<u>2,264.95</u>	<u>2,264.95</u>
Profit (loss) per share (basic) <i>(in Baht)</i>	<u>(0.33)</u>	<u>0.04</u>	<u>(0.37)</u>	<u>0.06</u>

30. Dividends

	Approval date	Dividends' payment schedule	Dividends per share (in Baht)	Balance (in million Baht)
<i>Year 2018</i>				
Annual dividends	30 April 2018	May 2018	0.07	158.5

32. 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 2019 and 2018, the Group/Company was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
United States Dollars (USD)				
Cash and cash equivalents	7	2	4	2
Trade and other accounts receivable	46	68	76	68
Trade and other accounts payable	(73)	(104)	(63)	(81)
Gross statements of financial position exposure	(20)	(34)	17	(11)
Currency forwards purchase (sales), net	(1)	36	(23)	36
Net assets (liabilities) exposure	(21)	2	(6)	25
Euros (EUR)				
Trade and other accounts payable	(376)	(3)	(376)	(3)
Gross statements of financial position exposure	(376)	(3)	(376)	(3)
Currency forwards purchase (sales), net	503	311	503	311
Net assets (liabilities) exposure	127	308	127	308

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Australian Dollars (AUD)				
Trade and other accounts payable	(1)	(1)	(1)	(1)
Gross statements of financial position exposure	(1)	(1)	(1)	(1)
Currency forwards purchase (sales), net	-	-	-	-
Net assets (liabilities) exposure	(1)	(1)	(1)	(1)
Chinese Yuan (RMB)				
Trade and other accounts receivable	-	-	48	170

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counter party to settle its financial and contractual obligations to the Group/Company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position. However, due to the large number of parties comprising the Group's/Company's customer base, management does not anticipate material losses from its debt collection.

Liquidity risk

The Group/Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's/Company's operations and to mitigate the effects of fluctuations in cash flows.

Carrying amount and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount	Consolidated financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in million Baht)</i>					
31 December 2019					
Current					
Short-term investment in trading securities	200	-	200	-	200
Non-current					
Long-term investment in available-for-sale securities	87	87	-	-	87
31 December 2018					
Current					
Short-term investment in trading securities	575	-	575	-	575
Non-current					
Long-term investment in available-for-sale securities	409	409	-	-	409
Separate financial statements					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		<i>(in million Baht)</i>			
31 December 2019					
Current					
Short-term investment in trading securities	3	-	3	-	3
Non-current					
Long-term investment in available-for-sale securities	71	71	-	-	71
31 December 2018					
Current					
Short-term investment in trading securities	503	-	503	-	503
Non-current					
Long-term investment in available-for-sale securities	394	394	-	-	394

Carrying amount and fair value of 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 debenture

The carrying amount approximates fair value because the debenture bear interest at approximately market rates.

33. Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within 1 year	55	53	4	7
1 - 5 years	71	82	1	5
After 5 years	25	209	-	-
Total	151	344	5	12
<i>Other commitments</i>				
Unnegotiated letters of credits for goods and supplies				
	62	95	24	37
Purchase orders for goods and services accepted by suppliers				
	2,932	3,923	2,024	3,384
Purchase forward contracts				
	525	369	503	369
Selling forward contracts				
	23	22	23	22
Bank guarantees <i>(for projects performance, customers tender guarantees and debenture)</i>				
	4,709	5,435	2,798	3,145
Total	8,251	9,844	5,372	6,957

The purchase and sale forward contracts of 2019 will come to maturity within September 2020 (2018: December 2019).

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 2019, the subsidiary has ceased the operation from the said agreement and is under negotiation on the expenses, damages and termination of agreement.

In June 2016, the Company has entered into a rental telegraph pole agreement with State Railway of Thailand for installing fiber-optic cable line. The agreement has period of 30 years. The Company has to pay rental fee on annually basis which the rental rates are details as follows;

- Year 1 to Year 5 rental fee Baht 5.79 million per year
- Year 6 to Year 10 rental fee Baht 6.66 million per year
- Year 11 to Year 15 rental fee Baht 7.66 million per year
- Year 16 to Year 20 rental fee Baht 8.81 million per year
- Year 21 to Year 25 rental fee Baht 10.13 million per year
- Year 26 to Year 30 rental fee Baht 11.65 million per year

In July 2019, a subsidiary was authorised by the State Railway of Thailand to transfer the said leasehold rights to a non-related party. As at 31 December 2019, the transfer of the said leasehold rights is in process and expected to completely transferred within May 2020. The management of the subsidiary believe that the subsidiary do not have obligation to pay in the future from the said agreement.

34. Contingent liability

- (a) A subsidiary is subject to a litigation claim as the subsidiary and its customer were jointly sued by a subcontractor claiming for breach of contract. The claim for compensation amounted to Baht 19 million. Consequently, in April 2019, the subsidiary submitted the counterclaim to the Civil Court. The claim for compensation amounted to Baht 24 million, and 7.5% interest from date of counterclaim onwards until the subcontractor completes payment to the subsidiary. As at 31 December 2019, the litigation proceeding in the Court was underway. The management of the Company and its subsidiary believe that the subsidiary is not liable to pay compensation. Therefore, no provision for the litigation has been set aside in the financial statements.
- (b) A subsidiary has entered into a sale contract with a state enterprise, amounting to Baht 89 million. A subsidiary has partially delayed to deliver the product. As a result, in September 2019, the subsidiary received a notice to reserve the right to claim penalty of Baht 41.7 million according to the contract. During October 2019, the subsidiary sent a letter to the contractor requested them to reconsider the penalty according to the contract as the amount of the penalty informed is too high which is inconsistent with the interpretation and penalty calculation according to the contract and inconsistent with the penalty calculation according to the regulations of the Ministry of Finance regarding Government Procurement and Supplies Management Act B.E. 2017. According to correction of calculation, the maximum delayed penalty is Baht 2.0 million which management of the subsidiary is currently in the process of negotiation with the contractor and expects the revised penalty to not exceed the said amount.

- (c) A subsidiary has entered into a project work contract with a government agency, amounting to Baht 123 million. As at 31 December 2019, the subsidiary intends to cease the operation of the said contract as there are external factors that cause the subsidiary to be unable to perform the work according to the contract and is in the process of negotiation to terminate the contract. The management of the subsidiary believes that the subsidiary can terminate the contract without any penalty. As a result, the Group does not recognise the provision for such penalty in the financial statements as at 31 December 2019.

35. Events after reporting period

At the meeting of the Executive Board of the Company held on 29 January 2020, the Executive Board approved the increase in registered share capital of Travel Ads Network (Thailand) Co., Ltd., a joint venture of the Company, from Baht 27.7 million to Baht 39.6 million, which the Company does not intend to exercise the right to increase the share capital, resulting in the decrease in percentage of holding in the joint venture from 51% to 36%.

At the meeting of the Board of Directors of the Company held on 26 February 2020, the Board of Directors approved the loan to Loxley Power Systems Co., Ltd., a subsidiary of the Company, within the limit of Baht 200 million.

36. Thai Financial Reporting Standards (TFRS) not yet adopted

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 when initially adopted, and will become effective for the financial statements in annual reporting periods beginning on or after 1 January 2020, are as follows:

TFRS	Topic
TFRS 7*	Financial Instruments: Disclosures
TFRS 9*	Financial Instruments
TFRS 16	Leases
TAS 32*	Financial Instruments: Presentation
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments

* TFRS - Financial instruments standards

(a) TFRS - Financial instruments standards

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. When these TFRS are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled. The impact from adoption of TFRS – Financial instruments are as follows:

(i) Classification – Financial assets

TFRS 9 classifies financial assets into three categories: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The standard eliminates the existing classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105. The classification under TFRS 9 will be based on the cash flow characteristics of the financial asset and the business model in which they are managed.

Under TFRS 9, derivatives will be measured at FVTPL. It shall replace current accounting policies of the Group/Company on recognition when the derivatives were exercised.

(ii) Measurement at amortised cost

Under TFRS 9, interest income and interest expenses recognised from all financial assets and financial liabilities measured at amortised cost shall be calculated using effective interest rate method. TFRS 9 shall replace current accounting policies of the Group/Company on recognition of both finance cost and finance income at the rate specified in the contract.

(iii) Impairment - Financial assets and contract assets

TFRS 9 introduces forward-looking ‘expected credit loss’ (ECL) model whereas currently the Group/Company estimates allowance for doubtful account by analyzing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis.

The new impairment model will apply to financial assets measured at amortised cost or FVOCI, except for investments in equity instruments.

Transition

The Group/Company expects to initially adopt these TFRS by adjusting the impact to retained earnings or other component of equity on 1 January 2020. Therefore, the Group/Company will not apply the requirements of these TFRS to comparative information.

<i>Statement of financial position</i>	Consolidated financial statements	Separate financial statements
<i>At 1 January</i>	2020	2020
	<i>(in million Baht)</i>	
Decrease in trade account receivables	(18)	(16)
Increase in other long-term investments	139	35
Increase in derivative liabilities	(41)	(41)
Increase in deferred tax liabilities	(28)	(7)
(Increase) decrease in retained earnings	(52)	29
Increase in non-controlling interests	(41)	-

(b) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset and a lease liability. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases. When this TFRS is effective, some accounting standards and interpretations which are currently effective will be cancelled.

Currently, the Group/Company recognises payments made under operating leases and relevant lease incentives in profit or loss on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised. Under TFRS 16, the Group/Company will recognise right-of-use assets and lease liabilities for its operating leases as disclosed in Note 33. As a result, the nature of expenses related to those leases will be changed because the Group/Company will recognise depreciation of right-of-use assets and interest expense on lease liabilities.

Transition

The Group/Company plans to apply TFRS 16 initially on 1 January 2020, using the modified retrospective approach. Therefore, the cumulative effect of adopting TFRS 16 will be recognised as an adjustment to the retained earnings at 1 January 2020, with no restatement of comparative information.

The Group/Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply TFRS 16 to all contracts entered into before 1 January 2020 and identified as leases in accordance with TAS 17 and TFRIC 4.

The preliminary impact assessment of initially applying TFRS 16 on the financial statements is as follows:

<i>Statement of financial position</i>	Consolidated	Separate
	financial statements	financial statements
<i>At 1 January</i>	2020	2020
	<i>(in million Baht)</i>	
Increase in right-of-use assets	182	37
Increase in lease liabilities	182	37

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